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DEPARTMENT OF POSTS

Postal Financial Handbook-Vol. I

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P R E F A C E

This edition of Financial Hand Book, now known as '**Postal Financial Hand Book Vol.-I**', brings the publication up-to-date. Second edition of this Handbook was last published in the year 1970. Lots of changes have taken place during this long span of more than five decades in the Business of the Department of Posts as well as in the procedure and execution of rules at ground. This Handbook contains General Principles and Rules and General Outlines of the System of Accounts specifically from the point of view of the Drawing and Disbursing Officers. Department has completely transformed in rolling out various new product and services and also embracing the new technology to keep pace with other contenders in the market. Necessary addition of new services/products with their accounting procedures has, therefore, also been attempted in this Handbook.

Rules have been given an appropriate addition in view of introduction of ERP application. Rules which have been found obsolete in today's context have been deleted, whereas generic rules have been retained in their original form. For example, consequent upon implementation of recommendation of 7th CPC, all advances to the Government Servants except LTC Advance, TA Advance on tour or transfer, Travelling Allowance for family of deceased Government servant, Advances for medical treatment and Computer Advance have been abolished. Suitable changes, therefore, have been made in the relevant rules supplementing them with the Government of India's Decisions and also citing various orders and instructions issued by the Government from time to time. Efforts have also been made to simplify the rules citing the relevant references and also in some places inserting relevant extracts from 'Receipts and Payments Rules', 'Central Treasury Rules-1983', 'GFR-2017', GAR 1990, 'Civil Accounts Manual (Revised Edition)-2007 Volume -I', 'Compendium on Welfare Schemes-2018', 'Compendium on Preservation and Disposal of Records', 'Manual for Procurement of Goods-2017' etc. Therefore, readers can enrich their knowledge and have a detailed understanding of the rules while referring above publication at the time of execution. The changes and modification carried out in this edition of Postal Financial Handbook Vol. I, supersedes the earlier corresponding provision of P&T FHB Vol-I, 2nd Edition-1970.

Despite best efforts to make this book flawless, the possibility that still some errors may have crept in, cannot be ruled out. Therefore, errors and omissions, if any, may be brought to the knowledge of PA Wing of Postal Directorate immediately for issuing necessary amendments thereto. Any addition, deletion or correction to any of the contents of this Handbook will be issued by the PA Wing only after the approval of the Secretary and Chief Accounting Authority, Department of Posts.

(Alok Sharma)

Date: 14.01.2022

**Director General
Postal Services**

FOREWORD

The P&T Financial Handbook, Volume –I was last issued by the Director- General, Post and Telegraphs in 1970. Since then, the Department, as a whole, and the services in particular, have undergone sea change. The accounting was P&T centric after the Departmentalization of Accounts in the year 1976 in the Ministry of Communications. Further with the separation of Department of Telecom from the erstwhile P&T, it became specially focused on the Postal business but many of the accounting Manuals still remained P & T centric. Department of Posts during this long period of more than 50 years has been transformed in many ways, be it a roll out of number of new business products catering the requirements of this age or embracing the new technology. Certainly, this has had an impact on the accounting systems of the Department.

Since the publication of last edition of P&T FHB Volume I in the year 1970, lot of changes have taken place in the rules in order to make them simple and practicable in their implementation by the departmental employees as well as the public enjoying the services of the Department, but due to non-revision of the last edition of P&T FHB Vol-.I, it has somehow lost its usefulness, utility and credibility amongst the users.

Therefore, the Department has now decided to come up with the revised edition of ***‘Postal Financial Hand Book Volume-I’***, incorporating therein the latest references and extracts of Rules from ‘Receipts and Payments Rules’, ‘Central Treasury Rules-1983’, ‘GFR-2017’, GAR 1990, ‘Civil Accounts Manual (Revised Edition)-2007 Volume –I’, ‘Compendium on Welfare Schemes-2018’, ‘Compendium on Preservation and Disposal of Records’, ‘Manual for Procurement of Goods-2017’ published by the Government of India and other orders and instructions issued by the Government from time to time. Rules which have become obsolete or replaced by the new ones have been deleted from this Volume.

The endeavour of the Department has been to make this Handbook more meaningful and useful, from the DDO’s perspective and also for the staff working in the field units while referring it in handling of multiple tasks. It is also important to mention here that while pursuing this task of revision, it is quite possible that some errors may have crept in. We would heartily appreciate if those errors and omissions are brought to the notice of the PA Wing, Dak Bhawan immediately as and when they are noticed. Then only can this book be useful and fruitful to every such person who refers it, in real manner.

(Anil Kumar Nayak)

Date: 14.01.2022

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CHAPTER I
GENERAL
INTRODUCTORY

Rule 1. The rules contained in this Handbook describe primarily the procedure relating to the initial and compiled accounts of officers of the Department of Posts. The general rules in the Receipts and Payment Rules-1983, the Treasury Rules, Government Accounting Rules 1990(GAR), GFR-2017 and other Financial Rules issued by the Central Government from time to time which are applicable to the Department have been included in this Handbook with necessary modification. Special rules applicable to the Department have also been supplemented in this Handbook. Rules in this Handbook describe also (1) the financial rules of the Department and (2) the rules pertaining to initial accounts framed by the Controller General of Accounts (CGA) which should be followed by all officers dealing with the disbursing offices of the Department.

Rule 2. Unless there is something repugnant in the subject or context, the terms below have been used in this Handbook in the sense herein explained: —

(a) The *Accounts Officer* means the Head of an Office of Accounts

(b) "*The Bank*" means any office or branch of the Banking Department of the Reserve Bank of India, any branch of the State Bank of India acting as the agent of the Reserve Bank of India in accordance with the provisions of the Reserve Bank of India Act (2 of 1934) and any branch of a Subsidiary Bank as defined in Section 2 of the State Bank of India (Subsidiary Banks) Act 1959 (38 of 1959) which is authorized to transact Government business as agent of the State Bank of India, or any other agency appointed by the Reserve Bank of India.

Ministry of Finance (Department of Economic Affairs) letter No. F-10(60)-B/65, dated 31-8-1966 issuing C. S. No. 477 to compilation of Treasury Rules, Volume I (First Edition/Seventh Reprint).

(c) The *Secretary* means Secretary, Department of Posts

(d) The *Director General* means the Director-General of Department of Posts.

(d) The *Department* means the Department of Posts.

(e) The *Government* means the Central Government.

(f) The *Head of a Circle* means a Chief Postmaster General of a Circle, Department of Posts and/or any other Officer specifically declared as such by the Competent Authority.

g) The *Head of a Department* means any authority declared under S. R. 2(10) if the declaration is made in general terms and not with reference to certain specified rules only, or any other Officer specifically declared as such by orders of the President for the purpose of these rules.

NOTE: - The President has declared the Director-General of Department of Posts to be Head of the Department.

h) For the purpose of Schedule-II - "*Schedule containing the Financial Powers of the HOC and HOD of the Department of Posts*, Sr. DDG (PAF) and GMs (PAF) also.

i) *Treasury* includes a sub-Treasury. The term also means the Bank where it conducts the cash business of a Treasury.

Rule 3. In respect of offices in which there are more than one Gazetted Officers, Heads of Departments are authorized to declare any of the Gazetted Officers, other than the actual Head of the Office to be the Head of an Office for the purpose of the rules in this Handbook.

CHAPTER II
General Principles and Rules

A - RECEIPT OF MONEY

General Instructions

Rule 4. (1) All transactions in India to which any officer of the Government in his official capacity is a party, must without any reservation, be brought to account. Moneys received by him as dues of Government or for deposit in the custody of Government should be paid in full without undue delay, into a Treasury or into the Bank to be credited to the appropriate account and made part of the general treasury balance. Other moneys, the deposit of which in the custody of Government is not authorized by Government, should be dealt within accordance with Rule 5. The appropriation of departmental receipts to departmental expenditure is prohibited except to the extent indicated below: -

(a) In the case of Post Offices, cash receipts may be used by Postmasters, under departmental regulations, for departmental purposes, only the surplus collections being remitted by the Postmasters to the Bank or Treasury; other postal officials (including officials of the Railway Mail Service) should, however, lodge in full, at the most convenient Post Office, any money which they receive in their official capacity, and the Postmaster should credit it to the appropriate head of account, and make it part of the cash balance of his office.

(2) In special cases, remittance transactions with other Departments of Government or recognized private firms, may be authorized (on specified conditions) by the Government. The conditions under which such transactions may be made and the manner in which they shall be included in the Public Account shall be decided by the Government in consultation with the Comptroller and Auditor General.

Rule 5. (a) Under Article 284 of the Constitution, all moneys received by or deposited with any Officer, employed in connection with any affairs of the Union in his capacity as such, other than Revenues or public money raised or received by Government shall be paid into the Public Account.

(b) The head of account to which such moneys shall be credited and the withdrawal of moneys therefrom shall be governed by the relevant provisions of the Postal Accounts Manual and the Financial Handbooks or such other general or special orders as may be issued in this behalf.

Rule 6. The Public Account is the account maintained of moneys which have passed into the custody of Government. It does not cover moneys paid to a Government servant in an official or any other capacity, unless such moneys have been paid by such Government servant into the Government account at a Treasury or the Bank. Every Government servant, therefore, should, without undue delay, pay into the Public Account all moneys received by him as dues of Government or for deposit in the custody of Government; and no Government servant should deposit in a private Bank moneys withdrawn from the Public Account.

Rule 7. A Government servant 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. The Government servant supplied with funds shall be held responsible for seeing that payments are directly made into the Bank Accounts including POSB to the persons entitled to receive them, and in cases, in which the acquittances of the actual payees are not sent for audit, he should be personally responsible for proper disbursement.

Rule 8. The Head of an Office where money is received on behalf of the Government must give the payer a receipt/e-receipt duly signed by him after he has satisfied himself before signing the receipt that the amount has been properly entered in the Cash Book. If the circumstances so justify, the Head of the Office may, at his discretion, authorize any other Officer subordinate to him, whether Gazetted or non-Gazetted, to sign such receipts for him. Unless otherwise provided, the receipt should be granted in eACG.-67

The money received by Head of an Office shall be credited directly into Government account by using appropriate General Ledger accounts of SAP. The person remitting the amount will be provided with appropriate acknowledgement in e-receipt.

NOTE -Manual use of **ACG 67** upon introduction of technology and digitisation of working of the Department has been discontinued. Only digital ACG 67 (system driven) is in use for present.

Check of Receipts

Rule 9. It is ordinarily the duty of the Departmental Officers and not of the Accounts Officer, to see that the dues of the Department are regularly collected and brought to account.

B. PAYMENT OF MONEY

General Instructions

Rule 10. Save as expressly provided by or under these rules, or unless the Government after consultation with the Comptroller and Auditor General otherwise direct in any case, moneys may not be withdrawn from the Public Account without the written permission of the Disbursing Officer or of an Accounts Officer.

Rule 11. An Accounts Officer may, within the limit of his own jurisdiction, permit withdrawal for any purpose. Unless expressly authorized by these rules or by any special orders of the Government, an Accounts Officer may not permit withdrawal at a place outside the limits of his own jurisdiction.

Rule 12. (1) Except as otherwise provided in these rules, a Disbursing Officer may permit withdrawal for all or any of the following purposes, namely: -

(i) To pay sums due from the Government to the Drawing Officer;

(ii) To provide the Drawing Officer with funds to meet claims likely to be presented against the Government in the immediate future by: -

- (a) Other Government servants, or
- (b) Private parties.

(iii) To enable the Drawing Officer to supply funds to another Government Officer from which to meet similar claims;

(iv) To pay sums on account of loans and advances.

(2) Unless expressly authorized by an Accounts Officer, a Disbursing Officer shall not permit withdrawal for any purpose not specified in sub-rule (1) of this rule.

Rule 13. Except as otherwise provided, a Disbursing Officer shall not permit withdrawal for any purpose unless the claim for withdrawal complies with the provisions of the rules as to the person by whom, and the form in which, the claim shall be preferred and the checks to which the claim shall be submitted by the Disbursing Officer before directing payments thereof.

Rule 14. Except as otherwise provided, a payment shall only be made at the office under the jurisdiction of which the claim arises.

Rule 15. As a general rule no Authority may incur any expenditure or enter into any liability involving expenditure from Public Funds until the expenditure has been sanctioned by general or special orders of the President or by an authority to whom power has been duly delegated in this behalf and the expenditure has been provided for in the authorized grants and appropriations for the year.

Rule 16. A Disbursing Officer has no general authority to make payments on demands presented at the office, his authority to make payments being strictly limited by the provisions of the rules in this Handbook and of the financial rules included in the Postal Manual. If a demand of any kind is presented at a disbursing office for payment which is not authorized by or under the rules referred to above, or is not covered by a special order received from the Accounts Office, the Disbursing Officer shall decline payment for want of authority. A Disbursing Officer has no authority to act under an order of Government sanctioning a payment, unless it is an express order to him to make the payment, and even such special orders should, in the absence of urgency, be sent through the Accounts Officer.

NOTE 1.- This rule does not authorize the Disbursing Officer to refuse payment of bills which do not comply with the provision of certain rules of Financial Hand-book, requiring that sanction to certain special charges should be quoted on the bills when the omission to comply with these provisions is due to the fact that the necessary sanction has not been obtained. The responsibility for incurring such unsanctioned charges rests with the Drawing Officer, and the Disbursing Officer is not empowered to refuse the payment of such bills on the ground that the charges have not been sanctioned.

NOTE 2.- A Disbursing Officer has no authority to make a payment on a bill or voucher not presented in the prescribed form.

Rule 17. (a) When bills presented for payment contain obvious inaccuracies or arithmetical mistakes, which can be corrected, a Disbursing Officer need not return such bills but may correct them and pay the corrected amount of the bills.

(b) Similarly, when bills contain doubtful items which can easily be eliminated, the Disbursing Officer should disallow the doubtful items and pay the remainder of the bill.

NOTE. —In both the cases the corrections made and the reason therefor should be intimated to the drawer of the bill and, if necessary, to the Accounts Officer.

Rule 18. All cheques, bills, etc., preferable at a Treasury for payment being non-negotiable instruments, can be endorsed only once in favour of the specific party to whom the money is to be paid;

Provided that—

(1) When the endorsement is made on a cheque or a bill in favour of a Banker, a second endorsement can be made by the Banker in favour of a messenger or an agent for collection only,

(2) In the case of a contingent bill which has been endorsed in favour of a firm of suppliers, etc. the firm, etc., can re-endorse to its Banker or to a messenger for collection only, and the Banker can in turn endorse it to a messenger or an agent for collection only. Thus, in all three endorsements are permissible in such cases, provided that of the three one is to the payee's Banker and one is to a messenger or agent for collection only, and

(3) An Agent may, notwithstanding anything contained in Clauses (1) and (2) for the purpose of collecting the cheque or bill, endorse it in favour of his messenger.

Explanation- In this Rule, a 'Banker' includes a Post Office savings Bank and an agent means any Bank, including POSB, acting as a collecting agency for and on behalf of the payees Banker.

NOTE- Cheques drawn directly on the Bank without the intervention of the Treasury Officers are negotiable instruments and are not subject to the provisions of this Rule.

Seal and Specimen Signature

Rule 19. The Accounts Officer will supply disbursing offices under his jurisdiction with a copy of the specimen signature of all Gazetted Officers serving under him who are authorized to sign payment orders on bills and vouchers or to issue letters of authority for payments to be made at such disbursing offices. Before a Disbursing Officer pays a bill on the authority of

an order purporting to have issued from the Accounts Office, he should verify the signature on the order by comparison with the specimen signature of the Signing Officer.

NOTE —Every payment order or authority relating to a service, debt or deposit head, when issued by an Accounts Officer on a disbursing office outside his jurisdiction, should be signed by a Gazetted Officer and passed on to the Accounts Officer in whose jurisdiction the disbursing office is situated for counter-signature and onward transmission to the Disbursing Officer concerned.

Rule 19-A. Every Officer who is authorized to draw funds from Post Office shall send a specimen of his signature to the Postmaster concerned through some superior or other Officer whose specimen signature is already with the Post Office. Before allowing payment, the Postmaster concerned should verify the signature of the drawer with the specimen signatures on record. When such an Officer makes-overcharge to another, the procedure prescribed in Rule 149 *ibid* should be followed.

Final payment of GPF money

Rule 19-B. The copy meant for the Disbursing Officers of all General Provident Fund final payment authorities, issued by the Circle Postal Accounts Office shall be stamped with a special metallic embossing seal bearing the name of the office of issue. All Disbursing Officers should, before acting on the authorities for final payment issued by the Circle Postal Accounts Offices, in addition to the usual checks and safeguards, ensure and verify that the payment authority has been embossed with the specific metallic seal of the office of issue. It should also be ensured that no final payment of the General Provident Fund is made without verification of the special seal and specimen signature of the Officer authorized to issue payment authorities for the GPF claims. The specimen of the special seal which would be supplied by the Heads of Circle Accounts Offices to facilitate verification should be kept in the personal custody of the Disbursing Officers.

It envisages crediting the GPF final payment directly into the Bank/POSB account of the subscriber without obtaining the signature of the subscriber.

Presentation of claims

Rule 20. Save as otherwise provided, any person having a claim against the Department will present his bill duly receipted and stamped, where necessary.

Explanation- 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.

Claims by Government servants

Rule 21. No payment shall be made on account of pay or allowances drawn for the first time from a disbursing office by a Government servant other than a person newly appointed to Government service, unless the claim be supported by a Last Pay Certificate in the prescribed form.

Rule 22. Unless otherwise provided in the rules, no payment may be made without the orders of the Accounts Office to a Government servant transferred from another Department or on return from leave out of India.

Rule 23. The pay, leave salary or allowances of a Gazetted Government servant, or a reward or honorarium payable to a Gazetted Government servant or any pension shall not be paid until the Accounts Officer has intimated to the Disbursing Officer the rate at which payment shall be made; provided that the Government may, for special reasons and with the concurrence of the Comptroller and Auditor-General, waive the provisions of this rule.

NOTE. -Fees payable to a Gazetted Government Servant from the revenues of a Government other than that under whom he is employed shall be paid only with prior authority of the Accounts Officer for the Gazetted Government Servant.

Arrear Claims

Rule 24. No claims against the Government, other than those by one department against another or by a state Government, not preferred within two years of their becoming due can be presented without an authority from Circle Accounts Officer, provided that such claims are not exceeding Rs. 500 if presented within three years of their becoming due may be paid without pre-check by the Circle Accounts Officer:

Provided further that this rule shall not apply to the following categories of such claims: -

- (a) claims on account of pensions, the payment of which is regulated by Rule 124 of F. H. B. Volume II;
- (b) claims on account of interest on Government Securities; and
- (c) any other class of payments which are governed by special rules or orders of Government.

NOTE 1. —For the purpose of this rule, the date on which the claim is presented at any office of disbursement should be considered to be the date on which it is preferred.

NOTE 2. —No authority from the Accounts Officer is necessary in the case of delayed payment of works charges and bills of air carrier.

NOTE 3. —The bills for claims more than two-year-old shall be subjected to pre-audit by the Circle Account Officer as required under rules, even if the net amount payable after adjustment of advance dues, etc. is nil (irrespective of whether they are payable in cash or by book adjustment).

Rule 25.(A). The right of a Government servant to travelling allowance, including daily allowance is forfeited or deemed to have been relinquished if the claim for it is not preferred within sixty days from the date on which it becomes due.

[Rule No. 290 of GFR- 2017]

NOTE 1. — A claim for Travelling allowance of a Government servant which has been allowed to remain in abeyance for a period exceeding one year should be investigated by the Head of the Department concerned. If the Head of Department is satisfied about the genuineness of the claim on the basis of the supportive documents and there are valid reasons for the delay in preferring the claims, the claims should be paid by the Drawing and Disbursing Officer or Accounts Officer as the case may be after usual checks.

[Rule No. 295(3)(i) of GFR- 2017]

(B). Leave Travel Concession claim of a Government servant shall fall due for payment on the date succeeding the date of completion of return journey. The time limit for submission of the claims shall be as under: -

(i) In case advance drawn: Within thirty days of the due date.

(ii) In case advance not drawn: Within sixty days of the due date.

In case of (i) above if the claim is not submitted within one month of the due date, the amount of advance shall be recovered but the Government employee shall be allowed to submit the claim as under (ii) above. In case of failure to submit the claim in both the cases within the prescribed time lines, the claim shall stand forfeited.

[Rule No. 292 of GFR- 2017]

Note 1: On Government servant's failure to submit the claim within one month where an advance has been drawn by him, he shall be required to refund the entire amount of advance forthwith in one lump sum. No request for recovery of advance in installments shall be entertained.

[Rule 15 (vi) of Central Civil Services (Leave Travel Concession) Rules, 1988].

GOVERNMENT OF INDIA'S DECISIONS

- (1) Relaxation in LTC Rules- Delegation of Powers to Ministries/Departments regarding time limit for the submission of the claim:** - 1. Rule 14 and 15 of LTC Rules provide that a claim for reimbursement of expenditure incurred is to be submitted within three months after the completion of the return journey if no advance has been drawn and within one month after the completion of the return journey if advance has been drawn. It has now been decided to delegate the powers to relax these provisions to the Ministries/ Departments, where a Government servant is not in a position to submit the claim within the prescribed time limit and the Ministry/ Department is satisfy that he was not able to do so due to compelling circumstances

beyond his control. The Ministry/ Department concerned with the concurrence of Financial Advisor can admit the claims in such cases in relaxation of the provisions subject to the following time limits without reference to DoPT: -

(a). Where no LTC Advance is taken, LTC bill is submitted within a period not exceeding six months;

(b). Where LTC advance has been drawn the LTC claim for reimbursement submitted within a period of three months after the completion of the return journey (provided the Government servant refunds the entire advance within 45 days after the completion of the return journey).

2. Ministries/ Departments are requested to keep these instructions in view while processing belated LTC claims.

3. These instructions will be affected from the date of issue of this OM.

[Government of India, DoPT OM No. 31011/05/2007-Estt.(A-IV), dated 27.09.2007.]

(2). LTC Claims- Needs for observing prescribed procedures. -

1. This Department receives a large number of recommendations for relaxation of some or other provision of the Central Civil Service (Leave Travel Concession) Rules 1988, (herein after referred to as LTC (Rules) in individual cases. It is seen that; in most cases the situation arises are due care had not been exercised by the Government servant and/or the administrative authority in claiming LTC or in examination.

2. The references mainly relate to:

- (a) Late submission of claims;
- (b) Booking of fair-tickets through an agency not authorized by the Government for this purpose;
- (c) Travel by private vehicles and
- (d) Claims for wrong block of years.

3. In this connection it may please be noted that the primary responsibility for ensuring compliance with the rules is that of the Government servant. The of-repeated plea of ignorance of rules cannot be a valid ground for relaxation of rules. At the same time, it has also been noticed that the administrative authorities have also shown laxity and due diligence on their part could have prevented such situations from rising.

4. Late Submission of Claim:-In terms of Rules 14 & 15 (vi) of LTC Rules, the time limit for submission of LTC claims:-

- i) Within three months of completion of return journey, if no advance is drawn;
- ii) Within one month of completion of return journey, if advance is drawn.

Powers have been delegated, as under, to the Ministries/Departments to relax these limits with the concurrence of the Financial Advisor.

- a. Up-to 6 months, if no advance is drawn;
- b. Up-to 3 months if advance is drawn, provided the Government servant refunds the entire amount of advance (not merely the unutilised portion) within 45 days of completion of return journey.

4.2. As per Rule 12(a) of the 'Compendium of Rules on Advances to Government Servants', it is the responsibility of the Head of Office to effect recovery of advances and also to see that the conditions attached to each advance are fulfilled. The Drawing and Disbursing Officer (DDO) is required to keep a watch on the advances and furnish monthly statements to the AP&AO. In addition, the DDO is also required to adjust all outstanding short-term advances at the close of Financial year.

5. Booking of air tickets through agents other than Government approved agents.

5.1 Government servants travelling by air under LTC are required to book their tickets either directly from the airline or through the approved agencies viz: M/s Balmer Lawrie & Co. Ltd, M/s Ashok Tours & Travels Ltd/ IRCTC. Booking through any other agency is not permissible.

6. Travel by private vehicles:

As per LTC rules, a Government servant may travel only by vehicles operated by Central/State Government or local bodies or by any corporation in the public sector owned/controlled by Central/State Government, Journey on LTC by taxi, auto-rickshaw etc., are permissible only between places not connected by rail. This is further subject to the condition that these modes operate on a regular basis from point to point with the specific approval of the State Governments/ transport authorities concerned and are authorized to ply as public carriers.

7. Claims for wrong block of years:

Whenever a Government servant applies for LTC advance, the administrative authority is required to verify from the Service Book and certify the entitlement of the Government servant. Cases of the type mentioned in para 2(d) would not arise, if this is properly done.

8. LTC Rules also provide that a Government servant who has been granted LTC Advance is required to submit copies of the tickets within 10 days of drawal of advance. The administrative authority can at this stage itself check the date of commencement of journey; whether ticket has been booked direct from airline *or* through approved agency etc. Any discrepancy can be brought to the notice of the Government servant so that he can take remedial action, if needed.

9. Even in cases where the advance is not drawn, the Government servant is required to give

prior intimation of his intention to avail LTC. The administrative authority can check the details indicated especially w.r.t.entitlement. A watch can also be kept to ensure timely submission of claims.

10. All Ministries/Departments are requested to bring the contents of this O.M. to the notice of all concerned. It may also be noted that requests for relaxation of rules shall be considered by this Department only if it is established that the deviation is due to reasons beyond the control of the Government servant and there has been no laxity on the part of the administrative authorities concerned.

[G.I.,DoPT O.M. No. 31011/3/2015-Estt. (A-IV) dated 01.04.2015]

Rule 26. Claims of the Department against Railways for over charges and claims of Railways against the Department for under-charges will be recognized and admitted if the claims are preferred within six months: -

(a) In the case of cash payment- from the date of payment; and

(b) In the case of warrants and credit notes-from the date of presentation of bill by the Railway Administration.

Explanation. —The terms “overcharges” and “undercharges” used in this Rule mean overcharges and undercharges of Railway freight including charges calculated on the basis of haulage rates and fares only. They refer to shortages and excesses in the items included in a bill which has already been rendered; the omission of an item in a bill is not an “undercharge” nor is the erroneous inclusion of an item an “overcharge”.

Rule 27. Claims of officials to arrears of pay and allowances, increments, or other dues which are not preferred *within two years of their becoming due shall not be investigated and authorized by Circle Account Officer unless -

(i) In the case of claims more than two years, but not more than **six years old, specific approval for investigation of such claims is received from the Head of the Department

(ii) In the case of claims more than six years old and connected records are available in the Circle Postal Accounts Office; specific approval to investigation of such claims is received from the Head of Department.

*[*Rule 295 of GFR 2017&**P&T memo no. 15-23/78. PAP dated 5.07.1980 respectively].*

NOTE 1.—A claim for re-imbusement of medical expenses which has been allowed to remain in abeyance for a period exceeding one year from the date of completion of treatment as shown in the last essentiality certificate issued by the Authorized Medical Attendant/Medical Officer concerned shall not be investigated by the Accounts Officer except under the special orders of the Head of the Department, if the claim is preferred at any time after the expiry of one year but not after the expiry of six year of its becoming due, and

with the sanction of the Department of the Central Government, if the claim is preferred after the expiry of six years.

NOTE 2. —The Authority competent to authorize the investigation or belated claim should be told why the claim could not be submitted when it became due.

In respect of non-Gazetted staff whose claims are drawn on establishment bills by Heads of Offices, the responsibility for making the same rests on the latter and they should invariably see that all claims are presented within two years of their falling due.

NOTE 3. —All petty claims of a Government Servant more than three years old, other than those that affect his pension, and all other claim for the delayed submission of which an adequate explanation is not forthcoming should be rejected forthwith. In recommending old claim for investigation the fact that it is normally not possible owing to the limited period of preservation of records for audit to investigate claims more than six years old, should be taken into account.

NOTE 4. —The time limits prescribed in this Rule and notes there under should be calculated from the date on which the claims become payable. In the case of a sanction accorded with retrospective effect the claim does not become payable before it is sanctioned; the time limit should, therefore, be calculated from the date of sanction and not from the date from which the sanction takes effect.

The date of preferment of the claims is the date of presentation of bills for such claims to the Accounts Office and the period to be specified for investigation by the Competent Authority in each case should be reckoned backward from the date of preferment of the claim.

NOTE 5. —As earlier claims have repercussions on later ones and the former, if irregular, would prejudice the latter, claims which are more than two year old should not be split up and the portion within two years paid without pre-audit. Instead, the entire claim should be drawn in one bill and submitted to the Accounts Officer for pre-check.

Exception - In the case of claims for allowances, etc., which have no repercussion on later claims if not preferred in time due to oversight, the splitting up may be permitted and the portion within two years may be paid without pre-check.

NOTE 6. - F.R. 27 should not be resorted to in such cases.

NOTE 7. - In view of the check exercisable on the initial pay statements by the Accounts Office, it is not necessary to subject to pre-audit arrear bills arising from sanction of revision of pay with retrospective effect. Payment of claims in such cases does not ipso facto require pre-audit which are prepared within the prescribed time limit. If, however, the arrear claim from the date of revision on introduction of the new scale is not preferred within the prescribed period of the sanction to the new scale, i.e., one year, the claim would require authorization by Accounts Office under Rule 24 of this Financial Handbook, unless such authorization has been dispensed with by special order of the Government, despite the fact that the initial pay fixation statement had been verified by Accounts Office within the

prescribed period within which a claim should be preferred. Similarly, if the claim with effect from the date of revision remains undrawn for more than three years sanction, of the Competent Authority for its investigation by Account Office would be necessary.

NOTE 8.—The claims of non-Gazetted Government servants which are not required to be pre-checked under Rule 25 (A) will be investigated and authorized by the executive itself without reference to Circle Account Office.

NOTE 9. —In so far as arrear claims of pay and allowances pertaining to those officials whose names are omitted from pay bills rendered to Circle Postal Account Office along with the monthly accounts are concerned, these powers may be exercised by the Head of Departments if the connected records (Pay bills) are available with the executive office. The same condition applies to the arrear claims of pay and allowances in respect of officials borne on establishments where a system of pre-check is in vogue and therefore pay bills are not rendered to Circle Accounts offices along with their monthly accounts. The Director-General of Post may subject to the restrictions laid down in Note 2 above and in Rule 28 sanction the investigation of arrear claims which are more than six years old provided the records relating to these claims are available with the Account Office.

[DoP Memo No. 15-23/78. PAP dated 5.07.1980.]

DIRECTOR-GENERAL'S ORDERS/ GOVERNMENT OF INDIA'S DECISIONS

(1) Head of Circles authorized to sanction investigation of arrear claims which are more than six years old- 1. The Director- General, (Posts) in exercise of powers vested in him under Rule 13(2) of Delegation of Financial Powers Rules, 1978, read with Government of India, Ministry of Finance, O M. NO 10(13)-E (Co-ord.)/75, dated 8-3-1976, is pleased to re delegate the powers to Heads of Circles/Telephone Districts and other Officers declared as Heads of Departments to issue sanction for investigation of arrear claims which are more than six years old and the connected records of which are available in the Circle Accounts Office.

2. In so far as arrear claims of pay and allowances pertaining to those officials whose names are omitted from pay bills rendered to Circle Account Office along with the monthly accounts are concerned, these powers may be exercised by the Head of Departments if the connected records (pay bills) are available with the executive Officers. The same condition applies to the arrear claims of pay and allowances in respect of officials born on establishments where a system of pre-check is in vogue and therefore, pay bills are not rendered to Circle Accounts Offices along with their monthly accounts.

[D.G. P&T. Memo No. 15-23/78, PAP, dated the 5th July, 1980, issued with the concurrence of M.F. vide U.O. No. 1319-E II (A)/80, dated the 7th June, 1980].

(2) Heads of Circles authorized to sanction ad-hoc payments of arrears of pay and allowances where claims cannot be verified - 1. Power to issue sanction for investigation of claims of arrears of pay and allowances which are more than six years old and in respect of which the connected records were available in the Circle Accounts Office, had been

delegated to Heads of Circles /Telephone Districts and other Officers declared as Heads of Departments vide Order (1) above.

2. The powers to authorize ad hoc payments of arrears of pay and arrears of allowances arising therefrom not exceeding Rs. 1,000 in cases where the pay fixation had been verified by the Audit Officer / Accounts Officer concerned and the arrear claims, cannot be verified by Circle Accounts Office due to destruction of records, are at present exercised by the Posts and Telegraphs Board. The Posts and Telegraphs Board is pleased to delegate these powers to the Head of Circles, etc., who have been declared as Heads of Departments under SR 2 (10) as mentioned in Rule 2 (g) and 2 (h) and note there under in P&T FHB, Vol. 1, subject to the conditions and to the extent laid down in Rule 28 thereof.

[DG. P&T. Memo, No. 15-53/80-PAP, dated the 2nd January 1982. issued with the concurrence of P& T. Finance, vide their Dy. No. 224/FA-I/82, dated the 16th January. 1982.]

DIRECTOR GENERAL'S INSTRUCTION

(1) Avoidance of delays in payment of arrear claims- clarificatory instructions:-

It has been observed that difficulties are very often experienced by the executive Officers regarding the circumstances in which arrear claims have to be submitted for pre-audit in terms of Rule 28 of the Posts and Telegraphs Financial Handbook, Volume I. Specific provisions already exist in Note 2 below Rule 29 and in Note 3 below Rule 27 *ibid*, regarding the circumstances in which bills have to be sent for pre-audit and in which special sanction of the competent authorities has to be obtained before a claim is submitted for pre-audit. However, in order to avoid the delays in payment of arrear claims the following clarificatory instructions are issued in consultation with the Accountant General, Posts and Telegraph and the Ministry of Finance.

1. Pay- The grant of normal increments of pay does not constitute sanctions for the purpose of Rule 27 (of the Posts and Telegraphs Financial Handbook Volume I) i.e., such claims become payable on the succeeding day of the period to which they relate and the prescribed limits are to count therefrom.

2. In the case of claims becoming due on the General revision of the dates of increments consequent upon confirmation etc. or on revision of leave orders resulting through recasting of Leave Accounts or on the declaration of results of examinations, or on reinstatement after suspension, the prescribed limits are to count from the date on which the orders are issued or the results of the examinations are declared.

3. Deceased Officials- If the claims not preferred within two years reckoned from the day following the day of death, the bills will have to be pre-audited under Rule 25 of the Postal Financial Handbook, Volume I. The order of sanction issued by a Competent Authority for payment of dues to the heir does not constitute sanction for the purpose of note 3 below Rule 27 of the Postal Financial Handbook, Volume I.

4. T. A.: - A claim for T. A. should be considered as falling due for payments on the date succeeding the date of completion of the journey in respect of which the claim is made and not from the date of countersignature of the T. A. Bills. In case of journeys undertaken to attend an obligatory examination where admissibility or otherwise of the travelling allowance is conditional and can be determined only after the results of the examination are declared, the time limit of sixty days laid down in these rules should however, be counted from the date of the announcement of the result and not from the date of the completion of journey.

(G.I, MoF, DoE, O.M, No.19030/1/2017, dated the 13th March 2018)

In case where the Officer and the member of his family complete the journey on different dates or the personal effects are transported on a date subsequent to the date on which he completes the journey, the transfer TA claims in respect of each individual journey should be considered as falling due for payment on the date succeeding the date on which such journey is completed. Similarly, the T A claims in respect of transportation of the personal effects, should be considered as falling due on the date succeeding the date on which the personal effects are actually delivered to him.

[G.I, M.F, O.M. No. F.B. (1)-E.II (A)/70, dated the 1st June, 1970]

5. Leave Salary- Since the claim for leave salary arises when the official enjoys the leave, the period of two year should count from the date of its becoming due in the normal course, irrespective of the fact that the leave might have formally been sanctioned sometime later on account of administrative delays or otherwise.

6. Medical Expenses- The date on which a bill for reimbursement of medical charges may be said to have become due should be determined in the following manners: -

(1) In case of claims which are prepared at the end of illness- the last date of treatment.

(2) In case of claims for any particular course of treatment-last day of the course of treatment.

(3) In the case of prolonged illness- last date of the period in respect of which a claim is preferred that date being a day of treatment.

(4) In case where medical charges are actually paid to the claimant at a later date, the date of such payment.

7. Pay and allowances of Contingency staff that have been allowed to fall in arrears for a period exceeding one year should also be pre-audited.

Rule 28. Old claims, the connected records of which have been destroyed in the Circle Accounts Office and which cannot, therefore, be verified by Circle Accounts Office may be paid only if the payment is sanctioned by the Government: Provided that the Departments of

the Central Government may sanction adhoc payments in respect of the following items, but excluding- (a) leave salary, (b) allowances other than those arising directly out of the fixation or re fixation of pay, (c) travelling allowance, or (d) other adhoc claim:-

(i) Arrears of pay and arrears of allowances arising therefrom, if the pay fixation has been verified by the Audit Officer/ Accounts Officer concerned and the arrear claim does not exceed Rs. 1,000/- and

(ii) Claims which are time-barred but have been or can be verified by Circle Accounts Office.

A claim against Government which is barred by time under any provisions of Law relating to limitations should ordinarily be dealt with in accordance with the Rule 27 and no claim on account of such a time-barred item should be paid without the previous consent of the Integrated Finance of the Ministry/ Department concerned. The onus is upon the claiming authority to establish a claim to special treatment for a time-barred item, and it is the duty of the authority against whom such a claim is made to refuse the claim until a case for other treatment is made out. All petty time-barred claims should be rejected forthwith and only important claims of this nature considered.

It is the duty of the Executive authority in the first instance to consider the question of time-bar before submitting a claim to the Circle Accounts Officer for sanction and Circle Accounts Office should refuse payment of all claims found to be time-barred until the sanction of Government has been obtained.

NOTE I.-The certificate from the Circle Accounts Office regarding availability of the connected records in his office is not necessary in respect of claims of non-Gazetted Government servant which are not required to be pre-audited under Rule 25. (A). In such cases, if, the records are available with the executive and the claim is over 6 years old, the Head of the Circle may sanction the investigation thereof. If, the records are not available with the executive, the sanction of the President will be necessary.

[See also DG's Orders (1) & (2) below Rule 27]

NOTE 2.-A claim sanctioned under this rule may be preferred by the Drawing and Disbursing Officer in the prescribed form and paid to the individual concerned without any specific payment authority from the Circle Accounts Office.

GOVERNMENT OF INDIA'S DECISION

Procedure for dealing with time-barred claims. —Claims for the recovery of which the remedy of action in a Civil Court is barred under the Law of Limitation should not ordinarily be rejected on the ground of Limitation alone. Such claims may be entertained, provided the authority concerned is satisfied that they are correct and genuine, and that the claimant was prevented from submitting his claim within the prescribed time-limit on account of causes

and circumstances beyond his control. The claimant should be required to establish the correctness of the claim to the satisfaction of the authority. In any case, payment in respect of the claim should not be made without the previous consent of the Integrated Finance of Ministry/ Department concerned. The claims should not be entertained if the authority concerned is satisfied that the claimant has, by his own negligence or laches, allowed it to become time-barred. All petty time-barred claims may, however, be rejected forthwith.

[Rule 296 of G.F.R 2017]

Rule 29. No payment may be made on account of increases to pay until the additional expenditure thereby caused has been provided for in the budget estimates and duly sanctioned.

NOTE. -Periodical increments of pay are not provided for in the budget estimates, and are not increase to pay within the meaning of the above rule.

Payments to Persons not in Government Service

Rule 30. Where a person not in the Government service claims payment for work done, services rendered, or articles supplied, the Disbursing Officer, unless otherwise expressly provided, should require-

(a) The submission of the claim by the Head of the Circle, or other responsible Government Officer under whose immediate order the service was done or the equivalent was given for which payment is demanded, unless there are express orders of the Government to the contrary.

(b) Failing the above in cases when it may be necessary to pay the amount of a bill drawn by a person not in the Government Service, and also when the authority of the Head of the Circle or responsible Officer is insufficient, an order from the Circle Accounts Officer should be sought, by furnishing that Officer with any particulars for obtaining the sanction of the higher authority, should such be needed.

(c) And in any event if a bill be drawn by a person not in the Government service, the Disbursing Officer should use special precautions for satisfying himself of the identity of the applicant for payment.

NOTE 1.- Payments due to contractors may be made to financing Banks instead of direct to contractors provided that the Department has previously obtained (1) an authorization from the contractor in the form of a legally valid document like the power of attorney or transfer deed conferring authority on the Bank to receive payment and (2) the contractor's own acceptance of the correctness of the account made out as being due to him by Government or his signature on the bill or other claim preferred against Government in his behalf, before settlement of the account or claim by payment to the Bank. While the receipt given by the Bank holding a power of attorney or transfer deed from the contractor constitutes a full and sufficient discharge for the payment, contractors should, wherever possible, be induced to present their bills duly receipted and discharged through their Bankers.

Nothing herein contained should operate to create in favour of the Bank any right or equities vis-à-vis the Government.

The Officer to whom such claims are submitted shall be responsible for completing the necessary formalities and for making the payment by effecting it in digital mode on creating the details like Bank account, IFSC code etc. of the person to whom the Department owes money expeditiously.

NOTE 2.- Income tax @ 2% or as prescribed by the Government from time to time is required to be deducted at source in all cases of payment to contactors and sub-contractors exceeding Rs.30,000 in terms of the provisions of Section 194-C of the Income Tax Act, 1961.

Rule 30-A. Government Officers may make such payments as are authorized to be paid out of permanent advances or imprest which they are permitted to hold under the orders of Competent Authority, subject to recoupment on presentation of bills.

[Rule 322 of GFR 2017 read with para 10.12 of Civil Accounts Manual]

Rule 31. The Disbursing Officer shall furnish to the respective Commissioners of Income-tax quarterly statements of individual payments of Rs. 250 and above made by him to non-officials on behalf of the Department on account of fees, commission, bonus and remuneration of any kind indicating the names and addresses of the payees together with the amounts paid. The monetary limit in the case of payments to contractors, etc., shall however be Rs. 1000 for each payment.

NOTE- The term 'Disbursing Officer' in this rule means the Officer who passes the bill presented by the contractor and endorses it for payment and not the Officer who makes the payment.

Payment of rent of buildings occupied by the Post Offices/ Department.

Rule 32. Rent of a building occupied by an office of the Department should be paid either on obtaining a receipt duly signed by the owner and stamped, where necessary or by crediting in to the Bank/POSB accounts of the owner according to the clauses incorporated in the agreement.

Payment of rent may be made through an agent holding a letter of introduction from the owner of the building. In such cases the agent should obtain payment on production of a receipt duly signed by the owner and stamped where necessary (vide Supra) and should sign on the reverse of the owner's receipt in token of disbursement.

Payments of rent may also be made to an agent of the owner and a separate receipt (duly stamped where necessary) should legally valid receipt may be signed by the agent. When rent is remitted by Money Order to an agent of an owner a separate receipt (duly stamped where necessary) should be obtained from the owner in addition to the Money Order acknowledgment.

Payments by e-Money Orders

Rule 33. When a departmental payment is required to be made either by a postal service or an electronic Money Order (eMO), the purpose of remittance may be briefly stated by the remitting Officer on the communication/message portion. In such cases the payee will no longer be required to give a separate receipt nor need any stamp in payment of stamp duty be affixed to the money order acknowledgment, whatever the amount of the remittance may be. The signed acknowledgment should be regarded as a sufficient voucher in support of the charge and should be treated in all respects as the receipt for the amount paid.

Exception — In cases, of remittances of pay and allowances and leave salaries by postal service electronic money orders if deductions have to be made on account of such recoveries i.e. Dues of the Co-operative Credit Society, court attachments or security deposits, and the amount deducted under the pay roll *Saving Scheme, which are not shown in the pay bills, the details of such deductions should be noted in the acknowledgment portion of the money order form. A separate receipt (duly stamped, if necessary) for the total amount of such deductions should be obtained from the payee, which should be securely pasted on the back of or to the receipted acknowledgement of the money order.

*[*See Rule 679 to 681 of Postal Manual Vol.II for instructions on Service Money Orders.]*

Rule 34. In cases in which money due by the Government paid by Postal Money Order, the cost of remittance shall, in the absence of any special rule or order to the contrary, be borne by the payee.

NOTE 1. —Petty amounts of rent and other contingent charges payable to the Railway Administrations and other Government Departments may be made by means of Service Money Orders.

NOTE 2- Pension [up to Rs. 9000/ (Rupees nine thousand only) per month] plus relief on pension admissible from time to time may at the request of the pensioner, be remitted by Postal Service Money Order.

[Note 1 below rule 360 of CTR].

C-MISCELLANEOUS

Preparation of bills and their check

Rule 35. The following general instructions regarding the preparation and form of bills should be observed by the Drawing Officer: -

- (a) Printed forms of bills as prescribed should be adopted as much as possible. Bills for all debit heads item should be drawn in separate forms printed in red ink on white paper.

(b) If, in any case, the use of a bill purely in Hindi or any Indian language is unavoidable a brief abstract should be endorsed in English under the signature of the preferring officer stating the amount, the name of the payee, and the nature of the payment.

(c) All bills must be filled in and signed in ink. The amount of each bill should, as far as whole rupees are concerned, be written in words as well as in figures. The fractions of a rupee may however, be written in figures after the words stating the number of rupees, but in case of there being no fraction of a rupee the word "only" should be inserted after the number of whole rupees and care should be taken to leave no space for interpolation as in the following examples: -"Rupees twenty-six only". "Rupees twenty-five and Paise 25."

(d) All corrections and alterations in the total of a bill whether made in words or figures, should be attested by his full signature with date of the person signing the receipt as many times as such corrections and alterations are made. Erasures and over-writings in any bill are absolutely forbidden and must be avoided; if any correction be necessary, the incorrect entry should be cancelled neatly in red ink and the correct entry inserted. Each such correction or any interpolation deemed necessary should be authenticated by the Drawing Officer setting his full signature with date against each.

(e) The correct head of classification should be recorded on each bill by the Drawing Officer, the classification in the budget being taken as a guide. This classification should also show whether the expenditure is voted or charged, and also its allocation, if any between Branches, Departments and Governments concerned.

(f) Charges against two or more major heads should not be included in one bill.

(g) Unless the Government has expressly authorized it in the case of any specified office, no payment may be made on a bill or order signed by a clerk instead of by the Head of an Office although in the absence of the latter the clerk be in the habit of signing letters for him. Nor may any moneys be paid on a bill or order signed with a stamp. When the signature on a bill is given by a mark or seal or thumb impression, it should be attested by some known person. Signature in Indian characters other than Hindi, must always be transliterated.

A person signing in Hindi should be required to indicate his full name in block letters within bracket below his signature.

NOTE I.—The Head of an Office may authorize any Gazetted Officer serving under him to sign a bill, voucher, or order, for him, communicating the name and the specimen signature of the Officer to the departmental disbursing office or the Treasury, as the case may be. This will not however, relieve the head of the office, in any way of his responsibility for the accuracy of the bill or for the disposal of the money received in payment.

NOTE 2.—Bills affixed with facsimile signature /digital signature in case of computer generated bills, of the authorized Officer presented by the municipalities and corporations for

water and electricity charges and by the Air India International on account of their dues against Government (for passage fares, cargo and excess luggage charges), forming sub-vouchers of the contingent bills, may be accepted for payment, if otherwise in order and an advance intimation of the specimen signatures of the authorized officer is furnished to the Postal Department at all times whenever a change of incumbent takes place.

(h) Bills requiring previous countersignature should be presented only after such countersignature.

(i) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charge should be quoted. Copies of sanctions accompanying a bill must be duly certified by a responsible officer specially authorized by the Head of an Office.

(j) The authority under which deductions are made in a bill should be quoted.

(k) Dates of payment should when possible be noted by the payees in their acknowledgments in sub-vouchers, acquittance rolls, etc. If, for any reason, such as illiteracy or the presentation of receipts in anticipation of payment, 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.

(l) When the Drawing Officer requires payment to be made through some other person or agency, he must specifically endorse an order or furnish such authorization as may be necessary to pay to that specified person or agency. The general position in regard to endorsements on a bill is set out in Rule 18.

(m) The spaces left blank either in the money column or in the column for particulars of the bill should invariably be covered by oblique lines.

(n) 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.

NOTE. —"Under rupees thirty only" will mean that the bill is for a sum not less than Rs. 20 but less than Rs. 30; and similarly, "under rupees eight hundred only" will mean that it is for less than Rs. 800 but not less than Rs. 700/-.

(o) Only the correct, complete and authorized designations and other terms should be used in the Bills and the official correspondence. Where want of space in a bill does not allow the reproduction of the full term and the use of some abbreviation is unavoidable, such abbreviations should be fully explained by suitable remarks in the "Remarks" column of the bills.

(p) When payment is desired wholly or partly by a Bank Draft, or in cases where payments are made by the treasuries, like the treasuries in New Delhi, by cheques in favour of another payee a 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.

(q) When it is desired that either the whole or a part of the amount of a bill should be remitted to a person or persons by e-Money Order, the bill should be accompanied by a properly prepared e-Money Order Form or Forms, as the case may be, amount of the e-Money Order as well the amount of commission due thereon should be shown as deductions in the bill. The purpose of the e-Money Order must be briefly stated on the communication/message portion of the e-Money Order.

Note 1- After digitization of HR activities by the Department, the process of preparation of Bill of pay and allowances may differ on technology platform as per the SOP issued by Department.

Note 2. —A bill becomes a voucher after payment.

Rule 36. Bill which under any rule or order requires to be pre-checked by the Circle Accounts Officer before disbursement shall not be presented to the Disbursing Officer except through the Circle Accounts Officer.

Rule 37. The following checks should *inter alia*, be adopted by a Disbursing Officer in dealing with bills presented for payments: -

- (a) That the bill has been prepared as prescribed in Rule 35;
- (b) That the claim is admissible, the authority good, the signature and countersignature, where necessary, genuine and in order and the receipt, a legal quittance;
- (c) That the arithmetical computations on the bill are accurate.

Rule 38. After all the checks prescribed in the rules have been applied and the Disbursing Officer is satisfied about the admissibility of the claim, he should-

- (a) Make necessary correction, if any, in the bill under his dated initials;
- (b) Endorse a pay order on the bill authorizing the treasurer to make the payment.

NOTE. —Corrections in the order of payment must be attested by the dated initials of the Disbursing Officer but full signature will be necessary if the order is on the Bank.

Rule 39. When a bill is presented by a person who is not the Drawing Officer himself or his duly authorized agent (Bankers) he shall be required to produce a letter, in Form T.R.-72, authorizing him to receive payment. The signature of the messenger or his thumb-impression, if illiterate, shall be taken on the bill as a proof that the messenger actually received the money on behalf of the Drawing Officer.

In cases in which the endorsement on a bill is unauthorized, incomplete or otherwise irregular, the Disbursing Officer may refuse payment of the bill and return it to the person who presents it with a memorandum explaining why payment is refused.

Rule 40. Special care shall be taken that all bills, etc., passed for payments are paid on the same day.

NOTE. —The period of validity of pay orders will be seven days from the date of the endorsement of pay order excepting the pay orders made on the bills relating to pay and allowances of the staff which are governed by different sets of rules.

Rule 41. A Disbursing Officer must not honour a claim which on the face of it is disputable; he will request the claimant to refer the question to the Accounts Officer. Nor may he undertake correspondence for a Government Servant or a private individual making a claim to any special allowance or concession, but will request him to address the Accounts Officer either direct or through his own official superior, as the case may be.

Rule 42. The Disbursing Officer shall be responsible to the Accounts Officer for acceptance of the validity of a claim against which he has made payment, and for evidence that the payee has actually received the sum charged. He shall obtain sufficient information as to the nature of every payment; he is making and shall not accept a claim which does not normally present that information, unless there are valid reasons for omission which should be recorded.

Rule 43. Subject as hereinafter provided in this rule, a Government Officer entrusted with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with the Government, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the account. Every voucher must bear, or have attached to it, an acknowledgement of the payment signed by the person by whom, or in whose behalf, the claim is put forward. The acknowledgement shall be taken at the time of payment.

Note 1- As adjustment bills for 'Nil' amount involves no payment, it is not necessary to insist upon any acknowledgement of payment in respect of such bills.

Note 2 - A single receipt, stamped where necessary, given by a payee in acknowledgement of several payments or a lump sum payment, either in cash or by cheque, made to him, on one occasion, shall constitute a valid acquittance and the Disbursing Officer, in such cases, should give cross references on all vouchers to which the receipt relates.

Rule 44. In all cases in which it is not possible or expedient to support a payment by a voucher or by the payee's receipt, a certificate of payment duly signed by the Disbursing Officer and countersigned, if necessary, 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 claim should invariably be set forth, and where this necessitates the use of a regular bill form, the certificate itself may be recorded thereon.

NOTE 1.- In case the article received by Value Payable Post, the value payable cover together with the invoice or bill showing the details of the items paid for, may be accepted as a voucher. The Disbursing Officer should endorse a note on the covers to the effect that the payment was made through the Post Office and this also covers charges for the e-Money Order commission.

[Note 1. Below Rule 206, CTR Vol.-I]

NOTE 2.- A certified copy, marked 'duplicate', of a receipted voucher may be retained by the disbursing officer, should this be necessary to complete the record of his office, but the payee should not be required to sign such a copy or give a duplicate acknowledgement of the payment.

[Note 2. Below Rule 206, CTR Vol.-I]

Rule 44-A. The provisions of rule 35 & 48 regarding the preparation of bills and giving of stamped receipts shall be carefully observed in regard to claims presented at a Disbursing office.

Note: - Cash memoranda which do not contain an acknowledgement of receipt of money from persons named therein are not receipts within the meaning of Section 2 (23) of the Indian Stamp Act, 1899 (2 of 1899). Further, the mere writing of purchaser's name and address on a Cash Memorandum for a delivery purpose does not transform it into an acknowledgment to the purchaser that the money has been paid. Cash memoranda will not, therefore, be regarded as sub vouchers in Audit unless they contain an acknowledgement of the receipt of money from the person named therein (with stamps affixed when the amount exceeds Rs. 5000, or, in cases where this is not practicable, they are stamped 'paid' and initialed by the Drawing and Disbursing Officer).

The cash memoranda submitted in support of the claims for reimbursement of the cost of special medicines purchased from the market under the medical attendance rules need not, however, be stamped or bear the supplier's acknowledgement.

[Rule 207 of Central Treasury Rules, Vol.I]

Rule 45. Every voucher must bear a pay order and indicate mode of payment, i.e., whether in cash, or by cheque, or by Bank Draft/Government Draft or by Direct credit to the Bank account, signed or initialed by the responsible Disbursing Officer, specifying the amount payable both in words and figures. All pay orders must be signed by hand and in ink.

NOTE. — A Sub-Postmaster may make payments in the cases listed below without pay order of the Head Postmaster being previously endorsed on the vouchers. However, before incorporating such vouchers in the accounts of the Head Post Office and submitting them to the Accounts Office, the Head Postmaster concerned should endorse necessary pay order. In cases where sanctions are issued by the Superintendent of Post Offices or Head Postmasters, whether communicated by letter or electronically/digitally, the sanctions should invariably incorporate the authorization for the payment being made by the particular office.

(i) Where there is specific sanction of the Competent Authority and the payment has to be affected by the SPMs;

(ii) G.P.F., Pay and T.A. advances when sanctioned by Divisional Superintendents or higher Officers;

(iii) Pension bills;

(iv) Extra Expenditure incurred for the delivery of heavy Parcel Mail articles;

(v) Charges for extra dispatch of mails;

(vi) Charges for conveyance of cash;

(vii) Charges for escorting cash remittances;

(viii) Payment of electric bills, sanitary and water charges;

(ix) Funeral expenses;

(x) Payment of express delivery charges.

(xi) Payment of Messenger service bills.

Rule 46. All sub-vouchers to bills must be cancelled in such a manner that they cannot be subsequently used for presenting fraudulent claims or other fraudulent purposes.

The provisions of Rule 259 *ibid.* with regard to cancellation and destruction of sub-vouchers relating to contingent expenditure shall apply generally to sub-vouchers in respect of other classes of payments, unless they are governed by special departmental regulations or orders of the Government to the contrary.

Rule 47. The following transactions of Government involving fractions of a rupee shall be brought to account by rounding off to nearest rupee (fractions of fifty paise and above to be rounded off to the next higher rupee and fraction of less than 50 paise to be ignored): -

(1) Personal claims of Government servants and pensioners—

(a) All entitlements due to an individual employee by way of House Rent Allowance/ Dearness Allowance/ Travelling Allowance, etc., and all inner column's deductions from salary bills on account of Postal Life Insurance premia/License Fee/Taxes etc., including book transactions shall be rounded off in whole rupees.

(b) In the case of Travelling Allowance bills the rounding shall be done only at the last stage and not in respect of each item, e.g. Railway fare, Mileage, Daily Allowance, etc., comprising the claim of an individual;

- (c) Interest on Loans and Advances to an employee which is computed as a percentage of base amount and its recovery is effected in installments shall be made in whole rupee.

NOTE 1. In the case of emoluments fixed by Law, amounts which are in fraction of a rupee shall be rounded off to the next higher rupee.

NOTE 2. Payment on account of Pension/ Relief on Pension/Death Gratuity/ Retirement Gratuity/ Commuted value of Pension shall be rounded off to the next higher rupee.

- (d) All Government transactions, whether involving actual receipts/payments or book adjustments, involving fractions of rupee shall be made in whole rupees.

(2) All transactions of PAOs / Banks through cheques and challans.

(3) Transactions between one Government and another or between two Departments of the same Government.

(4) Amounts converted into Indian Currency from sterling or other foreign currencies.

(5) Reserve Bank remittances, other than those of sums representing dues fixed by or under any Law or under any contractual obligation of the Government.

Sums representing dues fixed by or under any Law shall be always be rounded off to the next higher rupee.

(6) Deposits and receipts other than those which are fixed by or under any Law or are specially exempted by the Government from the operation of this Rule.

Sums representing amounts fixed by or under any Law shall always be rounded off to the next higher rupee.

(7) The only type of transactions which have to involve paisa would be cash transactions for petty purchases or sales which are reflected in a primary record like cashbook.

2. These Amendments takes effect from 01.04.1987.

(8) Rounding off of PLI premium-1.

The amount of net premium worked out according to term opted by a proponent should be rounded off to next rupee.

Instructions for Rounding off for transactions as mentioned in Point (7) above: - (i) Petty cash payments for local purchases are met out of permanent cash imprest available with the Head of Office and recoupment bill duly supported by sub-vouchers (where necessary) is required to be preferred periodically to the Pay and Accounts Office for replenishment of the imprest. As far as possible, suppliers should be persuaded to co-operate in rounding off the

amount payable to them on each occasion to the nearest rupee. In exceptional cases where payment of paise cannot be avoided, the total of the sub-vouchers sought to be recouped would include paise also. Nevertheless, the recoupment bill shall be submitted to the PAO for the whole rupee portion only. However, for the purpose of balancing the transactions in the main Cash Book as well as in the Petty Cash Book, the DDO will: -

- (a) Indicate the actual amount received in recoupment of the permanent advance;
 - (b) Recorded therein the un-recouped paise as an item of 'rounding off of transactions'; and
 - (c) Carry it over to be claimed through the subsequent recoupment bill by giving particulars of the bill in which this amount was short-received.
- (ii). In the case of receipts arising out of sale of waste papers or old news- papers, periodicals, condemned furniture, etc., the amounts to be realized should be rounded to the nearest rupee and not include paise in the sum total of transactions with any party for which a single receipt is given so that the receipts are credited into Government account in whole rupees only.

[Annexure to Appendix- II of Central Government Account, Receipts and Payments, 1983- 'Instructions for rounding off transactions in Government Accounts']

Stamps for Receipts

Rule 48. Receipts for all sums exceeding Rs.5000 must be stamped under Section 3, read with item 53 of Schedule 1 of the Indian Stamp Act (Act II of 1899) unless they are exempt from stamp duty.

A list of authorized exemptions relating to receipts is given in Appendix 3 to this volume.

NOTE 1.-The limit of Rs. 5000/-up-to which a receipt is not required to be stamped should be applied to the net amount payable on a bill and not the gross claim preferred therein.

NOTE 2.-Receipts for payments made outside India should be stamped in accordance with the local Laws, if any, governing the stamping of such receipts in the country concerned.

Rule 49. The paying officer should take special care to see that receipt stamps on paid vouchers are punched or so defaced that they cannot be used again, and offer no temptation for the abstraction of vouchers for the sake of the stamps upon them. Officers supplied with "date stamps" (e.g., Postmasters) may deface the receipt stamps by impressing the date-stamp on them in such a way that impression will be partly over the stamp and partly over the document to which it is affixed.

Duplicates or Copies of Documents

Rule 50. No Government Officer may issue duplicates or copies of receipts granted for money received, or duplicates or copies of bills or other documents for the payment of money which has already been paid, on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day, a certain sum on a certain account, was received from or paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost, and does not apply to cases in which, by existing rules, duplicates are prepared and tendered with the originals. In the case of a bill or voucher passed by the Drawing Officer/Controlling Officer for presentation at a disbursing office but lost either before payment or before presentation at the disbursing office, the Government Officer who drew the original bill or voucher shall ascertain from the disbursing office that payment has not been made on it before he issues a duplicate thereof. The duplicate copy issued must bear distinctly on its face the word "duplicate" written in red ink. The fact that a duplicate has been issued shall be immediately communicated to the Disbursing Officer with instructions to refuse payment on the original bill or voucher if presented.

When any kind of bill is required to be prepared in duplicate or triplicate, only one copy shall be signed or countersigned in full, the other copy or copies may be only initialed. If the previous audit of the Accounts Officer is required, only the original copy shall be sent to that authority.

NOTE. -For the purpose of this Rule, the Disbursing Officer on receipt of a request from any Drawing/Controlling Officer, shall after due verification from his records, furnish a certificate in the following form: -

"Certified that Bill No....., dated, for Rs..... (Rupees) reported by (the Drawing Officer) to have been drawn by him on this disbursing office in favour of..... has not been paid and will not be paid if presented hereafter."

Losses of Government Property

Rule 51. Rule 269-B of the Postal Manual, Volume II, prescribes the procedure for the maintenance of inventories in respect of Government stores. A detailed record of all losses of Stock and Stores prescribed in Rule 269-C, should be maintained and an annual statement showing all deduction entries (other than those of issues) made in the inventory together with full particulars of the articles and the reasons for removing them from stock should be submitted to Accounts Office annually on the 15th May of each year in the form prescribed by the Director General for the purpose.

Defalcations and Losses

Rule 52. With the exception noted below, any defalcation or loss of public money, departmental revenue or receipts (due to whatever cause, including under assessment of revenue), stamps, stores, or other property, discovered in any office of Department of Posts,

should be immediately reported by the Officer concerned to his immediate official superior as well as to the Accounting Authority viz., Heads of Postal Accounts Office even when such loss has been made good by the person responsible for it. Such reports must be submitted as soon as a suspicion arises that there has been a loss; they must not be delayed while detailed enquiries are made. It will usually be sufficient if the Officer reporting the defalcation or loss to higher authority sends to the Accounting Authority either a copy of his report or such relevant extracts from it as are sufficient to explain the exact nature of the defalcation or loss and the circumstances which made it possible.

The Head of the Office where the defalcation and loss had occurred shall ensure that the cases are properly pursued and investigated by the authorities concerned. In case of loss or shortage revealing deficiencies / insufficiencies / defect in the prescribed procedures, proper amendment to the procedures should be suggested promptly for consideration of appropriate Postal authorities.

Cases concerning serious irregularities/serious non-observance of prescribed procedures should be brought to the notice of the Secretary, Department of Posts through the respective Head of Circles.

The Head of Offices where the defalcation and losses have occurred are also required to report to the statutory Accounts Officer who will keep in touch with the progress of investigation by the Accounting Authority. If the irregularity be detected by Audit / Accounting Authority in the first instance, the Audit/ Accounting Authority will report it immediately to Administrative Authorities concerned, and if he considers necessary, to Government as well.

When the matter has been fully investigated, a further and complete report should be submitted of the nature and extent of the loss, showing the errors or neglect of rules by which, such loss was rendered possible, and the prospects of effecting recovery. The submission of such a report does not debar the local authorities from taking any further action which may be deemed necessary.

If the irregularity be detected by Accounts Office in the first instance the Accounts Officer will report it immediately to administrative authorities concerned, and if he considers necessary, to Government as well.

The authority competent to sanction that writing off of the losses will accord sanction to the write off of the loss on receipt of a report from the Accounting Authority supplemented by that of statutory Accounts Officer, if necessary, on cases of defalcation/loss not covered by the Exception below this rule. A copy of the sanction for the write off of such losses will, however, be forwarded to the Accounts Officer/Accounting Authority concerned in all cases (including petty cases covered by the Exception).

Exception—Petty cases, that is, cases involving losses not exceeding Rs. 10000* each, need not be reported to the Audit Officer/Accounting Authority concerned unless there are, in any case, important features which merit detailed investigation and consideration. A half-yearly

statement of losses with comments in respect of such cases which are not reported to audit should be sent to audit.

[*This amount substituted under the provision of GFR, 2017 Rule 33(1) (ii)].

NOTE 1.-The words "losses of public money" may be interpreted to include the loss sustained by Government on account of payments made in respect of loss of, or damage to, insured articles.

NOTE 2.- In cases in which there has been loss of Government money due to fraud or misappropriation in connection with Savings Bank or Post Office Certificates transactions along with any kind of postal transaction and a partial recovery has been made from or on behalf of the offender or from any official involved in the case, the amount recovered should be distributed on a pro rata basis between the different kinds of transactions involved in the case and the resultant loss due to each transaction should then be adjusted.

In issuing sanction to the writing off of losses in such cases, an analysis of the amount of loss and recovery in respect of each kind of transaction should be given in the sanction for proper classification of the amounts by the Accounts Office in the accounts.

Rule 53. The Officer receiving a report submitted to him must forward it forthwith to Government through the usual channel with such comment as may be considered necessary. He should also submit a detailed report, after completing such departmental investigations as may be necessary or expedient on the causes or circumstances which led to the defalcation or loss, the steps taken to prevent its recurrence and the disciplinary or any other action proposed as regards the persons responsible.

Rule 54. Losses or deficiencies concerning buildings, lands, stores and equipment need not be recorded under a separate head in the accounts, though they should be written off any value or commercial account that may be maintained. If any transactions under these categories are recorded under a Suspense head in the Government accounts, losses or deficiencies relating thereto must be written off the Suspense heads also.

Rule 55. Money or stamps lost or stolen from the cash balance, remittances in transit or the permanent advances should be charged in the accounts immediately when the loss or defalcation is discovered.

NOTE 1- Defalcation of losses should be first charged directly to Postal Advances Rail Mail services and other accounts, Major Head 8553 as advances and recoveries (Debit /Credit entry). This accounting of charge under postal advances is to be processed at the primary level by operating appropriate General Ledger Codes.

NOTE 2-The acceptance of counterfeit coins or notes shall be regarded as a loss of cash.

GOVERNMENT OF INDIA'S DECISIONS

(1) Additional actions to be taken in cases Involving material loss or destruction of Government property – Departmental Officers shall, in solution to taking action as prescribed

in Rules 52 to 55, follow the provisions indicated below in cases involving material loss or destruction of Government property as result of fire, theft, etc.

(1) When material losses due to suspected theft, fraud, fire, etc., occur in any office / installation such cases should invariably be reported to the Police for investigation. The Heads of Departments should exercise their discretion in determining at what stage reports should be sent to the Police keeping in view the fact that the Police investigation will be increasingly handicapped with lapse of time.

(2) For the purpose of the above instruction, all losses, excepting the losses due to suspected sabotage, of the assessed value of Rs.50,000* and more shall be regarded as 'material'. All cases of suspected sabotage shall be reported to the Police promptly irrespective of the value of the loss involved.

* [This amount has been substituted from 10,000 to 50,000 as per the provisions laid down under Rule 35 of GFR, 2017]

(3) Once the matter is reported to the Police authorities, all concerned should assist the Police in their investigation. A formal investigation report should be obtained from the Police authorities in all cases which are referred to them as indicated above.

[Rule 34, General Financial Rules, 2017.]

(2)Revision of the monetary limits for investigation in loss/fraud cases by different authorities in the Department of Posts:-The monetary limits for conducting investigations in the loss/ fraud cases by different authorities were last revised vide Postal Directorate letter No. 8-03/2012-INV dated March 24th2014.

The same have been reviewed and the following revised monetary limits for different authorities for conducting investigations in the loss/fraud cases have been decided.

Sl. No.	Level of Investigating Officer	Present Monetary limit (in Rupees)	Revised Monetary limit (in Rupees)
(i).	Inspector Posts/ ASPs	Up to 50,000	Up to 1 lakh
(ii).	Divisional Heads/Sr. PM/ Chief PM/ Dy. Director of Mumbai/Kolkata GPO*	>50,000 Up to 1 Lakh	> 1 Lakh Up to 2 Lakhs
(iii).	Asst. Director/APMG of Circle/ Regional Office	>1 Lakh Up to 2 Lakhs	> 2 Lakhs Up to 5 Lakhs
(iv).	Director (including Directors in GPOs or any other Director level Officer)/ PMG/CPMG	> 2 Lakhs	>5 Lakhs

*Asst. Director of HOs / GPOs may also conduct investigation in case of non-availability of CPM/Dy. Director.

Note: These limits will be based on “Principal Amount of Loss/Fraud including Temporary Misappropriation”. Normal Interest and these limits will be based on “Principal Amount of Loss/ Fraud including temporary Misappropriation”.Normal Interest and Penal Interest will not be part of amount involved for the purpose of deciding the investigating authority.

3. Further it has been decided that:-

(i). All loss/ fraud cases involving amount exceeding Rs.5 Lakhs shall continue to be reported to ADG (Investigation) by the Circles at first instance i.e., immediately on detection of the case or when the amount exceeds Rs. 5 Lakhs. Further cases of complex nature or with special features irrespective of the amount involved may also be reported to the Directorate.

(ii). Investigation Reports of IPs/ ASP will be reviewed by the Divisional Heads/Sr. PM/ Chief PM/Dy. Director of Mumbai/ Kolkata GPO as the case may be.

(iii). Reports of investigations carried out by Divisional Heads/ Sr. PM/ Chief PM/ Dy. Director of Mumbai/ Kolkata GPO (including ADs of HOs/ GPOs) will be reviewed by Asst. Director/ APMG of Regional/ Circle Office and submitted to DPS for information and orders.

(iv). Where circle level investigations are carried out by Asst. Director/ APMG of Regional/ Circle office, CLI reports will be reviewed by DPS and submitted to PMG/CPMG for information and orders.

(v). CLI reports where investigations have been conducted by DPS/ PMG/ CPMG will have to be submitted to Directorate. Review comments of PMG/ CPMG concerned should also be furnished along with the CLI report, in case the CLI is carried out by DPS.

(vi). Revised limits of investigations as mentioned above will be effective from the date of issue of this letter. All cases detected prior to it will be investigated by the authorities concerned as per the limits existing on the date of detection of the case.

4. In addition, all cases of loss/fraud will have to be reported by Divisions/Units to Regional/Circle office followed by a detailed investigation report, as is being done presently.

5. Apart from the above as prescribed vide 8-03/2012-Inv., dated 24.03.2014, there is no change in the following instructions:

(i). Wherever investigation into fraud case relates to the work and responsibilities of the office of Director of Accounts (Postal)/ General Manager (PAF)/ The CPMG/ Regional PMG should communicate various acts of omission and Commission on the part of staff of Postal Accounts Office and call for the comments of the Director of Accounts (Postal)/ GM (Fin).

(ii). Wherever considered necessary, further investigations can be made either by

deputing a senior officer from the circle/ regional office or by the Chief PMG/ PMG themselves at their discretion.

[GoI, Department of Posts, Letter No. 8-01/2019- Inv. Dated the 24.10.2019]

Internal Check against irregularities, waste and fraud

Rule 56. In the discharge of his ultimate responsibilities for the administration of a grant or part of a grant placed at his disposal, every Controlling Officer must satisfy himself not only that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate Officers and to guard against waste and loss of public money and stores, but that the prescribed checks are effectively applied.

Accidents

Rule 57. Any serious loss of immovable property such as buildings, communications, or other works caused by fire, flood, cyclone, earthquake, or any other natural cause, should be reported at once by the departmental Officer to the Head of the Department and by the latter to Government. When a full enquiry as to the cause and extent of the loss has been made, a further report should be made to the Head of the Department, a copy of the report or an abstract thereof being sent simultaneously to the Audit Officer/Accounts Officer concerned.

NOTE 1. —The term “serious loss” occurring in this rule should be interpreted as meaning all losses exceeding *Rs. 50,000 in value. The term 'value' for this purpose means the 'book value'.

* *[This amount has been substituted from 5,000 to 50,000 as per the provisions laid down under Rule 35 of GFR, 2017].*

NOTE 2. —While losses not exceeding Rs. 50000/- in value should continue to be reported to the Head of the Department (and to the Police etc. where necessary), they need not be reported to the Government or the Audit Office/Accounts office concerned.

Responsibility for losses, etc.

Rule 58. Every Government Officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government Officer to the extent to which it may be shown that he contributed to the loss by his own action or negligence. Detailed instructions for regulating the enforcement of such responsibility will be found in Appendix 2.

Responsibility for overcharges

Rule 59. The privilege of drawing pay sheet or bills for salary, allowances, or contingent expenses will be restricted to responsible Officers, and the drawer of the Bill will be held

answerable for any overcharge. The responsibility of the countersigning Officer will be that which attaches to all Controlling Officers and which brings them under liability to make good any loss arising from their culpable negligence. The Officer who makes payments without pre-check by Circle Postal Accounts Office will be responsible for checking any palpable errors, and (in the case of change of office, or of rate of salary of Gazetted Officers) for passing the new rate with reference to the orders directing the change. In short the responsibility for an overcharge will rest primarily with the drawer of the bill, and (failing recovery from him) the overcharge will be recovered from the Disbursing Officer or the Controlling Officer, only in the event of culpable negligence in either of them.

NOTE—The Disbursing Officer is required under the above ruling to examine the accuracy of the arithmetical computations in a bill.

Standards of financial propriety

Rule 60. Every Officer incurring or authorizing expenditure from public funds 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:-

- (1) 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.
- (2) The expenditure should not be prima facie more than the occasion demands.
- (3) No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.
- (4) Public moneys should not be utilized for the benefit of a particular person or section of the community unless;—
 - (i) A claim for the amount could be enforced in a Court of Law, or
 - (ii) The expenditure is in pursuance of a recognized policy or custom.
- (5) The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole sources of profit to the recipients.

[Rule 21 of GFR, 2017]

Control of expenditure

Rule 61. Each head of a department is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations by his own office and by subordinate Disbursing Officers.

Rule 62. A Controlling Officer must see not only that the total expenditure is kept within the limits of the authorized grant or appropriation but that the funds allotted to spending units are expended in the public interest and upon objects for which the money was provided. In order to maintain a proper controlling he should arrange to be kept informed, not only of what has been spent from a grant or appropriation but also what commitments and liabilities have been and will be incurred against it. The Head of a Circle must be in a position to assume before the Director General, and the Director-General in his turn, must be in a position to assume before the Government and the Public Accounts Committee, if necessary, complete responsibility for departmental expenditure and to explain or justify an instance of excess or of financial irregularity that may be brought to notice as a result of audit scrutiny or otherwise.

NOTE—The detailed rules on the subject are given in Postal Manual Volume II.

Erasures

Rule 63. Erasures and over-writings in any account, register schedule or Cash Book are absolutely forbidden; if any correction be necessary, the incorrect entry should be cancelled neatly in red ink and the correct entry inserted. Each such correction or any interpolation deemed necessary should be authenticated by the Head of the Office setting his dated initials against each. Special care should be taken by the Disbursing Officer as regards all vouchers and accounts showing signs of alteration; and if such documents be frequently received from any office, the attention of the Head of the Office should be formally drawn to the irregularity.

Maintenance of accounts

Rule 64. Every Officer whose duty is to prepare and render any accounts or returns in respect of public money or stores is personally responsible for their completeness and strict accuracy and their dispatch within the prescribed date.

Rule 65. An Officer who signs or countersigns a certificate is personally responsible for the facts certified to, so far as it is his duty to know or to the extent to which he may reasonably be expected to be aware of them. The fact that a certificate is printed is no justification for his signing it unless it represents the facts of the case. If in its printed form it does not represent the facts, it is his duty to make any necessary amendment which will call attention to the deviation and so to give the authority concerned the opportunity of deciding whether the amendments cover requirements.

Demand for information by audit

Rule 66. It is the duty of every Departmental and Controlling Officer to see that the Account/Audit Officer, as the case may be is afforded all reasonable facilities in the discharge of his functions and furnished with the fullest possible information for which he may ask, for the preparation of any account or report, which it is his duty to prepare. No such information nor any books or other documents to which the Comptroller and Auditor General

has a statutory right of access may be withheld from the Account/Audit Officer, as the case may be. If any file is secret and the contents of the file cannot be divulged to office, he should let the Account/Audit Officer personally see it and warn him of its confidential nature.

Adjustment between Governments

Rule 67. To enable the Audit/Accounts Office to make necessary adjustments, full particulars of all receipts or disbursements made on behalf of other Departments should be forthwith intimated to the Audit/Accounts Office.

NOTE. —Such recurring payments, e.g., leave salary and pension debitable to other Departments, should be intimated monthly as prescribed hereinafter.

Adjustment of leave salary of Government servants on deputation

Rule 68. Extract of Para 9.8 of Civil Accounts Manual reproduced below:-

NOTE 1 - In the case of members of the Central Secretariat Service, the Central Secretariat Stenographers' Service and the Central Secretariat Clerical Service who may be posted in the Department of Posts, no allocation of leave salary between the Postal Department and the Civil Departments will be made and the actual leave salary charges will be borne by the department which sanction that leave.

NOTE 2.-There will be no allocation of leave salary with regard to deputation from the Department of Posts and Railway Audit Office to the Posts and Railway Departments and vice versa of Government servants governed by the leave rules in the Fundamental Rules. Similarly, no contribution for leave salary shall be recovered by the lending department for such deputations if the Government servant concerned is subject to the Central Civil Services (Leave) Rules, 1972.

Extract of Para, 9.9 of Civil Accounts Manual

9.9 DISPENSING WITH THE SYSTEM OF ADJUSTMENTS ON ACCOUNT OF ALLOCATION OF LEAVE SALARY AND PENSIONS BETWEEN DEPARTMENTS OF CENTRAL GOVERNMENT / UNION TERRITORY GOVERNMENTS AND ADMINISTRATION-

9.9.1The system of allocation of leave salary and pension contribution among the departments of Government of India, including Railways, Defence, Posts, Telecommunications and Union Territory 198 Government/ Administration has been dispensed with from 1st January, 1978, for all cases of leave salaries paid and pensions sanctioned on or after that date.

[Authority:(I) Ministry of Finance, Deptt.of Expenditure) Special Cell O.M. No. F.2 (117) /76-SC Dated 26.12.1977 & (II) C.G.A.'s O.M.No. S- 11031/1/78/TA/725 Dated 23.2.1979]

9.10.DEPUTATION OF CENTRAL GOVERNMENT OFFICIALS TO STATE GOVERNMENTS AND VICE-VERSA

9.10.1 The Government employees whether temporary or permanent, who are deputed from Central Government to State Government and vice-versa, the system of allocation of pension /leave salary etc. has been dispensed with. This has been done in terms of Govt. of India, Department of Personnel & Administrative Reforms letter No.3 (20)/Pen (a)/79 dated 31.3.1982, read with the provisions contained in Appendix V-B, II and III to the Government Accounting Rules, 1990. The liability for pension and gratuity in such cases will be fully borne by the Central or State Government to which the government employee permanently belongs, at the time of retirement.

9.10.2 The full liability for leave salary is to be borne by the department from which the government servant proceeds on leave.

9.10.3 CONTRIBUTORY PROVIDENT FUND

The liability for government contribution to CPF will be borne entirely by the parent department of the concerned Central or State Government, and no contribution will be recovered from the borrowing department.

9.10.4 In case of Government servants of State Government on deputation to the centre, which mainly consists of All India Service Officers, the Central Government will pay an ad-hoc grant in lieu of the recovery of pension contributions to each State Government.

9.10.5 In respect of All India Service Officers borne on State Cadres but serving on deputation with a department of the Central Government, the recoveries on account of G.P. Fund and Group Insurance Scheme applicable to AIS Officers shall be passed on by the PAO of Ministry/Department to the State Accountants General concerned. This will be applicable even for such AIS officers on deputation with Railways, Defense, Posts, Telecom Departments. In respect of the State Governments that have taken over the work of maintenance of G.P.F. accounts of its employees from the Indian Audit & Accounts Department, the procedure will be slightly modified. In these cases, the GPF recoveries for AIS officers borne on State cadres will be remitted directly to the authority nominated by State Government for maintenance of G.P.F. accounts

9.10.6 In the case of officers on deputation to the Central Civil Ministries/Departments from State Governments, Union Territory Governments and Administrations, Posts, Telecommunications, Railways and Defence: In these cases, the Pay and Accounts Office shall furnish the annual statement of subscription to G.P.F. account, recovery of temporary advances from the G.P.F. account, recoveries against house building advance and motorcar advance sanctioned by the parent department, to each individual officer through the head of office, in form CAM-66. The annual statement will be prepared on the basis of entries in the Register of Outward claims maintained in form CAM-53. A copy of the statement shall be simultaneously sent to the Accounts Officer of the concerned official by the 31st of August each year. This statement can be used by the Accounts Officer of the parent department to

adjust missing credits, if any, in the subscriber's account without any need for correspondence with the Principal Accounts Office/Pay and Accounts Office of the Central Government Ministries/Departments, The Accounts Officer of the State Government and the PAO of the parent department will follow similar procedure in the reverse situation, with their roles being suitably reversed as well. The reverse situation here means circumstances where a State Government borrows the services of a Central Govt. employee, including that of Union Territory Governments and Administrations, Posts, Telecommunications, Railways and Defence.

Government of India decision

Leave salary/ Pension/ NPS contribution

(i). As at present, allocation of leave salary and pension contribution between different Ministries/Departments of Central Government and between Central and State Government has been dispensed with. In such cases of deputation from Central Government to State Government and vice-versa, liability for bearing leave salary vests with the Department from which the officer proceeds on leave or which sanctioned leave and no contributions are payable to the lending organisation. Liability for pension/ employee's contribution to CPF will be borne by the parent department, to which the officer permanently belongs at the time of retirement and no proportionate contribution will be recovered.

(ii). In case of deputation of Central Government employees on foreign service terms to Central Public Sector Undertakings/ State Public Sector Undertakings and Autonomous Bodies/ etc., leave salary contribution (except for the period of leave availed of on foreign service) and pension contribution/CPF (Employer's share) contribution are required to be paid either by the employee himself or by the borrowing organisation to the Central Government.

(iii). In cases of reverse deputation from Central Public Sector Undertakings/ State Public Sector Undertakings/ Autonomous Bodies/local bodies to Central Government, the question regarding leave salary and pension contribution will be decided by mutual consent.

(iv). In case of employees covered under New Pension Scheme (NPS), the borrowing department shall make matching contribution to the NPS account of the employee.

[GoI, Ministry of Personnel Public Grievances and Pensions, DoP&T OM No. 6/8/2009-Estt.(Pay II) dated 17.06.2010.]

Preservation of accounts records

Rule 69.The rules regarding the destruction of accounts records pertaining to the accounts audited by the Audit Department are contained in Appendix 3 of FHB Volume I.

A register of destruction of records in form A.C.G. 91 should be maintained in each office and preserved permanently.

NOTE – Accounts Records against which audit objections are pending should not be destroyed until final settlement of audit objections.

CHAPTER III

General Outlines of the Systems of Accounts

Rule 70. The accounts of Department of Posts form part of the General Accounts of the Government are built on the same general plan. Departmental receipts and expenditure are recorded under various major heads which are suitably divided and sub-divided so as to show the nature of the transactions recorded under them. The Department of Posts plays a dual role in the administration of the country. Its primary function is to provide communication through Post Offices and it is also entrusted with the management of a large amount of financial business on behalf of the Government. Large amounts of money are remitted through e-Money Orders, while a very large amount of business is done in the Savings Bank, sale and discharge of Post Office Certificates, insurance of Government servants, etc. The Departmental accounts include, therefore, not only receipts and expenditure relating to the primary business of the Department, but also the receipts and payments involved in other subsidiary activities mentioned above. Receipts and expenditure relating to the Department itself are recorded under the following major heads:-

I. Revenue Receipts.

Non-Tax Revenue

Major Head—

0049- Interest Receipts.

0051-Public Service Commission

0070-Other Administrative Services

0075-Miscellaneous General Services

0210-Medical and Public Health

0216-Housing

0235-Social Security Welfare

Major Head-1201 Postal Receipts

Tax Revenue-

0021- Taxes on income other than corporation tax

0037-Customs

II. Expenditure Head (Revenue Account).

A.General Services

2016-Audit
2049-Interest Payments
2071-Pension and other Retirement Benefits

B. Social Services

2235-Social Security and Welfare

C.Economic Services

3201-Postal Services
2552-North Eastern Areas
3465-General Financial and Trading Institutions

D. Capital Accounts of Economic Services

4552-Capital Outlay on North Eastern Areas
5201-Capital Outlay on Postal Services
5465-Investments in General Financial and Trading Institutions

E.Loans and Advances

7610- Loans to Govt. Servants etc.
8014-Postal Life Insurance Schemes
8015-Investmentsof Post Office Insurance Fund
8016-Incomeand Expenditureof Post Office Insurance Fund

Deposits and Advances

8336-Civil Deposits
8443-Civil Deposits
8446-Postal Deposits
8455-Settlement Account with India Post Payments Bank (IPPB)
8553-Postal Advances

Suspense and Miscellaneous

8661-Suspense Account (Postal)
8670-Cheques and Bills
8671-Departmental Balance
8672-Permanent Cash Imprest
8674-Security Deposit made by Government
8675-Deposits with Reserve Bank
8677-Remittances into Bank/Treasury
8680-Miscellaneous Government Accounts

Remittances

8781-Money Orders

8782-Cash Remittances and Adjustments between Offices rendering Accounts to the same
Accounts Offices

8787-Adjustment Accounts with Railways

8789-Adjusting Accounts with Defence

NOTE: For detailed list of Major and Minor Head of Accounts also refer a 'List of Heads of Accounts- E- Lekha Department of Posts' available in the Postal Accounts Manual Vol. I, 2nd Edition and 'Appendix V' to Postal Accounts Manual Vol. I

The transactions relating to the business managed by the Department on behalf of the Government e.g. Savings Bank, Post Office Certificates, etc. are not recorded under any of these major heads, but under various other heads included in the Remittance and Debt sections of the Accounts of the Government.

Rule 71. The Department of Posts is recognized as a commercial department. For discharging its function, the Department has been entrusted with a large amount of plant and equipment the cost of which recorded under the major head 5201—Capital Outlay outside the Revenue Account. The Department is required to pay interest on the amount at charge of this Capital head.

Rule 72. All realization of Departmental revenue and all revenue expenditure of the Department are recorded in as shown below under the respective Major heads.

RECEIPTS

Major Head—1201-Postal Receipts

EXPENDITURE

Major Head—3201-Postal Services

01-General Administration

02-Operation

03-Agency Services

04-Audit and Accounts

05-Engineering

06-Amenities to Staff

07-Pension

08-Stationery and Printing

60- Other Expenses

Rule73.The detailed classification of account heads used in respect of Department of Posts is given in Appendix V to the Postal Accounts Manual Vol I.

Rule74.All receipts realized by the Officers of the Department of Posts have, under rule 4, to be credited into the Treasury/Bank and all money required by Officers of the Department forming the Departmental expenditure or other outgoings is obtained from the Treasuries/Banks. Officers in charge of treasuries/Bank are not required to keep detailed accounts of the receipts paid into and money drawn from treasuries/Banks by Officers of this Department and the responsibility for maintaining and submitting such detailed accounts to the Circle Accounts Office devolves entirely on Officers of this Department.

NOTE. —Head Record Offices are supplied with funds from, and remit surplus cash to Post Offices which, in their turn, draw funds from and pay their surplus collections to treasuries/Banks.

Rule 75.Each Head Post Office, Head Record Office, Mail Motor Service Unit, Engineering Division that forms an accounting unit responsible for submitting an account of all its receipts and disbursements(Including the receipts and disbursements of offices subordinate to it) to the Circle Postal Account Office, on prescribed due dates and in prescribed forms.

NOTE. —The Postal Seals Office at Aligarh is also responsible for submitting their accounts to the Circle Postal Account Office concerned.

Rule76. Each Head Post office submits to the Circle Account Office a monthly cash account in which all transactions of receipts and expenditure of the head office itself and of the offices subordinate to it viz..Sub and Branch Post Offices, are incorporated and classified under certain broad headings (e.g..Bills paid). These monthly accounts are classified in the Accounts Office in complete detail of major, minor, sub and detailed heads.

Rule77. Each Head Record Office submits to the Office monthly Cash account in which the amounts drawn by it from the Post Office for disbursement are shown on the receipt side and the amounts disbursed are shown on the expenditure side. The duty of classifying these transactions in complete detail of major, minor, sub and detailed heads devolves on the Audit office.

Rule 78.The portion dealing with receipts of the monthly accounts rendered by offices supplied with funds from the Treasuries/Banks is required to show the nature and amount of receipts as well as the amounts drawn from the treasuries for disbursement. The total of these drawings is checked by the Circle AccountsOffice against the total amount reported by the Treasuries/Banks. The portion dealing with expenditure has similarly to show the total amount remitted to the Treasuries/Banks and the nature and amount of each disbursement. The total of the remittances shown by the Disbursing Officer is checked in the Circle Accounts Office against the amounts acknowledged by the Treasuries/Banks.

Note—The above rule applies also to offices which are supplied with funds from the Post Office, *viz.* Head Record Office, the total Drawings and Remittances shown in the monthly accounts, rendered by these offices are checked in the Circle Accounts Office against the amounts shown in the Post Office accounts.

It will thus be seen that a complete check on the correctness of the total transactions, whether of receipts or of expenditure, of the Department is advisable from an entirely independent source, *viz.*, from the accounts received from the Banks and it is a primary responsibility of a Disbursing Officer that his accounts are proved correct when these checks are applied in the Circle Accounts Office.

Rule 79. The main sources of departmental revenue are sale of stamps, and postage, receipts on account of commission on Money Orders, and Indian Postal Orders, sale of assets and recoveries for other Departments of Government of India for the services rendered by the department.

In accordance with Para 3.48 of Postal Accounts Manual Volume-I, consequent on formation of Postal Stamp Depots at Circle level Central Stamp Store Nasik will supply postage stamps, postal stationary, service stamps, National Saving stamps and any other type of stamp's the value of which is creditable to the Postal Revenues, as may be decided by the Department of Posts, to the Circle Stamp Depots who will stock those stamps and supply to the various Head Post Offices under their jurisdiction. No supply of such stamps should be made to any of the treasuries in the Circle Jurisdiction of the Stamp Depot and that all Departments, private bodies and the public should obtain their requirements only from the nearest Post Office.

Business activities like Speed Post, Retail Post, Business Post, Logistic Post, also form part of the Revenue earned by the Department.

CHAPTER IV

Relations with Audit

Rule 80. For purposes of administrative convenience, the work of accounts of Department of Posts has been distributed among Twenty three Circle Postal Account Offices headed by General Manager (PA&F)/Director of Accounts/Deputy Director of Accounts (Postal). However, on the other side the work of external audit has been undertaken by the P&T Audit as a Statutory Audit Authority under Comptroller and Auditor General of India.

Rule 81. Every Government servant must attend promptly to all objections and orders communicated to him by the Accounts/Audit Officer.

Rule 82. Objections and orders which arise out of the examination by the Accounts/Audit Officer of the accounts rendered by disbursing offices are communicated to the Disbursing Officers by letters, audit memoranda, digital communication or periodical objection statements. To these the earliest attention should be given, and understanding orders, the Disbursing Officer should return the objection statement or audit memorandum within a fortnight, or send a letter explaining the cause of delay.

NOTE: - The fact that some of the objections under reference are still under reference, is not a reason for keeping back the statement. Such cases can be extracted for subsequent explanation.

Rule 83. When an Accounts/Audit Officer disallows a payment as unauthorized, the Disbursing Officer is bound not only to recover the amount disallowed without listening to any objection or protest but to refuse to pay it in future till the Accounts/Audit Officer authorizes the payment to be resumed; that no warning slip has been received by the Government servant against whom the retrenchment has been ordered, or that, being received, it has been answered, are facts with which the Disbursing Officer shall have no concern.

Note 1- if a Government servant from whom a recovery is ordered, if transferred to the jurisdiction of another Disbursing Officer, the order of recovery should be passed on to that Disbursing Officer without delay.

Note 2 – A Disbursing Officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accounts/Audit Officer or the Government servant concerned; it is his duty simply and promptly to carry out the orders he has received, and to leave the person aggrieved to refer the case to the proper authority.

Note 3 – Representation and protests against retrenchment ordered by the Accounts/Audit Office may not ordinarily be considered by the administrative authorities if submitted later than three months from after the date of receipt of the intimation by the aggrieved Government servant. This provision does not remove from the Disbursing Officer the duty of enforcing immediately the recovery of a retrenchment order under this rule.

Rule 84. Recoveries are not ordinarily made at a rate exceeding one third of pay, unless the Government servant affected has, in receiving or taking the excess, acted contrary to orders or without due justification. The rate of recovery will be fixed by the Accounts Office.

Rule 85. A register in form ACG -60 should be maintained at the Disbursing Office for recording all retrenchments ordered either by the Accounts/Audit Officer or by Departmental authorities, all advances made but not adjusted and losses etc. , affecting the balance of the office. It contains columns specifying the name and office of the person from whom the recovery is to be effected, the nature and amount of the overpayment, advance or loss, the method by which the amount has been adjusted, the balance outstanding on the 31st March, and for the initials of the Head of the Office for testifying the correctness of the entries made therein.

In the case of defalcation or a loss, when authority is received for its write off, the fact should be noted against the original entry in the Register and the number and date of the order cited in support of the adjustment made. Recoveries of losses should be credited in the accounts and the necessary entries made in the Register.

Note 1- 'Disbursing office', mentioned in the above rule refers to 'Drawing Office'.

Note 2- The duty of the Head of the Office for checking the correctness of entries made in the Register of retrenchments and initialing them in token of such check may be performed by an official not below the rank of Junior Accountant or Lower Selection Grade cadre. This delegation is subject to the condition that the Head of the Office shall remain responsible for the proper maintenance of this Register and he shall check at least ten percent of the entries made there in every month and initial them in token of having done so.

Rule 86. Deductions on account of sums disallowed from pay bills should be made strictly in accordance with the instructions issued by the Accounts/Audit Officer. The recovery of a sum disallowed from a pay bill or of a sum disallowed from a travelling allowance claim maybe made from the next pay bill and of a sum disallowed from a travelling allowance bill, from the next bill of travelling allowances; but sums disallowed from a travelling allowance bill must be recovered in cash or from the pay bill when the Government servant concerned does not, within a month, present any other travelling allowance claim from which they can be recovered.

Rule 87. The Circle Postal Accounts office/Audit Office deals with Disbursing Officers directly in the matter of objections statements or audit memoranda and each department of the Office issues separate objections in connection with the audit work done by it.

NOTE 1- In case of offices which encash their bills in the disbursing offices, the objection statement/ Half margin/ audit memos, arising out of audit establishment and contingency bills would be addressed to the Heads of Offices concerned.

NOTE 2: - It should be noted that in respect to the objections arising out of the audit of the cash accounts of the Railway Mail Service, the Head Record clerks to Superintendents in charge of Railway Mail Service Divisions who render the cash accounts twice a month are

regarded as Disbursing Officers and the instructions in these rules are applicable to them as well.

Rule 88.(a) In the case of bills of Gazetted Officers, objections in audit are communicated in separate printed memoranda to the Officers concerned, copies being sent to Disbursing Officers. The latter will take necessary action as regards recovery or refund and intimate the fact to the Audit /Accounts Office.

(b) In the case of cash accounts/Trial Balance, primary abstracts, establishment pay and travelling allowance bills and contingent bills, etc. items of objections are shown in the objection statement.

Rule 89. The objection statements are prepared by the Circle Postal Accounts Office/Audit Office in duplicate, both the copies being sent to the Disbursing Officer or the Head of Office, as the case may be. The draft copy should be retained as an office record, while the other copy (which alone will be signed by or on behalf of the Accounts/Audit Officer) should be returned to the Circle Postal Accounts/Audit office with reply neatly written in ink against each item of objection. Copies of these replies should be kept on record for future reference.

Rule 90. If Disbursing Officers or Heads of Offices are dilatory in returning objection statements or in settling objections, the matter will be reported by the Circle Postal Accounts Office/Audit Office to the Head of the Circle concerned. In case of an Officer habitually delaying the return of objection statements, a special report will be made to the Director General. A report will also be made to the Head of the Circle in case of any irregularity forming the subject of a retrenchment which is considered of sufficient importance to be specially treated or to require the intervention of a superior officer.

Rule 91. Once a transaction has been entered in the objection statement or otherwise challenged the objection will continue to be in force until such time as it is removed either by the Head of the Office obtaining the requisite sanction or by the Circle Postal Accounts Office/Audit Office intimating the withdrawal of the objection. As long as an objection remains in force the responsibility for having it removed will devolve on the Head of the Office.

NOTE – The account records against which audit objections are pending should not be destroyed until final settlement of audit objections. Before ordering destruction of records, it should be ensured that no Audit objection is pending in respect of the period for which records are destroyed.

Rule 92. It should be realized that the Accounts Officer/Audit Officer is bound under the rules to challenge any transaction which is not covered by rule or by adequate sanction or which involves any excess over sanctioned estimate or other deviation. In some cases, the Head of the Office may have already taken action to regularize the transactions, or the actual or anticipated excess over sanction or allotment may be within his own powers of sanction; yet if an intimation of the sanction does not reach the Accounts/Audit Office by the time the accounts in which the irregularity appears are being audited, the Circle Postal Account Office

/Audit Office is bound to raise the objection, as it is not authorized to assume that the necessary sanction has been accorded. In such cases, it will save subsequent correspondence if Heads of Offices take care to give the earliest intimation of such of their sanctions and orders as are required to be submitted to the Circle Postal Accounts Office/Audit Office without waiting for the irregularities being challenged. A single note or statement, prepared monthly and signed by the Head of the Office himself, will ordinarily be sufficient. The note or statement should be sent to the Circle Postal Accounts Office/Audit Office either with the monthly accounts or within a week of the dispatch of the monthly accounts.

Rule 93. Disbursing Officers should give full and clear replies to each item in the objection statements. It is not enough to pass on the explanations of subordinates; the replies should as far as possible be based on the personal knowledge of the Disbursing Officers. Evasive, vague, and incomplete replies which postpone adjustment and increase correspondence should be carefully avoided and the Disbursing Officers should see that the replies placed at the disposal of the Circle Accounts Office/Audit office frankly and unreservedly, contain all the information they are able to give and that they include in every case a quotation of the number and date of any reference made to the Head of the Circle, or other authority regarding the item under explanation.

Audit inspections

Rule 94. The Circle Postal Accounts Offices/Audit Offices in consultation with the Director General of Audit, P&T arrange for the periodical test-audit and local inspection of the accounts of Mail Motor Services, Postal Seals at Aligarh, all Head Post Offices, R.M.S., Office of the Director Foreign Post, Circle Office, Regional Offices, Divisional Offices, cash branches of D. G., Department of Post, Postal Stocks Depots and the Postal Seals Office at Aligarh. The Officers in charge of these offices are responsible that the initial accounts and other connected records are made available for inspection. Inspecting Officers are required, if possible, to discuss with the Head of the Office the drafts of their inspection reports before submitting them to the Audit/Accounts Office and to give him a chance of explaining any matter intended to be included in their reports.

For this purpose, it is desirable that the Head of the Office should be present at the inspection unless his presence is urgently required elsewhere. Advantage should be taken of the meeting to settle as many points included in the inspection report of test-audit notes framed by the inspecting party as may be possible before the party leaves the office inspected so that there may be no occasion for protracted correspondence in the settlement of those objections.

Rule 95. The Audit inspection reports will be issued in three parts, viz. Part I, II, III under the following heads:-

Part I (a) Introductory.

(b) Outstanding objections from previous reports in brief.

(c) Schedule of persistent irregularities.

Part II (Section A) Consisting of important irregularities i.e. involving recoveries, questions of principle or losses, etc., which are likely to materialize into draft paras, for the Audit Report.

(Section B) Consisting of irregularities which though not major but are to be brought to the notice of higher authorities and followed by the Audit Office.

Part III. Test audit note containing minor irregularities to which will be attached a schedule of items settled on the spot. The procedural irregularities in respect of which the Head of the Office has held out assurances about following the correct procedure in future will be noted in this schedule.

Part I and II (in respect of all Office) and Part III (in respect of Mail Motor Services) will be sent in duplicate to the Head of the Office inspected who will return one copy to audit office within a month of the date of issue of the inspection reports and retain the other copy as his office record.

Part III of inspection report in respect of Post Offices need not, however, be replied, but necessary action should be taken to set right the irregularities mentioned therein.

Rule 96. Postmasters of Sub and Branch Offices should not address the Circle Postal Accounts Officer/Audit Officer direct, but through the Divisional Superintendent or the Postmaster of the Head Office to which they are subordinate. Similarly, other non-Gazetted Officers who are not in independent charge of an office rendering accounts to the Circle Postal Accounts Office/Audit Office may not address the Circle Postal Accounts Office/Audit Officer direct. Communications received direct from such Officers are returned to the Head Postmaster or the Head of the Office, as the case may be for disposal. This rule does not, however, apply to reports from sub-Post Offices of the issue of duplicate Money Orders and the loss of Indian Postal Orders.

NOTE - The Circle Postal Accounts Office/Audit Office will correspond directly with Sub-Post Offices in all cases in which any information required can be furnished by them only and in which it will lead to the speedy settlement of the audit questions.

Rule 97. It should be clearly understood that the Circle Postal Accounts Office/Audit Office does not give any opinion on hypothetical cases. All references on doubtful cases should, therefore, be based on facts.

All representations or appeal should lie always to the proper executive authorities and not to the Director of Audit (P&T) even where the complaint is against the decision of Circle Postal Accounts Office/Audit Office. The Heads of Circles concerned may make direct reference to Director of Audit (P&T), in the in cases where they are convinced that a wrong decision has been given by a Accounts/Branch Audit Office. Such references need not be supported by representations from the officials affected. No reference should, however, be made to the Director of Accounts/GM(PAF)/Director P&T Audit unless there be distinct and appreciable hardship in a particular case or unless a general principal is involved affecting several individuals.

Requisitions for audited documents

Rule 98. Audited bills, vouchers, etc., will not, as a general rule be supplied by the Circle Postal Accounts Office/ Audit Office to any Departmental Officer. When, however, such a document is absolutely necessary, a requisition should be submitted to the Circle Postal Accounts Office through the Head of the Circle. On receipt of the requisition, the Circle Postal Accounts Office will forward the document in question in a registered cover to the Head of the Circle for transmission to the Officer signing the requisition, who should similarly return the document to the Accounts Office through the Head of the Circle in a registered cover as soon as it is done with. Special care should be taken to see that the document is not in any way tampered with.

Exception.— The above rule does not apply to requisitions for paid Money Orders, paid Indian Postal Orders, discharged Post Office certificates or warrants of payments in respect of Saving Bank withdrawals which may be sent to the Circle Postal Accounts Office direct by the Superintendents of Post Offices and Senior Postmasters in accordance with the rules on the subject in Chapter 3 of the Postal Manual, Volume V. Inspectors of Post Offices, all Head Postmasters and Sub-Postmasters in the selection grade may also call for paid Money Orders direct for purpose of enquiry or reference, but Superintendents or Postmasters of First Class Head Offices may send requisition for unpaid void Money Orders stating the circumstances in which they are required (vide Rule 220 of the Postal Manual, Volume V).

CHAPTER - V

Cash

General Matters

Rule 99. Every Government servant is personally responsible for all Government money which passes through his hands and for the prompt record of receipts and payments in the prescribed account as well as for the correctness of the account in every respect. The private cash or accounts of a Government servant may, on no account, be mixed up with the public cash or accounts.

A Government servant who handles Government money should not, except with the special sanction of the head of the office, be allowed to handle also in his official capacity money which does not belong to Government. Where under any special sanction, a Government servant deals with Government and non- Government money in his official capacity, the Government money should be kept in a cash box separate from the non-Government money and the transactions relating to the latter should be accounted for in a separate set of books and kept entirely out of Government account.

Rule 100. The term "cash" as used in this chapter, includes legal tender coins, currency or Bank notes, Treasury certificates, cheques payable on demand, and demand drafts. Government Securities, deposit receipts of Banks, debentures and bonds accepted as security deposit/Bank Guarantees/Indemnity Bonds whether from contractors or from employees of the Department, should not be treated as cash.

[NOTE: -Postage stamp, stationery, reply coupon, and other stamps are not part of Cash but are considered as stock and form part of the inventory.]

Rule 101. Departmental receipts may ordinarily be realized in legal tender coin or currency or Bank notes only. Government currency and Bank notes of all denominations are legal tender and are received by all Government Officers in payment of Government dues or in settlement of other transactions.

Note - Government has now introduced facility for public to credit Government dues direct into the accredited Bank of a Ministry/Department and certain tax receipts in other Nationalized Banks also.

[Ref: Rule 7 of Central Government Account (Receipts & Payments) (Amendment) Rules 2012 and MoF DoE. CGA OM No. 1(1)/2006/ECS/TA/165 dated 28-03-2016]

Rule 102. Public money not in the custody of a Treasury or the Bank shall be kept in strong treasure chests and secured by two locks of different patterns. As a general rule, the key of one lock should be kept in the custody of one man while that of the second should be in the custody of another. When there is a police guard, the Officer in charge of such guard should be entrusted with the custody of the key of one lock. The chest should never be opened without both the custodians of the keys being present. The Officer in charge of the police

guard (where such guard is provided) should always be present when the treasure chest is opened and until it is again locked.

Rule 103. The employment of MTS to fetch or carry money should be discouraged. If it is absolutely necessary to employ such an official for this purpose, men of some length of service and proved trust worthiness should only be selected and such an official be engaged as defined and indicated in detail under the provision of Rule 9 of Postal Vol. VI Part III.

NOTE. -This rule does not apply to the MTS officials who have furnished securities in accordance with the provisions of Chapter V of the P. & T. Manual. Vol.VI Part III circulated vide Postal Directorate PO Division letter No. 30-13/2019-WS(Pt) dated 18.05.2021.

Rule 104. The branches of the State Bank of India, act as Agents of the Reserve Bank of India, in accordance with the provisions of the Reserve Bank of India Act (Act II of 1934) the cash business i.e. receipts and disbursement transactions of Government is being conducted by those branches of the State Bank of India as agents of RBI.

Rule 105. The Department of Posts should accept "Credit Challans" or "e challans" or "Pay Orders" of approved Banks along with the provision of remitting of amount directly into Government account by NEFT or RTGS in lieu of cash by persons who are intending to remit the money into Government account. While accounting the money the Unique Transaction Reference number (UTR) should be relied on for correct head of account under which the amount required to be accounted.

The "Credit Challans "and" Pay Orders" should be treated like the Treasury credit certificates, which are accepted by the Post Offices in lieu of cash, and credited in the accounts of the Post Offices concerned by per-contra debit to the head "Remittances to Bank". The "Credit Challans" and "Pay Orders" should be forwarded (in lieu of cash) to the Bank for clearance as a "Postal Remittance".

[Rule 7 of Central Government Account (Receipts & Payments) (Amendment) Rules 2012 and MoF DoE CGA OM No. 1(1)/2006/ECS/TA/165 dated 28-03-2016].

Rule 106. (1) (a) At places where the cash business of the Treasury is conducted by the Bank, cheques on local Banks may be accepted in payment of Government dues. The provision of remitting the amount directly in to the Government account by NEFT / RTGS which are considered as online payment mode are to be accepted in lieu of cash. If a cheque is presented, until it is cleared, the Government cannot admit that payment has been received and subsequently final receipt shall not be granted when a cheque is tendered. A receipt for the actual cheque only may be given in the first instance, but if a person making payment in this manner so desires, a formal payment receipt shall be sent to his address after the cheque has been cleared. Collection charges of the Bank, if any, will be recovered by or under instructions of the Bank from the party presenting the cheque.

The preliminary acknowledgment of the receipt of the cheque will be given in the form below: —

"Received Cheque No..... for Rupees..... Drawn onaccount of /as per challan No.

NOTE 1 —The State Bank of India and other Banks authorized to do Government business, reserve to themselves the right to refuse to accept cheques, collection of which, in their opinion, cannot reasonably be undertaken and which they would not accept on behalf of their own constituents.

NOTE 2- The following criteria will apply for treating a cheque as 'local' or 'outstation' for the purpose of realizing commission charges:-

(i) A cheque drawn on any Bank at the same station as that of the office at which it is accepted will be regarded as local cheque.

NOTE 3- This criterion will apply even in cases where clearance of cheque may have to be done through another Head Office situated at the same station.

(i) A cheque drawn on any Bank located at the same station as that of the Head Post Office and accepted at any of its sub-offices will also be regarded as local cheque.

(ii) All other cheques will be treated as outstation cheques.

NOTE 4: - A cheque drawn on a local Bank and presented at a sub-office at a station where there is no branch of the State Bank of India or other clearing house facility, may be got cleared through the Head Office. No commission need, however, be charged in such cases.

(b) In the event of the cheque being dishonoured by the Bank on presentation, the fact shall be reported at once to the tenderer with a demand for payment in cash and the dishonoured cheque should be returned to the tenderer on surrendering the preliminary acknowledgment of the receipt of the cheque or any token previously granted. The tenderer shall be asked to credit the cheque dishonour fee to the Government account. Government cannot, however, accept any liability for loss or damage which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

NOTE—The challan accompanying the cheque should not be returned to the tenderer when the dishonoured cheque is returned to him. But should be retained and destroyed in due course.

(c) When Government dues which are payable by certain fixed dates are paid by cheque, the person desiring to make such payment in this manner without risk must take suitable precautions to ensure that his cheque reaches the Treasury or the receiving office at the latest on the working day preceding the date on which the payment is to be made. Cheques received on the last day of payment of Government dues may be refused at the discretion of the Officer to whom they are tendered and those received later will not be accepted.

(2). The Government may, in relation to any particular class of transactions involving payment of Government dues issue orders varying or relaxing any of the conditions prescribed in this rule.

NOTE. —The term "Local Banks" as used in this rule means Banks (including the Reserve Bank and the State Bank of India), located in the Station in which a Bank Treasury is situated.

(3) Demand drafts shall not be distinguished from cheques for the purposes of these rules and provided that a cheque tendered in payment of Govt. dues is accepted under the provisions of this rule and is honoured on presentation, payment shall be deemed to have been made —

(i) if the cheque/bank draft is handed over to the Government's Bankers or to a Government Officer authorized to receive money on behalf of the Government, on the date on which it is so handed over; or

(ii) if it is sent by post in pursuance of an instruction to make payment by post, on the date on which the cover containing it is put into the post:

Provided that where a cheque is marked as not payable before a certain date, the payment shall not be deemed to have been made until the date on which it becomes payable.

NOTE. — The provisions of clause (ii) above apply *mutatis mutandis* to payments made to the Government by Postal e-Money Order or by any other- recognized mode of remitting money by post.

Rule 107. (a) Cheques may be accepted from the public for any Department of Posts transactions in Post Offices provided that—

(i)The cheques are drawn on Banks situated in the same place as the Post Office at which the cheques are presented and included in the list of Banks furnished by the respective Heads of Circles to the Post Offices where the cheques are likely to be presented.

(ii)The amount involved is not less than Rs. 20; and

(iii)The Bank concerned gives a guarantee, in the form prescribed in Rule 94(a)(iii) in the Posts Office Guide Part-I, renewable every three years and the amount does not exceed the limit of guarantee.

NOTE1.-Cheques (including the cheques previously accepted but not cashed) exceeding the total amount of the guarantee should not be accepted from a drawer at any one time.

NOTE 2. —Cheques drawn on Banks whose guarantees have expired will not be accepted until they are renewed by the Bank concerned.

NOTE 3. —In exceptional cases the Head Postmasters, where they are satisfied that the concession is not being misused, may accept cheques of less than Rs. 20.

Exception 1. —The conditions of this clause do not also apply to cheques presented in connection with purchase of Post Office Certificates and savings bank transactions.

Exception 2.—At places where Treasury business is conducted by the Banks cheques drawn on the Reserve Bank or the State Bank or on Banks having clearing accounts with the Reserve Bank or the State Bank may be accepted without a Bank's guarantee in all transactions of Department of Posts when such cheques are drawn by Indian Universities or by the Manager of an Estate under the control of Court of Wards or by Units of the Life Insurance Corporation, or by the Offices of the Employees State Insurance Corporation, or by the Indian Telephone Industries(Private)Ltd., or by Government Departments (including Company-managed Railways), or by Government Officers acting in their official capacity and provided such cheques are otherwise in order.

Exception 3. —Cheques drawn by Presidents or Chairmen of District, Municipal and Local Boards in their official capacity on the Reserve Bank or State Bank or on Banks having clearing accounts with the Reserve Bank or State Bank maybe accepted without a Bank's guarantee in all Postal transactions provided that such cheques are otherwise in order.

Exception 4. —Cheques not covered by Banks guarantee may be accepted in payment of the following transactions: —

- (i) Payment of postage from the holders of Franking Machine Licenses.
- (ii) Payment of fee for the registration of abbreviated address and for the renewal of such registration.

NOTE. —Cheques not covered by Banks' guarantee may be accepted from the holders of franking machine licenses, but the meters should be set or reset only after the cheques have been cleared and the amounts collected from the Banks.

Exception 5. —A Bank's Guarantee is not necessary in case of cheques issued by M/S Indian Oil Corporation Ltd., for Postal Transactions.

Note 1: - (i) Postmasters should arrange to obtain from the members of the public, who wish to make payments of Postaldues other than those mentioned in the Exceptions above by means of cheques, the guarantee referred to in clause (a) of this Rule. These guarantees should be carefully filed and indexed and a request for renewal should be issued a month before the renewal falls due.

(ii) If any firm or individual who wishes to make use of the system of payment by means of cheques at Post Offices in connection with Postal transaction is unable to produce the guarantee referred to in clause (a) (iii) of this Rule, they may be given the option of requiring an approved local bank to draw, on behalf of the firm or individual, its own pay order or cheques either on itself or on some other approved, local bank in favour of the Postal

Department and a specimen signature of the Bank's officer who draws such a cheque or pay order should be furnished to the Post Office where such cheques are likely to be presented. (Kindly examine in view of the comments given below).

Rule 108. Cheques drawn on local Treasury may be accepted in all cases in payment of departmental dues. Such cheques shall be sent to the Treasury at the end of the day as a cash remittance.

Rule 109. Cheques received in payment of Postal dues, should be brought directly to account in Cash Book or in those initial records from which the Cash Book is posted. To ensure that the cheques are received only in respect of bonafide transactions, the receiving clerk should impress at the back with the date-stamp of the Branch/Office and the Group Officer or Supervisor should after verification put his signature below the date-stamp. They should also be entered in a Register of cheques received and cleared (Form A.C.G. 28) to exercise a watch over their encashment and action should be taken for the clearance of the cheques as soon as they are received. The Head of the Office should verify personally at the close of the day that all the cheques forming part of the cash balance of his office have been duly entered in the Register of cheques received and they have been received in bona fide transactions. In the event of a cheque being dishonoured the original entries in the Cash Book should be written back.

NOTE 1.—A register of cheques received and cleared Form (A.C.G.- 28) should be maintained by sub-offices in direct account with the Treasury as cheques received by them are cleared independently of their Head Offices.

NOTE 2. —In offices where receipt of departmental dues by cheques are unusually large and where such receipts are accepted in more than one counter, a separate Register of Cheques received and cleared may be maintained in respect of each counter, with the prior approval of the Director-General.

NOTE 3.—In the case of Air Mail Accounting Section of the Postal Directorate, the Register of cheques (A.C.G.-28) shall constitute the initial record referred to in this rule in respect of cheques received by them. All the cheques should be individually noted in the Register of cheques in order of date of receipt.

2. Cheques and payment receipts received in the Postal Directorate in payment of Air Mail Parcel Post or M. O. Accounts and drawn on Delhi Banks should ordinarily be endorsed in favour of Postmaster, Sansad Marg, HPO and forwarded with a covering memo, for encashment and credit in the Departmental accounts. On receipt of intimations from Postmaster, Sansad Marg, HPO regarding the encashment of the cheques the particulars viz., date of encashment and letter No. and date should be entered in the Register concerned under attestation of Accounts Officer (DAA). If intimation is not received within a reasonable time, the Postmaster should be reminded. To ensure the issue of timely reminders in this regard, this register should be reviewed by the Accounts Officer/Senior Accounts Officer at frequent intervals.

3. Cheques drawn on Banks situated in Mumbai and Kolkata are forwarded to the Director, Mumbai and Kolkata GPOs respectively for encashment and credit to Departmental Accounts; when cheques received are in dollar currency, they are endorsed in favour of and forwarded to the Director Mumbai GPO for encashment irrespective of the stations on which they are drawn. In case the intimation of credit is not received within a month from the date of forwarding the cheque, a reminder should be issued.

Cash Book

(a) Upkeep

Rule 110. Every Officer of Government who is authorized as a regular arrangement, to receive money or make payments on behalf of Government must keep a Cash Book in the form prescribed for the purpose. The Cash Books should be bound in convenient volumes and their pages serially machine-numbered. Before bringing a Cash Book into use, the Head of Office or the Officer nominated by him should count the number of pages and record a certificate of count on the first page of the Cash Book.

Exception 1. —Sub-Postmasters and Branch Postmasters are exempted from keeping Cash Book in the prescribed form and are, required instead to record particulars of their receipts and disbursements in the "Sub-Office Accounts" and "Branch Office Account" respectively maintained by them and on the reverse of the daily accounts submitted by them to "their account office (viz., Head Post Office or Sub Post Office as the case may be).

Exception 2. The main Cash Book shall be maintained for posting all the vouchers relating to disbursements to the head of accounts of which the transactions are comparatively heavy (preferably M1) and the subsidiary Cash Book for recording the transactions relating to all other heads. The receipt transactions for which A.C.G.-67 receipts are issued may be recorded in one of the cashbooks either the main or the subsidiary, so that the continuity of Receipt numbers may be carefully verified at all stages in one of the Cash Books. At the end of every day for facility of balancing and reconciling the cash balance with cash book balance, the receipt and payment side totals of the subsidiary Cash Book should be brought forward as the last entry in the main Cash Book and a grand total struck.

After recording all the transactions of a day, the balancing should be done in the main Cash Book and a certificate recorded therein that the totals of the transaction recorded in the subsidiary Cash Book have been incorporated in the main Cash Book.

Rule 111. Government servants who are only entrusted with fixed imprests or temporary advances of money are not required to maintain a Cash Book, but only to render accounts of their disbursements in Imprest Cash Accounts in the prescribed form. On existing technology platform, it should be maintained in the GL wise report format for accounting of cash and booking of expenditures.

Rule 112. The Cash Book should be treated as one of the most important account records an Officer may be required to keep and all Disbursing Officers are enjoined to comply with the general instructions contained in this chapter and any special instructions that may be

prescribed in this behalf in this or other volumes of the Postal Financial Handbook for guidance of Disbursing Officers belonging to different branches of the Department.

Rule 113. No receipt or payment other than that of cash as defined in Rule 100 may be entered in the Cash Book and, in making the entries, concise but sufficient details should always be given so that the nature of each receipt or payment may be readily ascertained without reference to the individual vouchers.

Note: Particulars of transactions occurring in a Head Post Office are required to be shown only in the Treasurer's Cash Book and not in the Head Office Cash Book in which the transactions of the Head Post Office and its subordinate offices are merely consolidated under certain specified heads.

Rule 114. All transactions of receipt or payment must be entered immediately on their occurrence and in order of their occurrence. The entries should be serially numbered and the serial number should be quoted at the same time on the bill received or other voucher on which the money was realized or payment made., Document numbers /Bill numbers that are generated in application should be entered on the bill received or other voucher on which the money was realised or payment made. In the Director-General's Office as well as in the Postal Circle/Regional offices, all transactions of payment on account of office expenditure, instead of Contingent register the person responsible for maintaining the receipts and payments should extract the contingent payments made directly by using appropriate head of account code.

Exception: In the office of the DG (Post), all transactions of payment on account of contingent expenditure will be recorded in the contingent register (TR 29) immediately on their occurrence and a lump entry should be transferred in the appropriate columns of the cash book (TR 4) at the close of the day.

The contingent register will be maintained in two parts to record the two types of contingent expenditure viz. (i) the expenditure met from the permanent advance, (ii) contingent expenditure met otherwise.

Rule 115. Erasure of an entry once made in the Cash Book is strictly prohibited. If a mistake has been made and is discovered before the month's account have been closed and submitted to the proper authority, the mistake should be corrected by striking out the incorrect entry and inserting the correct one in red ink between lines. Every such correction should be attested invariably with the dated initials of the Disbursing Officer or officer responsible. If the mistake is discovered after the accounts have been submitted to the proper authority, it can be corrected only on obtaining the sanction of the authority to whom the accounts are submitted; and an application for this sanction should be submitted immediately the mistake is noticed, with a full statement describing the nature of the mistake and the circumstances in which it was committed.

Note: - A register should be maintained having the details of the error to be rectified like document number, details of transaction, date of transaction, original GL code posting

and the correct GL code to which the correction is proposed and made in the office within the accounting month or submission of proposal of correction to the Postal Accounts Office if the accounting period is over.

(b) Verification

Rule 116. The Disbursing Officer shall check all entries in his Cash Book as soon as possible after the date of occurrence and he should initial the book dating his initials after the last entry checked by him. The Cash Book should be signed by him at the end of the month and such signature should be understood as fixing responsibility for all the entries of the month inclusive of the closing balance.

Note 1: The Head Office Cash Book and Treasurer`s Cash Book kept in a Head Post Office should be signed by Postmaster every day. The Cash Book kept in a Head Record Office should be signed by the Head Record Clerk at the close of each period of account.

Note 2: In Postal Offices where Cash Book is maintained in Form TR-4, all monetary transactions should be entered in the Cash Book as soon as they occur and attested by the Head of the Office in token of check.

Rule 117. The following are the more important points which must be attended to by the Disbursing Officer when verifying the Cash Book in accordance with Rule 116: -

(i) Each entry of payment should be compared with the connected voucher and the voucher should be examined to see that it bears a payment order recorded by himself or by other Competent Authority and a certificate of disbursement signed by himself or an authorized subordinate. Each voucher should be ticked off as it is compared.

(ii) Where any deductions from the gross amount of a voucher are to be recorded, under the rules, as receipts on the 'Receipt' side of the Cash Book, the entries of such receipts in the Cash Book should be compared with the amounts of deductions in the voucher.

(iii) Each entry of receipt should be verified with the counterfoil or office copy of the receipt granted when the money was received. The totalling of the Cash Book should be checked by the Disbursing Officer or by some responsible subordinate other than the writer of the Cash Book, who should initial and date the Cash Book as correct.

(iv) Entries of drawings from treasuries should be compared with the counterfoils of Cheque Books or the duplicate copies of the vouchers, as the case may be. Similarly, entries of remittances to Treasury should be checked with the entries in the Treasury Remittance (or Pass) Book or with the individual challans or memorandum of remittances.

NOTE. -Detailed rules regarding verification of the entries in the Head Office Cash Book and the Treasurer's Cash Book kept in a Head Post Office will be found in Chapter IV of the Financial Hand Book, Volume II.

Rule 118. Funds required by Disbursing Officers of the Department of Posts are, as a rule, obtained from treasuries by cheques or on vouchers or on simple receipts in accordance with the rules on the subject and departmental receipts may not be utilized for making disbursements except as provided for in Rule 4.

(c) Balancing

Rule 119. The Cash Book must be closed and balanced on the date prescribed for closing the Cash accounts of the month but when the transactions are numerous, a weekly or even a daily balancing is recommended. It is also advisable to count the cash whenever a balance is struck, or at convenient intervals, as this affords an independent check on the accuracy of the posting. The result 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 recorded in the money columns.. The note in the body of the Cash Book or daily transaction report as the case may be, should state both in words and figures the actual balance of cash as ascertained by the count. The outstanding balances of imprests and temporary advances should be taken into consideration when certifying the accuracy of the Cash Book.

NOTE 1. —The Head Office Cash Book and the Treasurer`s Cash Book kept in a Head Post Office are required to be closed and balanced every day.

NOTE 2. —In the Director General's Office as well as in the Circle/Regional Offices the daily transaction report should be closed daily and examined by the Gazetted Officer in charge of cash after verification of the cash balance actually in hand.

Exception. —The Cash Book or daily transaction report need not be closed on days when there are no transactions and the cash chest is not opened.

Rule 120.(1) The actual balance of cash should be counted and verified personally by the Officer in-charge of Cash Book on the last working day of each period for which accounts have to be submitted, i.e. immediately after closing the accounts of the period, but if this be impossible in a particular case, the cash balance may be counted on the first working day of the following period before any disbursement is made on that date. The details of the actual balance should be recorded either in the Cash Book or in a separate statement where one is prescribed and a certificate of the count of cash specifying both in words and figures the actual cash balance (exclusive of imprests and temporary advances made to subordinates or other Officers of the Department under proper authority) should be recorded below the closing entries of the Cash Book of the previous period. The certificate should also be recorded on Monthly Cash account, Primary Abstract or Account Current, as the case may be, submitted to the Circle Postal Accounts Office. The certificate should be signed by the Disbursing Officer who should invariably date the signature.

NOTE 1.—For the procedure to be adopted in cases of transfer of charge, see Rule 198.

Rule 121. The Officer authorized to pay the Pay and Allowances on the last working day of the month accounts the amount which are considered as Out of Account recoveries like, collections made under Pay Roll Savings Scheme, Society recoveries may be paid either electronically or by cheque and acknowledgement obtained & kept on record. In some cases, like payment to Court etc. it may be sent by e-Mo deducting the commission.

These are being identified with the respective GL Codes wherein money is credited. The amount thus lying in these GL codes are further paid to the entity concerned by electronic mode or by cheque.

Rule 122. Whenever; on the contents of the cash chest being counted, the balances as per Cash Book, as the case may be, is found to be incorrect, it must unless the error can be detected and rectified at once, be rectified by making the necessary receipt or payment entry as follows:

To

Cash found excess in chest.

or

By

Cash found deficient in chest.

Verification of balances by Inspecting Officers

Rule 123. Inspecting Officers of the Department (viz. Assistant Directors of Postal Services, Superintendents of Post Offices and Inspector of Post Offices) should, after carrying out the verification of the cash balances(including the portion of the balance held in stamps) of Head Post Offices in the manner prescribed in Rules 10, 239 and 299 of the Postal Manual, Volume VIII, submit to the Accounts Office a report in Form A.C.G.-84, showing particulars of the balance held by every Head Post Office inspected on the last day of each month.

CHAPTER VI

Supply of Funds and Other Remittance Transactions

Rule 124. The cash balance of each Post Office should be kept as low as possible consistently with the proper working of the office and should, except in very special circumstances, be within the limits of maximum and minimum cash balances prescribed for it. The Head of each Postal Circle or the Sr. Superintendent of Post Offices, as the case may be, will fix the maximum and minimum cash balances of the first-class Head Post Offices under his control.

A Superintendent of Post Offices will similarly fix the cash balances of all Post Offices under his control. The principles regulating the fixing of these balances are laid down in Chapters 1 and 2 of the Postal Manual Volume VIII.

NOTE 1 —A Post Office that receives from the public and its sub-ordinates offices more than it pays away should, as soon as the maximum balance is reached, remit to the Treasury or sub-Treasury/Bank the whole surplus in excess of the minimum balance. A Post Office that pays away more than it receives should, as soon as its minimum balance is reached, replenish its balance up to the authorized maximum.

NOTE 2.—See clause (a) of Rule 58 of Financial Hand book Vol. II

Rule 125. All Head Post Offices are, as a general rule, supplied with funds from, and remit their surplus collections to Bank or Government Treasuries. In the case of Head Post Offices situated at stations at which there is no Government Treasury or Sub Treasury, funds are supplied from, and remitted to, other Post Offices in the manner prescribed in Rules 136 to 138.

NOTE. —Detailed rules regarding cash remittance transactions between a Head Post Office and its subordinate offices are given in Chapter 10 of the Postal Manual Volume VI (Post Office). In case where it is more convenient for subordinate offices to transact with Bank or Government Treasuries or Sub-Treasuries on behalf of the Head Post master, the latter may make necessary arrangements with the Treasury and Sub-Treasury Officers concerned. (See Rule 134).

Transactions with Treasuries

Rule 126. The transactions of the Post Office with Civil Treasuries are regulated by the rules laid down in Section III of Part VII of the Compilation of the Treasury Rules, Volume I which are reprinted below for reference.

NOTE 1—The authority issued by the Circle Postal Account Office opening a drawing account by the Postmaster shall remain current for 3 months from the date of its issue. Period of currency shall be incorporated in the body of the authority letter. If the authority is not acted upon within that period, the Postal Account Office shall issue a fresh authority, mentioning that it is in supersession of the previous authority.

NOTE.2 —In correspondence with Treasury Officers regarding their Treasury Accounts Postmasters should quote the relevant Rules of the Compilation of the Treasury Rules, Volume I, only and avoid any reference to any departmental Codes or Manuals which are not supplied to Treasury Officers.

Treasury Pass Book

Each Head Post Office who is in account with any treasury must keep for each Treasury with which it deals, a separate Treasury Pass Book in departmental form or paid into the Treasury, whether in cash or by transfer by itself or by any of its Sub-Offices. If the Head Post Office from, which will contain a complete record of all sums received, is at headquarters, this book shall accompany all remittances to or demands on the Treasury, and shall be attested by the Treasury Officer in respect of the Head Post Office transactions as they occur, and in respect of the Sub-Treasury transactions after verification with the credits and debits communicated in the Sub-Treasury accounts. If the Head Office has dealing with a Sub-Treasury only, the Pass Book need not be attested by the Treasury Officer, as it would have to be transmitted by post, which would be inconvenient.

NOTE 1. —When a Postmaster has a Sub-Post Office under him, which has transactions with a Treasury or sub-Treasury in another district, he must keep two Treasury Pass Books, one with the local Treasury and the second with the Treasury or sub-Treasury of the other district.

NOTE 2. —Separate Pass Books should be kept by Sub-Post Offices dealing directly with a Treasury/Bank.

NOTE 3. —The Treasury seal or stamp should be affixed against all entries in the Treasury Passbook.

[Rule 509 of the Compilation of the Central Treasury Rules, Volume – I]

The Head Post Office Treasury Pass Book must be kept in the Head Postmaster's personal custody and he must himself make all the necessary entries in it.

NOTE. —In the case of Director of Kolkata GPO, Chennai GPO and Mumbai GPO this duty may, under the orders of the Director General, be delegated to a Gazetted Deputy or Assistant Postmaster.

(Rule 510 of the Compilation of the Treasury Rules, Volume I.)

Remittance to Treasury

(1) Money paid into a Treasury by a Postmaster shall be forwarded with the memorandum of remittance prepared under departmental regulations and the Post Office Treasury Pass Book and shall be acknowledged by the signature of the Treasury Officer or of the Accountant and the Treasurer in case of sums under Rs. 500 in the column provided in the latter.

(2) Money paid into a Treasury by a Sub-Postmaster shall be forwarded with the memorandum of remittance in duplicate and the Pass Book kept by the Sub-Office; the Pass Book shall be signed by the Treasury Officer, or by the Treasurer and the Accountant, if the amount is below Rs.500/-.The duplicate memorandum shall be retained in the Treasury and the original returned signed as above to the Sub-Postmaster.

(3) Money paid in to a Sub-Treasury by a Postmaster shall be accompanied by the Post Office Treasury Pass Book and a single memorandum of remittance. The Sub-Treasury Officer shall attest the entries in the Pass Book and return the memorandum.

(4) Money paid into a Sub-Treasury by a Sub-Postmaster shall be accompanied by the Sub-Office Treasury Pass Book and by memorandum of remittance in duplicate. The Sub-Treasury Officer shall attest the entries in the Pass Book and return the original memorandum duly signed.

NOTE 1. — Cheques, credit challans and pay orders accepted should be forwarded to the Treasury Officer as a remittance along with Treasury Pass Book. Each cheque will be shown as a separate entry in the Treasury Pass Book and will be accompanied by a separate memorandum of remittances in duplicate showing full particulars of the cheque. The Treasury Officer shall tick of each entry in the Pass Book and sign once against all the entries bracketed together and this will constitute a preliminary acknowledgment of the cheques. After clearance of the cheques, he shall return the original memorandum duly signed, as the final receipts for the remittance and retain the duplicate in the Treasury.

Cheques on local clearing Banks may, however, be included in one memorandum of remittance showing the total number and amount of the cheque which will be presented to the Treasury in duplicate along with a list in triplicate, showing the details of each cheque. The Treasury Officer shall return one copy of the list along with one copy of the memorandum of remittance duly signed after clearance and retain one copy of the memorandum of remittance and two copies of the list. One copy of the list will be for his own record and the rest for transmission to the Circle Postal Accounts. In case any cheque is not cleared and is returned unpaid the fact will be noted against the relevant entry of all copies of the list with consequential correction in the memoranda of remittance duly attested before one copy of each is returned to the Post Office.

Note 2: -Postal transactions with the Bank need not pass through the Treasury Accounts and consequently through the accounts of Civil Accountant General. They will be brought to account direct against the Postal balance in the books of the RBI. The transactions both debit and credit, will be advised daily by the Bank to the General Manager (Finance), Director, Deputy Director of Accounts (Postal) and the Disbursing Officers concerned through Debit and Credit scrolls.

[Rule 511 of the Compilation of the Treasury Rules, Volume I.]

Payments to the Post Office for Money Orders issued by Treasury Officers shall not be made in cash, but the amounts will be credited to the Post Office in accordance with the procedure prescribed in Rule 198, CTR Volume I.

[Rule 512 of the Compilation of the Treasury Rules Volume I]

Drawings from Treasury

The Head Postmaster will draw necessary funds either by means of treasury vouchers or by cheques drawn on treasury/bank, or by means of both as may be authorized in each case. For this purpose, the Postmaster will be placed by GM (F)/Director/Deputy Director of Accounts (Postal) concerned in account with one or more treasuries/banks. Where necessary the Head Postmaster will access the cash requirements of the Sub-Postmasters under him and arrange to place them in account with Treasury/Bank on his behalf and authorize them to draw funds against his own account up to the fixed amount which he considers reasonable. When the funds are required by a Sub-Postmaster at different treasury/bank from that with which the Postmaster himself banks, the latter must have himself placed in account with that treasury/bank through the GM (F)/Director/Deputy Director of Accounts (Postal) concerned and then empower his subordinate Postmaster to draw against his account.

The Head Postmaster intending to grant additional funds to a Sub-Postmaster under him, will make a request in that behalf in writing to the branch of the Bank/treasury at the place where the Head office is situated and the branch will arrange to send forthwith the requisite electronic/digital advice in code to its counterpart at the place where the concerned Sub office is situated. On receipt of the message, the branch Agent at the latter station will advise the sub postmaster in writing that additional funds have been sanctioned by the Head Postmaster in his favour.

[Rule 513 of the Compilation of the Treasury Rules, Volume I.]

When funds are drawn by a Postmaster from a Treasury or a Sub-Treasury, he shall present his Treasury Pass Book with a receipt. The Treasury or Sub-Treasury Officer will initial the entry in the book and return it with the money, to the Postmaster, retaining the receipt as voucher in support of the payment in his own account.

(Rule 520 of the Compilation of the Treasury Rules, Volume I.)

When funds are drawn by Sub Postmaster from a Treasury or Sub-Treasury, he shall present his Pass Book with duplicate receipts. The Treasury or the Sub-Treasury Officer shall initial the entry in the Pass Book, return one receipt with a note of payment written across it, with the money, to the Sub-Postmaster, and retain the other receipt in support of the payment in his own account.

(Rule 521 of the Compilation of the Treasury Rules, Volume I.)

Payments due on Money Orders

At all Payments stations where Head Post Office exists, the payment on account of Revenue Money Orders may not be made in cash or through cheques. In other places where cheque facility is not available and/or where book transfer is insisted upon, the transactions may be adjusted by book transfer on a receipt signed by the Postmaster for the total value of the Money Orders payable to the revenue authorities on each day.

The debits to the Post Office raised on this account shall not be charged against letters of credit. This rule applies also to Money Order in ordinary form issued in favour of the Collector in payment of revenue under his management. Ordinary Money Orders in favour of other Government Officers will be paid in cash or through cheques and by book transfer only if a written requisition is received from the treasury officer.

[Rules 522 of the Compilation of the Treasury Rules, Volume I]

Payment of Indian Postal Orders

Payment of Indian Postal Orders to Government and Semi-Government Offices may be made by book adjustment on receipt of a Treasury voucher from the Postmaster who shall present it to the Treasury Officer along with the passbook. The Treasury Officer shall endorse the Treasury voucher "paid by book adjustment by the Treasury Officer" and debit the amount shown in the Treasury voucher to the Remittance head 'Adjusting Account with Department of Posts' by per contra credit to the receipt head concerned.

[Rule 523-A of the Compilation of the Treasury Rules, Volume I.]

Payment of Municipal Taxes on Postal Buildings

The following procedure shall regulate the payment by Municipal taxes on Post Offices: -

The Postmaster, on receipt of a bill from a Municipality or a Local Board, should enter the amount of the bill as a drawing from the Treasury in the Treasury Pass Book, and send the Treasury Pass Book with the bill and a receipt to the Treasury Officer concerned. The Treasury Officer should attest the entry in the Pass Book and credit the amount to the account of the Municipality or the Local Board, as the case may be, retaining the receipt as a voucher in support of the debit in his own account. The Postmaster, on receipt of the Pass Book and the bill with the note made by the Treasury Officer to the effect that its amount has been credited to the account of the Municipality or Local Board concerned, should make the necessary entries in his own account, the entry on the payment side being supported by the bill.

[Rule 524 of the Compilation of the Treasury Rules, Volume I.]

Treasury and Bank Accounts

Remittances by the Postal Department to the Bank should in all initial accounts be kept distinct from those made to the Treasury. Similarly, the drawls from the Bank should be kept distinct from those made from the Treasury. The Post master should keep a separate passbook for transactions with each branch of the Bank. The Postal transactions taking place in the branches and agency of the Reserve Bank of India shall not pass through the Treasury account and consequently accounts of the Civil Accountant General. These shall be brought to the account direct against the Postal accounts in the books of the Bank. Each office and branch of the Bank shall furnish to the P&T Branch Audit office/PAO concerned everyday a copy of the debit/credit scroll related to such transactions together with their requisite vouchers. A copy of the daily debit/credit scroll will, simultaneously, be sent by the Bank to the concerned Postal Disbursing Officer. The scrolls received from the Bank will be utilized by the Disbursing Officers to verify from an independent source that the amounts withdrawn/deposited by them have been properly accounted for in their own books/ in the books of the Bank.

For Remittance to and from the non-Banking treasuries, the Treasury Officer will send to the GM (F)/Director/Deputy Director of Accounts (Postal) concerned bimonthly schedule of payments and receipts, in duplicate, accompanied by pay cheques or challans on 11th and 1st of following month for the amounts drawn from and remitted to the Treasury by the Postal Disbursing Officers. Copies of such schedules will simultaneously be sent to the concerned P & T audit office.

[Rule 526 of the Compilation of the Treasury Rules, Volume I.]

Treasury Pass Book

Rule 127. (a) Each Head Office must keep for each Treasury with which it deals a separate Treasury Passbook in Form No. ACG 8 which should contain a complete record as well as a daily total of all sums received from or paid into the Treasury and its sub-treasuries (whether in cash, cheques or by book transfer) by itself or any of its sub-offices. Drawings from and remittances to the Treasury and its sub-treasuries in cash or by cheque should be posted in the appropriate columns of the Treasury Pass Book and shown separately from drawings and remittances by book transfer. This book should accompany all remittances to or demands on, the Treasury or the sub-Treasury, as the case may be, and it will be attested by the Treasury Officer or the Sub-Treasury Officer in respect of the Head Office transactions as they occur.

(b) The daily totals of the Treasury Passbook or, if more than one Passbook is kept, the sum of the daily totals of (1) remittances and (2) drawings of all the Passbooks should agree with the corresponding entries in the Head Office Cash Book.

(c) If the Head Office is at the headquarters of the district, the Treasury Officer will attest the Passbook also in respect of the transactions of the sub-offices under the Head Office with

sub-treasuries, after verification with the entries in sub-Treasury accounts. If the Head Office has dealings with a sub-Treasury only, or if it has no direct dealings with any Treasury (district or sub) but has sub-offices which deal with treasuries, the Treasury Passbook is not attested by the Treasury Officer, as it would have to be sent to the district Treasury by post, which would be inconvenient.

(d) The Treasury Passbook must be kept in the Head Postmaster's personal custody, and he must himself make all the necessary entries in it. In the case of GPO/HPO/MDGs, this duty may, under the orders of the Director General, be delegated to a Gazetted Deputy or Assistant Postmaster.

NOTE 1. —When Head Postmaster has a sub-office which deals with a Treasury or sub-Treasury in another district, he must, if necessary, keep two Treasury passbooks one with the Treasury of his own district (if he or his sub-offices have Treasury transactions in his own district), and the other with the Treasury of the other district. The Treasury passbook kept for a Treasury in another district is not attested by the Treasury Officer, as it would have to be sent to the district Treasury by post, which would be inconvenient.

NOTE 2. —In the case of Head Post Offices under the charge of Group 'A' Postmaster at Kolkata, Mumbai, Chennai, New Delhi, Lucknow and Kanpur, entries in the Treasury Passbooks relating to cheques may be made by LSG Accountant/time-scale Accountant provided all such entries are checked by a Gazetted Officer, i.e., Gazetted Deputy Postmaster or Assistant Postmaster who will solely be responsible for the entries made in the Treasury Passbooks.

Remittances to Treasury (District or Sub)

Rule 128. (a) When a remittance is to be made to a Treasury (district or sub), the amount should be entered in the Treasury passbook by the head Postmaster, and a memorandum of the remittance (Form No. A.C.G. 11) should be prepared by himself in duplicate. Separate memoranda should be prepared for Cash and Cheques. The memorandum should be impressed with the oblong Money Order stamp and signed by the Postmaster. The Treasury passbook should also be signed by the Head Postmaster and sent with the money and the original or upper copy of the memorandum of remittance to the Treasury or the sub-Treasury, as the case may be. One copy of the memorandum should be retained on record in the Post Offices as office copy. In the preparation of memorandum of remittances [Forms A.C.G.-11 and 11(a)] and Voucher (in Forms A.C.G.-12 and 14) for drawings from treasuries, the detailed procedure outlined in Rule 152 for preparation of cheques shall be followed.

NOTE 1.—In making a remittance by book transfer (vide Rules 512 and 522 of the Compilation of the Treasury Rules, Volume I, reprinted under Rule 126 of this Hand book), the procedure laid down in clause (a) above should be followed, except that a separate memorandum of remittance should be prepared, with the superscription "on account of Money Orders issued by Treasury" and that the certificate given by the Treasury Officer stating that the amount of the Money Orders, including the commission, has been credited to the Post Office in the Treasury accounts, should be sent to the Treasury in lieu of cash.

NOTE2. —The Treasurer is responsible that the sum to be paid into the Treasury is entrusted to the official selected by the Head Postmaster, and the receipt of such official for the money given to him for this purpose is taken in the Treasurer's cashbook. The head Postmaster should be very careful to select a trustworthy official who has given security for this duty. When a sum exceeding the amount fixed by the CPMG/Regional Postmaster General/PMG has to be paid into a Treasury or Sub-Treasury, a clerk should be sent with it and in such cases, the Postmaster should write his orders on the office copy of the memorandum of remittance mentioning the name of the clerk selected for the purpose. The clerk should be required to affix his signature below the Postmaster's orders in token of having seen them and should also count the remittance and grant receipt in the treasurer's Cash Book. He will also be jointly responsible with the official who conveys the remittance and should therefore, wait in the Treasury or Sub-Treasury till the transaction is completed. When an armed guard is provided, there is no necessity of a clerk to accompany the official conveying the cash.

NOTE 3. —The memorandum of the remittance (Form A.C.G.11) may be prepared in the manner, wherever the Treasury or Bank so desire.

NOTE4. —The personal duty of Postmaster in respect of the preparation of Memo of Remittances may be delegated to the Director /Dy. Postmaster in GPOs at Chennai, Mumbai, Kolkata, New Delhi/Delhi. This duty may be delegated to the Assistant Treasurer in case of other Head Offices under the charge of Gazetted Postmaster subject to the condition that the entries are checked personally by the Gazetted Postmaster. He will continue to be solely responsible for the correctness thereof.

Exception I.—In partial modification of the procedure in Note 2, an official of approved service and proved character who has been exempted from furnishing security under Rule 220 of the Postal Manual, Volume II, may, if necessary and when specially authorized by the Head of the Circle concerned, be allowed to carry cash if he continues to be trustworthy and honest.

Exception 2.— The restriction that a clerk should accompany a remittance to the Treasury or Sub-Treasury as imposed by Note2 above does not apply to remittances by crossed cheques.

(b). The Treasury Officer or the sub-Treasury Officer, as the case may be will place his signature against the entry in the Treasury passbook in acknowledgement of the remittance and return the book to the head Postmaster, who should examine it and satisfy himself that receipt of the amount has been duly acknowledged and that the signature of the Treasury Officer (or Sub-Treasury Officer) tallies with that on record in his office. The memorandum of the remittance will be retained by the Treasury Officer.

At places where Treasury business is conducted by the Bank, remittance will be made by Post Offices direct to the Bank. The Postmaster making a remittance should specify on the remittance Memo, the head of account as "Postal Remittances".

NOTE. —Treasury Officer (or Sub-Treasury Officer) shall furnish to all Postmasters who draw money and also make remittances into the Treasury concerned, a specimen of his signature under a special forwarding letter duly stamped with the seal of the Treasury. On every transfer of charge of the Treasury or Sub-Treasury a specimen of the signature of the relieving Officer shall be forwarded by the outgoing Officer to the Postmasters concerned, with the forwarding letter duly stamped with the seal of the Treasury. The specimen signature along with the forwarding letters will be neatly pasted in a guard file and remain in the personal custody of the Postmaster. The Treasury Officer shall also furnish to the Postmasters concerned the specimen signatures of the treasurer and the Accountant who are authorized under Rule 126 to acknowledge remittance under Rs. 500 into the Treasury.

(c) The book of memoranda of remittance to the Treasury must always remain in the personal custody of the Postmaster.

(d) When a memorandum of remittance to the Treasury is spoiled or has otherwise to be cancelled, the word "cancelled" should be written in ink over the head Postmaster's signature across the original and duplicate copies of the memorandum both of which should then be kept on record.

NOTE. —The personal duty of Director/Postmaster regarding cancellation of spoiled Memo of remittances may be delegated to the Dy. Postmaster/Assistant Postmaster of GPO/HPO/Mukhya Dak Ghars (MDGs) respectively as the case may be.

Government of India, Department of Posts's Decisions

Discontinuation of usage of Physical (receipt copy) of Memorandum of remittances ACG 11, 11(a) and vouchers ACG 12,13 and 14 in the Post Offices: -

The existing process of usage of physical receipt copy of memorandum of remittances ACG 11, 11(a) and vouchers ACG 12, 13 and 14 which are being used in Post Offices- Head Offices, Sub-Offices before CSI implementation for the following has been reviewed by the competent authority and having examined the competent authority has decided to discontinue the same upon implementation of CSI and supersede the existing process with the following:

S.No.	ACG	New Process
1.	ACG-11, 11(a) and 13	The challan/voucher shall be mandatorily generated through CSI system bearing the form number in a consecutive manner.
2.	ACG-12 and 14	Cheque books supplied by the Circle Accounts Officers shall be used for this purpose.

However, the physical usages of above memorandum/vouchers shall continue in all such Post Offices which are Cash Offices but are TNF sites or in some Post Offices which are transacting with Treasuries of State Government (and it does not deal with Bank) with the authority of Head of Circles, who will issue the orders containing of such Post Offices under

his jurisdiction which may continue using physical memorandum of remittances ACG 11, 11(a) and vouchers ACG 12, 13 and 14.

(GoI, MoC, DoP Letter No. 4-02/2020-PO dated 16th December 2020).

Drawings from Treasury (District or Sub)

Rule 129. (a) When money is to be drawn from a Treasury (district or sub), the amount should be entered in the Treasury Passbook by the Head Postmaster, and a voucher (in Form No. A. C. G. 12) should be prepared by himself in duplicate. The voucher should be impressed with the oblong Money Order stamp and signed by the head Postmaster. The Treasury Passbook should also be signed by the Head Postmaster and sent with the original or one copy of the voucher to the Treasury or the sub-Treasury, as the case may be. The second copy of the voucher should be retained on record in the Post Office. In the preparation of memorandum of remittances [Forms A.C.G 11 and 11(a)]and Voucher(in Forms A. C.G.-12 and14) for drawings from treasuries, the detailed procedure outlined in**Rule 152** for preparation of cheques shall be followed.

NOTE 1.—The procedure laid down in Note 2 underRule 128. (a)should apply mutatis mutandis in such cases. When a sum exceeding an amount fixed by the CPMG/ Regional Postmaster-General/PMG, has to be drawn from a Treasury or sub-Treasury, a clerk should be entrusted with this duty. He should be required to sign for the Treasury voucher on the reverse of the lower copy of the document which constitutes the office record.

NOTE 2.—The procedure laid down in Note3 underRule 128. (a) should apply mutatis mutandis in case of preparation of voucher for drawings [Form A.C.G.-12].

NOTE3.— In the Head Post Offices under the charge of Gazetted Postmasters, the personal duty of Postmaster in respect of the preparation of memo, of the remittances may be delegated to the Assistant Postmaster(Treasury), subject to the condition that the entries in the memorandum are checked personally by the Gazetted Postmaster, who will continue to be solely responsible for the correctness thereof.

(b) The Treasury Officer or the Sub-Treasury Officer, as the case may be, will initial the entry in the Treasury pass-book and return it, with the money, to the head Postmaster, who should examine it and satisfy himself that the amount received corresponds with the entry in the pass-book. The Treasury Officer will retain the voucher.

(c) The books of vouchers for money drawn from the Treasury will be serially numbered from 1 to 50000 by the press at which they are printed. The serial number of each book will also be printed below the number of each voucher contained in the book. The books should be used in the order of their numbers and whenever a fresh book is about to be brought into use the Head Postmaster must intimate its serial number to the Treasury Officer or the Sub Treasury Officer, as the case may be, the intimation being sent in a cover registered on Postal Service. The book in use must always remain in the personal custody of Head Postmaster. In the case of General Post Offices this duty may, under the orders of the Director General, be delegated to a Gazetted Deputy/Assistant Director, GPO.

NOTE. —The Treasury voucher books should be brought on to the special stock register in form A.C.G.-53 maintained for cheque and receipt books etc., in which all the details required there to together with commencing and closing numbers of each Treasury voucher book, date of bringing into use etc, should be entered.

(d) When a voucher for money to be drawn from a Treasury is spoiled or has otherwise to be cancelled, the word "cancelled" should be written in ink over the Head Postmaster's signature across the original and duplicate copies of the voucher, both of which should then be kept on record.

NOTE. —When money is to be drawn from a Bank, the amount should be entered in the Treasury Passbook by the Accountant and a cheque in the prescribed form should be prepared by the Chief Postmaster himself. The cheque should be made payable to the Chief Postmaster, himself endorsed on the back in favour of the Treasurer of the General Post Office, and then made over to the latter under receipt on the counterfoil with the Treasury Pass-book. The Treasurer should sign his name on the back and present it for payment at the Bank. If he is unable to proceed to the Bank personally, he would endorse the cheque in favour of one of his authorized assistants who must be personally known to the Bank, and this assistant should sign his name on the back of the cheque and present it to the Bank. The Treasurer of the Bank will initial the entry in the Treasury Passbook and return it with the money to the Treasurer of the General Post Office or his assistant. The Bank will retain the cheque. The Chief Postmaster should satisfy himself that the amount received corresponds with the entry in the Treasury Pass-book and that shown in the Treasurer's Cash Book as drawings from the Treasury and initial the entry in the letter in token of check.

Rules 130 to 132 should be followed *mutatis mutandis* for the supply, custody, use and cancelment of cheques.

Cheques

Rule 130. At places where the Treasury business is conducted by the Bank, Postmasters in charge of Post Offices approved by the Director-General may make payments on account of large postal transactions (other than Money Order, Indian Postal Order, Savings Bank, Government security, Postal life Insurance and Post Office certificate transactions) to firms and individuals of repute by means of cheques drawn against drawings account. Such cheques will not be drawn for amounts less than Rs 100/-.

Payments on account of Money Order, Indian Postal Order, Savings Bank, Government security, Postal life Insurance and Post Office certificate transactions may also be made at the places referred to above by Head Post Offices, and sub-offices in charge of Gazetted Postmasters by means of cheques for amounts not less than Rs. 100/-separately for each kind of transactions, viz., Money Order, Indian Postal Order, Savings Bank, Government security, Postal life Insurance and Post Office certificate transactions. These Head Offices may also issue cheques in payment of the above-mentioned transactions relating to the sub-offices in account with them. In such cases, the cheques will be sent to the sub-offices concerned as a remittance for payment to the parties concerned. All such cheques drawn should be crossed

and made "Not Negotiable". In the case of General Post Offices, Gazetted Assistant Postmasters may be authorized to issue cheques on behalf of Postmasters who should, in such cases, arrange to send specimen signatures of such Officers to the Bank. In respect of the Sub-Offices in charge of Gazetted Postmasters, arrangements should be made by the Head Postmasters concerned to have drawing accounts opened on their behalf with the Bank.

The Postmasters of Central Base Post Offices at Delhi and Kolkata are authorized to draw cheques on Reserve Bank of India, Nagpur, for the purpose of making Postal payments.

NOTE 1- In the case of General Post Offices, the Assistant Chief Postmasters, Money Order Department, may sign cheques, on behalf of the Chief Postmaster during the latter's absence from office on duty, in payment of pensions of not less than Rs. 9000 per month, subject to the provisions of Chapter VII, of the Financial Handbook, Volume-II. The ultimate responsibility for payment in such cases shall, however, be that of the Chief Postmaster who should on his return to office check all the counterfoils of such cheques with reference to the entries in the accounts.

NOTE 2- In the absence of the Gazetted Head Postmaster in charge of Post Office, the Deputy Postmaster (non-Gazetted) may issue the cheques for official purpose, subject to the condition that the ultimate responsibility for payment in such cases will rest with the Gazetted Head Postmaster who, on his return to office, should check all the counterfoils of such cheques with reference to entries in the accounts and electronic scrolls.

Rule 131. When issuing a cheque, the Postmaster will credit the amount in his accounts under the head "drawings from treasuries" by a per contra debit to the service or other head concerned and enter the transaction in his Treasury Pass Book. The entry will be attested by the Treasury Officer when the Pass Book is next presented to him by the Postmaster. If a cheque has not, in the meantime, been cashed, the entry will be left unattested by the Treasury Officer until the cheque is cashed.

Rule 132. Every cheque received in payment of Postal, and Telephone dues and remitted to the Treasury or the Bank conducting cash business of the Treasury for clearance and credit in to the accounts of Department of Posts (Account) should be entered in the Treasury Pass Book (Form ACG-8) and in memo of remittance to Treasury/Bank [Form ACG-11 (a)], with a remark 'By Bank Cheque' in the appropriate column of the Treasury Pass book. There will be a separate entry for each cheque in the Treasury Pass Book and, except in the circumstances prescribed in Note 2 below, a separate memo, for each cheque. The serial number of cheques, the name of the Bank on which drawn and the amount of each cheque should be entered in the Pass Book. In receiving cheques, the Bank or Treasury Officer will verify their amounts with the entries in the Pass Book and the memo, tick off each entry of the cheque in Column 8 of the Pass Book and sign once against all the entries bracketed together. This will constitute a preliminary acknowledgement of the receipt of the cheque. The Cheque should always be endorsed "Received Payment by transfer credit to".

NOTE 1- In the case of remittances referred to in this rule the memo. of remittance [Form ACG-11(a)] will be prepared in triplicate instead of in duplicate and the original

(upper copy) and the duplicate copy will be sent to the Bank or Treasury, the triplicate copy being retained on record in the Post Office. The Bank or Treasury Officer will return the original copy of the memo, duly signed to the Post Office as the final receipt of the remittance after clearance of the cheques.

NOTE 2- In the case of cheques on local clearing Banks, only one memo of remittance in triplicate will be prepared showing the total number and amount of cheques. Two copies of the memo of remittance will be presented to the Bank along with a list [Form ACG 11(b)] which should be presented in triplicate giving details of each cheque. The Bank will return one copy of the list along with one copy of the challan duly signed after final clearance and retain one copy of the memo and two copies of the list. In case a cheque is not cleared and returned unpaid, the fact will be noted against the relevant entry of all the copies of the list and the memo of remittance and duly attested by the Bank Officer before they are returned to the Post Office.

NOTE 3- The clearance of the cheques will be closely watched by the Postmaster, by comparing the receipted memos with the ticked entries in the Pass Book. The date of clearance of each cheque should be noted by the Postmaster in the appropriate column of the Pass Book with his signature. If a cheque is dishonored it should be noted in red ink in Column 12(a) of the Pass Book. All the entries should be made by the Postmaster himself. In case a cheque is dishonoured, the challan pertaining to that cheque will not be returned by the Treasury Officer, but will be destroyed. The Postmaster should, in all such cases, take steps to write back amounts in the Cash Book and also to recover the money from the party concerned if the transaction to which the cheque related had already been completed.

Note 4- Provisions as provided in Para 38 to 48 of Central Government Accounts (Receipts and Payments) Rules 1983, Note 5, below Rule 42 of Receipts and Payments Rules and chapters I,II and III of Civil Accounts Manual provide for various checks and counter checks to be applied to prevent possibility of any fraudulent payments. .

ELECTRONIC RECEIPTS & PAYMENTS

Rule132.(A). Receipts

Payments to be made to the Department of Posts by the Customers may remit to the Postmaster's Remittances Account. The transactions reflecting in the electronic scroll of the "Remittances" Bank Account shall be verified on a daily basis and a corresponding entry is made in the books of accounts immediately which will reflect in the daily transaction report. The per contra entry shall be shown against the service which is availed by the Customer.

(Ref: Rule 7 of Central Government Account (Receipts & Payments) (Amendment) Rules 2012 and MoF DoE CGA OM No. 1(1)/2006/ECS/TA/165 dated 28-03-2016)

Rule133.(B). Payments

All payments to suppliers, contractors, grantee/ loanee institutions etc. above Rs. 5000 should be made through electronic advices through GePG/ PFMS. Account numbers of such Companies/ Boards be obtained for making payments electronically.

(MoF, DoE CGA OM No. 3(2)(1)/2016(R&P)Rules/Amendment/649 dated 05.12.2016 and number S-1102/3(1)/DP/WC/2017/GBA/115-175 dated 30-31st January, 2018 further, circulated vide DoP Letter No. 2-1/2007-08/PA(Tech-I)/1077-1147 dated 09-02-2008.

Sub-Offices Transactions with Treasuries

Rule 134. The detailed procedure to be followed by sub-Postmasters in dealing with treasuries and sub-treasuries is given in Chapter 11 of the Postal Manual, Volume VI. A pass-book shall be maintained by sub-offices, and funds will be drawn from and remittances made to the treasuries or sub-treasuries in Form No A.C.G.14 and 13 respectively, which should be sent in triplicate for cash and in quadruplicate for cheques. The transactions as they occur, supported by the originals of these forms (except for cheques), in the case of remittance to the Treasuries or sub-treasuries and anyone in the case of drawings from the treasuries or sub-treasuries, should be communicated through the daily account, by the sub-offices concerned to the Head Office. In the case of cheques, however, a copy of the voucher should be sent along with the daily account, the voucher being sent later on its receipt back duly attested after clearance. The Head Office will, on receipt of the daily account, enter the transactions in the Treasury pass-book kept with the Treasury of the District in which the sub-office is situated and, in the case of remittances by cheques, will compare, the date of remittance as noted in the pass-book with that of the original voucher when it is received in the Head Office after clearance. The receipts and vouchers along with the original and duplicate copies of cancelled receipts and vouchers received from sub-offices should be checked and placed on record in the Head Office. In the preparation of memorandum of remittances [Forms A.C.G.-11 and 11 (a) and Voucher(in Forms A.C.G.-12and14) for drawings from treasuries, the detailed procedure outlined in Rule 130 for preparation of cheques shall be followed."

Rule 135. Whenever charge of an office which has an account with a Treasury or Sub Treasury, is transferred from one Officer to another, intimation (in the form below) should be given by the relieved Officer to the Officer in-charge of the Treasury or Sub-Treasury, accompanied by a specimen of the relieving Officer's signature.

"The undersigned begs to notify to the Treasury Officer at that he has this day been relieved of the charge of the Post Office at--- by--- a specimen of whose signature is given below".

Relieving Officer

Relieved Officer

Remittances between Head Post Offices

Rule 136. The Office or offices by which a head Post Office situated at a station where there is no Treasury or sub-Treasury will be supplied with funds and to which the surplus cash collections of such a head Post Office will be remitted, will be prescribed by the Head of the Circle in the case of first-class head Post Offices and by the Superintendent of Post Offices, in other cases. The cash balances of such Head Offices should be regulated in accordance with the principles laid down in **Rule 124**.

Rule 137. (a) The Head of the Circle or the Superintendent of Post Offices will prescribe the manner in which cash remittances are to be exchanged between two head Post Offices, that is to say whether they are to be sent by post, or in the charge of special carriers, such as postmen, village postmen, overseers, or other subordinates, and also, in the latter case, whether the money is to be made over loose to the carrier or enclosed in a cash bag.

(b) For every remittance sent by one head post office to another a remittance advice and acknowledgment (Form A. C. G.-15) should be prepared by the remitting office, and despatched in a cover registered on Postal Service, addressed to the Head Postmaster of the office to which the remittance is made. The remittance advice should be filed in the receiving office in a separate bundle, while the remittance acknowledgement should be impressed with the oblong money order stamp, signed under returned to the remitting office, where it should be pasted to its counterfoil.

(c) When a remittance is to be sent by post, the money should be enclosed in a cash bag in the presence of the Postmaster or deputy Postmaster. The cash bag should be sealed with the cash seal; its weight should be noted on the remittance advice and acknowledgment, and it should then be made over to the sorting clerk under receipt (to be taken in the treasurer's cashbook), for dispatch inside the mail bag.

(d) When a remittance is to be sent in charge of a special carrier, the amount should be made over to the carrier, either loose or enclosed in a cash bag, in accordance with the method prescribed by the Head of the Circle or the Superintendent of Post Offices. If the remittance is made over loose to the carrier, he should be required to grant a receipt for the sum in the treasurer's Cash Book. If the remittance is to be enclosed in a cash bag, the money together with a memo, giving full particulars of the remittance should be placed inside the bag and the bag should be closed and weighed in the presence of the carrier, who should be required to grant a receipt for the bag in the treasurer's Cash Book, where the carrier should himself enter weight of the bag. The cash bag should be closed and sealed with the cash seal and its weight entered on the remittance advice and acknowledgment.

NOTE 1. —If the remittance received by a Head Office from another Head Office comes by post or is brought in a cash bag by a special carrier, the treasurer must carefully examine the cash bag and its lock and seal and then weigh the bag. If the weight corresponds with that on the remittance advice, he should open it in the head Postmaster's presence; otherwise, he should make over the cash bag unopened to the head Postmaster, who will open it in the presence of a witness. If the remittance is received loose, through a special carrier,

the treasurer should count the money in the presence of the carrier and acknowledge receipt of it in the carrier's book or diary.

NOTE 2. — If money is remitted through a special carrier, the treasurer must see, on the carrier's return to the office, that an acknowledgement for the remittance has been granted by the receiving Officer in his book or diary and initial and date the entry in token of having carried out this examination. In the case of a remittance from one sub-office to another (which is a cash office) and where the Headquarters of the carrier is at the receiving sub-office, the latter should acknowledge its receipt both in the carrier's diary and in the registered list.

Rule 138. The Head of the Circle or the authority delegated with powers by HOC, may authorize payments to be made by another Post Office. Upon receipt of Authorization, the office making payments shall identify the Post Office, whose behalf of such payments are made. The office on whose behalf the payment is to be affected, shall forward the sanction copy to the Post Office which made payments.

NOTE: -The amount of expenditure thus incurred would get debited against the respective Head of account under the Budget Head of the office, on whose behalf the payment is affected.

I- SUPPLY OF FUNDS FROM POST OFFICES

Rule 139. A cash Imprest of a moderate amount is sanctioned by the Head of the Circle for offices which are not authorized to use their cash receipts for defraying contingent expenses. The ordinary contingent expenses of each of these offices are paid from the imprest and the amount expended is recouped on presentation of an imprest certificate (Form A.C.G.-75) accompanied by a separate receipt (Form A.C.G.-67) at the prescribed Post Office. The certificate should be signed by the Head of the Office and should indicate the amount of sanctioned imprest, the opening balance as per Cash Book on the date and the amount required which will necessarily be the difference between the prescribed imprest and the opening balance.

1. The maximum amount payable on an Imprest Certificate at one time is Rs. 250. In exceptional circumstances when it is necessary to make a single payment of more than Rs. 250 out of the imprest, one or more additional certificates not exceeding Rs. 250 each may, however, be drawn at the same time. In such cases, the Head of the Office should satisfy himself that the money is actually required for immediate payment.

2. Whenever an imprest is reduced to a little more than half the prescribed amount, there must be no delay in sending in an imprest certificate for the amount already spent. If, for instance, Rs. 47 be deficient out of an imprest of Rs. 100, an imprest certificate for Rs. 47 should be presented without delay in order to provide money for future payments.

NOTE 1— Whenever the charge of an Office or of a Postal Mail Motor service unit drawing funds from a Post Office is transferred from one Officer to another, an intimation in

the manner indicated in **Rule 135** should be given by the relieved Officer to the Postmaster, accompanied by a specimen of the relieving Officer's signature.

NOTE 2 —Where branches of the Mail Motor Service Units are situated at outstations, the Head of the Circle may sanction, to the Officer-in-charge of such branches, a small imprest to enable the latter to incur such expenditure as maybe authorized by the former. Such imprest may be recouped after submitting an account of expenditure inform ACE-2 to the concerned Manager through whose accounts the charges will pass.

Rule 140.Imprest certificate books are supplied to offices authorized to draw funds from Post Offices by means of imprest certificates. Officers issuing the books should endorse a certificate on the inside cover of each book that it contains the correct number of imprest certificates. Immediately on receipt of the books, the Officer receiving them should also endorse account certificate on the inside cover of each book. The books must be kept under lock and key in the personal custody of the Officer in charge, who when relieved, should take a receipt for the correct number of certificates made over to the relieving Officer.

Rule 141. All certificates and counterfoils in each book should be consecutively machine-numbered, the counterfoil of each certificate bearing the same number as the certificate. If any certificate be spoiled or cancelled, the reason for cancelment must be stated on the counterfoil and attested by the signature of the Officer in charge. Certificates cancelled must be so destroyed that they cannot be used again.

Rule 142. When the cash balance of any office exceeds the prescribed imprest by more than Rs.10 on any day, all money in excess of the imprest shall be remitted to the Post Office. As the supply of funds to these offices is ordinarily regulated with reference to the actual balances in hand, all cash receipts should be credited in the cashbook in the first instance and thereby treated as part of the balance and the amount to be remitted to the Post Office will depend upon the actual excess, if any, of the cash balance over the imprest.

Receipts

Rule 143.Whenever money is sent to a Post Office, the Officer who sends it must forward with each remittance book(Form A. C. G.-83) in which the Postmaster will note his initials as a receipt, and a "challan in Form A. C.G.-89" in duplicate. One copy of the "challan" will be returned to the Officer who presented it after acknowledging receipt of the amount and the other copy will be retained by the Postmaster (and in the case of a Sub-Post Office forwarded with its daily account to the Head Office), for submission to the Circle Postal Accounts Office with the monthly account. The receipted copy of the Challan returned by the Postmaster to the remitting Officer will be submitted by the latter to the circle PAO along with the accounts of the month in which the remittance occurs.

Pay and Travelling Allowance Bills

Rule 144. Pay and allowances of Mail Motor Service units are paid at the prescribed Post Office on presentation of bills accompanied by separate receipts (From ACG 67) for the net amount to be paid. Immediately after payments, the bills, impressed with the "paid" stamp and endorsed with a certificate of the amount paid, should be returned by the Postmaster to the Officer who presented them, the separate receipts being retained by the Postmaster as his vouchers in support of the charges in his accounts.

NOTE: -Payments of advances of pay etc., may also be made at Post Offices on presentation of vouchers accompanied by separate receipts.

Those offices that are paying the above class of payments shall also pay by crediting directly into Bank/POSB accounts of the Officials by obtaining the cheques from the drawing offices to be drawn on the Banks that are holding the accounts of the officials.

Rule 145. The Postmaster will show the amounts paid to a Mail Motor Service Units on each bill, voucher or imprest certificate in the Schedules of Remittances made to and received from Other Head Offices, Motor Service Unit/s [Forms A. C. G.-6(h) and A. C. G.-6(g)]. A copy of each schedule accompanied by the receipts in Form A. C. G.-67 and the copies of the "challans" retained by the Post Office under Rule 158 should be submitted to the Circle PAO with the monthly Cash Account.

Rule 146. In the monthly Primary Abstracts of the monthly account current of the Mail Motor Service Units, the drawings from and payments to Post Offices will be shown under the sub-heads "Remittances Post Offices" and "Remittances to Post Offices" under the head "Remittances" on the receipt and expenditure sides respectively and the names of the Post Offices will also be specified.

II.—SUPPLY OF FUNDS FROM TREASURIES

General

Rule 147. The procedure relating to drawing from and payments to Treasuries is laid down in the compilation of Central Treasury Rules, Volume I relevant rules from which are reproduced below for facility of reference.

Cheques

Rule 148. Cheque books are supplied by the Circle Postal Accounts Office (PAO) concerned to the Departmental Officers authorized to issue cheques on treasuries/Banks, on receipt of the printed requisition form, which is inserted in each book towards the end. The requisition should be signed by the Disbursing Officer. Not more than one cheque book is supplied on a single requisition.

NOTE—Post Offices which are required to issue a large number of cheques each day (issue of thirty or more cheques a day on an average should be considered as large) may be allowed to obtain more than one cheque book by arrangement with the concerned Circle Postal Accounts Office. The Postmasters should, however, bring into use only one cheque book at a time and guard against any misuse.

Rule 149. Immediately on receipt of new cheque books, the Disbursing Officer should count the cheques and sign the count certificate provided on the inside cover of each book. An entry showing the receipt of the cheque books will then be made in the Register of cheque books maintained in each office in Form No. C.P.W.A.-52.

Rule 150. A separate cheque book should be used for each Treasury or sub-Treasury or Bank except by the offices using cheque perforating machines and the Drawing Officer should notify to the Treasury or the Bank upon which he draws, the number of the cheque books which from time to time he brings into use and the number of cheques it contains. Each cheque book must be kept under lock and key in the personal custody of the Drawing Officer, who, when relieved, should take a receipt for the exact number of cheques made over to the relieving Officer. The loss of a cheque book or blank cheque forms should be notified promptly to the Treasury Officer or the Bank with whom the Disbursing Officer concerned has a drawing account.

Rule 151. Cheque books containing unused cheque forms shall be cancelled by writing the word 'cancelled' prominently across each cheque form and counterfoil without the signature of the Drawing Officer and thereafter returned to the concerned Circle Postal Account Office who shall arrange for their destruction. The Treasury Officer should simultaneously be informed of the cancellation of the unused cheques and their return to the Circle Postal Account Office as a measure of security.

Rule 152. All cheques shall have written across them in words, at right angles to the type, a sum a little in excess of that for which they are granted; thus "under rupees thirty only" will mean that the cheque is for a sum not less than Rs. 20, but less than Rs. 30; and similarly "under rupees eight hundred only" will mean that it is for less than Rs. 800, but not less than Rs. 700. No abbreviations such as "eleven hundred" for "one thousand one hundred" shall be used. The amount should be written in the manner prescribed for bills in Rule 35(c). No alteration of any kind even having attestation of competent/authorized signatory is not allowed in the present banking system.

NOTE 1. —In drawing or cashing a cheque, it should be remembered that a common form of fraud consists in altering the word one into four by prefixing an "F" and changing the "e" into an "r" the figure being easily altered to correspond. The word twenty, if written carelessly, has also some time been changed into seventy. The drawer of a cheque in which these words occur should, therefore, so write as to make the fraud impossible and the Treasury/Bank should examine the words and corresponding figures with special care.

NOTE 2. — The cross entry is not necessary if the amount in words is type-perforated by a special cheque-writing machine.

Rule 153. Provisions of Rule 44 of Central Government Account Receipts and Payments Rule (Types of cheque forms) and Rule 157 of Central Treasury Rules are applied and followed in the Department. The relevant texts of these rules are, however, reproduced as below:

(1) Cheques drawn in favour of Government offices or Departments or payment on account of interdepartmental or inter-Governmental dues shall be crossed and the words "for credit to Government account and not payable in cash" written between the lines.

(2) Cheques payable to Government Officers to enable them to make disbursement in cash, such as of pay and allowances of establishments, of contingent expenditure on behalf of the Government, shall be issued in favour of the disbursing Government Officer concerned by designation, the word "only" being added after the designation of the payee Officer on the cheque. Such cheques shall bear the superscription "not transferable" on the top and are not negotiable.

(3) (a) Subject to the provisions of clause (b), all cheques towards payment or personal claims of Government servants, pensioners, contractors, suppliers and public sector companies and corporation shall be drawn as payable to or order of the payee.

(b) Cheques coming within the purview of clause (a), if drawn on the Bank, shall be crossed with the superscription "Account Payee only" wherever the amount exceeds Rs. 1000 in regard to salary cheque, or wherever the amount exceeds Rs.500 in respect of non-salary cheques. Such non-salary cheque for an amount not exceeding Rs. 1000 may, however, be issued as open cheque if so desired by the payee but only as order cheque. It should be ensured that no payee makes it a practice to get uncrossed cheques in his favour as a matter of course.

4. Cheques drawn in favour of Gazetted Government Officers and departments in settlement of Government dues shall always be crossed "Account payee only—not negotiable"

In the absence of a specific request to the contrary from the payee cheques drawn in favour of corporate bodies, firms or private persons shall always be crossed. Subject to any instructions received from the payee, a cheque shall be crossed "& Co." with the addition of the words "Not negotiable" between the crossing. Where the payee is believed to have a Banking account further precautions shall be adopted where possible by crossing the cheque "specially" (instead of by the "general" crossing, "& Co.") by quoting the name of the Bank through which the payee will receive payment and by adding the words "Account payee only, not negotiable". This rule shall apply to all cases where the use of crossed cheques is prescribed.

NOTE 1: - Provision of payment for the above class of Officers, body corporates by NEFT/RTGS exist on being provided with the details like Name of the Bank, Name of the Account holder Account number, IFSC code and other details that require mandatorily.

Exception — Cheques preferable at a Treasury for payment are non- negotiable instruments and should not therefore, be crossed. In case, however, any cheque preferred at Treasury has been crossed inadvertently by the drawer or by the collecting Bank, the fact of its being crossed may be treated as of no significance in making payment.

Rule 154. When an Officer is authorized to draw cheques on sub- treasuries, he should give notice to the Treasury Officer, from time to time, of the probable amount of his drawings on each sub-Treasury in order that funds may be provided as far as possible. Cheques drawn on sub-treasuries should be distinguished by different numbers and letters from those drawn against the head Treasury.

Rule 155. Every cheque in favour of a Gazetted Government Officer must be made payable to order only.

Rule 156. As a general rule, cheques shall not be issued for a sum of less *than Rs. 10 unless this is permissible under the provision of any Law or rule having the force of Law. Cheques shall be payable at any time within three months after the month of issue; thus, a cheque bearing date any time in January is payable at any time up to 30th April. If the currency of a cheque should expire owing to its not being presented at the Treasury for payment within the period specified above, it may be received back by the drawer who should then destroy it and issue a new cheque in lieu of it. In the event of non-return of the time barred cheque to the drawer, the drawer should on the expiry of prescribed period of three months after the month of issue of the cheque require the payee either to return the cheque or explain the causes for its non-return. If as a result of this enquiry the cheque is reported as lost, the Treasury Officer or the Bank drawn on should be required to furnish a non-payment certificate with reference to Rule 157. The fact of the destruction and the number and date of the new cheque should be recorded on the counterfoil of the old cheque, and the number and date of the old cheque that is destroyed should be entered in the counterfoil of the new one. The fact of the new cheque having been issued should be entered on the date of issue in red ink in the Cash Book but not in the column for payment, a note being made at the same time against the original entry in the Cash Book.

*(*Rule 160 of Central Treasury Rule 1983.)*

NOTE 1- In the case of Department of Posts the lowest sum for which a cheque may be issued is Rs. 100.

(As per note below Rule 160 of Central Treasury Rule 1983.)

NOTE 2— The provisions of this rule do not apply to cheques drawn on local Banks by the Indian Missions and Posts abroad; the period of currency of cheques in these cases will be determined according local regulations of the country concerned.

Rule 157. If a Drawing Officer be informed that a cheque drawn by him has been lost, he shall address the Treasury Officer or the Bank drawn on forwarding for signature a certificate in the following form*:-

*“Certified that Cheque No....., dated.....,for Rs.....reported by the (Drawing Officer) to have been drawn by him on this Treasury/the Bank in favour of has not been paid, and will not be paid if presented hereafter.
..... Treasury/Bank.
The.....20.....

Treasury/Bank Officer”

If after search through the lists of cheques paid, the Treasury Officer or the Bank finds that the cheque has not been cashed, he will sign and return the certificate, taking care to note the stoppage of the cheque, a board showing the particulars of stopped cheques being hung up before the clerk concerned. If the original cheque be presented afterwards, the Treasury Officer or the Bank shall refuse payment and return the cheque to the person presenting it after writing across it "Payment stopped". The Drawing Officer on receipt of the certificate duly signed by the Treasury Officer or the Bank shall enter in his account the original cheque as cancelled, and may issue another.

(Rule 165 of Central Treasury Rules)

Rule 158. (1) If the Drawing Officer is approach with a request that a fresh cheque, in lieu of the one issued by him earlier but since lost, may be issued. The Drawing Officer shall proceed with such a request in the manner stated below: -

(i) The Drawing Officer should send an intimation by Registered Post Acknowledgment Due, to the Bank drawn on regarding the alleged loss of the cheque and advise it to stop payment if the cheque alleged to happen lost is presented for payment, thereafter. If a currency of such a cheque is not expired in terms of Rule 156ibid at the time of sending such an intimation, the Bank shall acknowledge in writing in the following form, that it has kept a note of the “stop payment” order. In case, however, the currency of cheque alleged to have been lost has expired when the intimation regarding loss of cheque is sent to Bank, no acknowledgement of the ‘stop payment order’ may be insisted from the Bank. The Postal acknowledgement may be treated as sufficient for the record of the Drawing Officer.

“We acknowledge receipt of your letter No....., dated....., and advise have been noted to stop payment of Cheque No., dated....., for Rs.favouring..... In this connection it is certified that Cheque No., dated....., for Rs.reported by the Drawing Officer who have been drawn by him in this Bank in favour of will not be paid if presented thereafter.”

(ii). The Drawing Officer should satisfy himself with reference to maintain records at his office, viz., the payment/ error scrolls received from the paying Bank and register of cheques delivered, etc., that the payment of cheque in question has not been made. He should also keep a suitable note on the counterfoil of the lost cheque against the relevant entries in the register of cheques delivered and paid voucher(s) regarding the issue of the fresh cheque in lieu of the lost one.

(iii). The party requesting for the issuance of fresh cheque in lieu of the lost one should execute an indemnity bond in the form enclosed as Annexure-A in this rule. However, in the case of a Government Department or a Bank, the execution of such an indemnity bond is not necessary but a fresh cheque in these cases, be issued only on receipt of a certificate that the cheque alleged to have been lost was received by them or having received the same, it was lost and further that it will be returned to the Drawing Officer if found afterwards.

(iv). On completion of requirements in clause (i) to (iii) above the Drawing Officer may issue a fresh cheque in lieu of lost one under intimation to the drawee office.

NOTE: - If the currency of a cheque expires on a Saturday, the Treasury Officer, shall also verify the list of cheques paid for the subsequent working day of the Bank before the issue of nonpayment certificate wherever necessary.

(2) When a Drawing/Disbursing Officer vested with cheque drawing powers reports to the paying branch of his Bank about a cheque having been lost, the latter shall record a 'stop' against the cheque and issue an acknowledgement in the form given in sub rule (1) above. On receiving a copy of the acknowledgement from the said DDO, the PAO concerned with, after verification of his relevant records, that is register of cheques delivered, etc., and after keeping a suitable note against the relevant entry in that register, issue a nonpayment certificate to the DDO in the following form: -

“Certified that Cheque No..... dated.....for Rs.....reported by the (Drawing Officer) to have been drawn by him on.....Branch of..... Bank in favour of has not been paid.”

The DDO will note particulars of the nonpayment certificates received by him against the relevant entries in the office copy of the list of payments, to indicate that the original cheque has not been paid and it has been cancelled. A similar note will also be made by him on the counterfoil of that cheque and office copy of relevant paid voucher before issuing a fresh cheque in lieu thereof. The number and date of the fresh cheque will also be noted on the list of payments, paid vouchers and counterfoil of the old and cancelled cheques. While the paying Banks need not issue 'nonpayment certificate' there will be no change in their responsibilities in regard to lost cheques. All usual precautions will continue to be exercised by them with a view to ensuring that a cheque in respect of which advise has been received is not subsequently paid.

(3). If the original cheque is found to have been paid afterwards, the Pay and Accounts Officer will take up this matter with paying branch by fastest communication i.e. Fax and e-mail etc. [and stop payment of the renewed cheque], if not, already paid. He will also reverse the entries made in the relevant records (including counterfoils) 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 them, he will place the amount paid under the Head “PAO Suspense-Cheque cancelled and paid” till the matter is investigated and the amount recovered and written off. The paid cheque will also be removed from the payments scroll and kept in the

personal custody of the Pay and Accounts Officer till then. In case of such payment is noticed by the DDO, he will report the matter immediately by a fastest communication means for further action.

ANNEXURE- A

THIS DEED OF INDEMNITY made on the day of
BETWEEN.....son of Resident of..... or
(1)..... son of Resident of..... (2) son of
..... Resident of....., etc., carrying on business in co-partnership under
the name and style ofator.....a company registered
under the Indian Companies Act, 1930/ Companies Act, 1956, having its registered office
at.....(herein after called the 'Indemnifier' which expression shall unless
excluded by or repugnant to the context we deemed to include his heirs, executors,
administrators, legal representatives, successors and permitted assigns of the one part) and the
President of India (herein after called 'The Government' which expressions shall unless
excluded by or repugnant to the context we deemed to include his assigns) or successors or
OTHER PART.

WHEREAS on the day of Cheque
No..... date.....on.....(Name of the Bank) for
Rs.....was drawn byin favour of the Indemnifier.

AND WHEREAS the Indemnifier has represented to the Government that the said cheque
had been lost by him/during transmission by post to him.

AND WHEREAS at the request of the Indemnifier the Government has agreed to issue a
second cheque for Rs. being the amount of the said previous cheque
No....., dated....., upon the Indemnifier giving such indemnity
as herein after contained.

NOW IT IS HEREBY AGREED by and between the parties hereto as follows:-

- (1) In consideration of the said premises and the agreement on the part of the Government
in issuing in favour of the indemnifier a second cheque No.....,
dated....., the Indemnifier doth hereby agree and undertake to refund to the
Government on demand and without demur the said sum of Rs..... In the event
of the said previous cheque No....., dated....., being presented to
and paid by the Bankers and to Indemnify the Government and keep the Government
harmless and indemnified from and against all expenses which may be incurred by the
Government in relation thereto or in connection therewith.
- (2) The Government agrees to bear the stamp duty, if any, chargeable on these presents.

IN WITNESS WHEREOF the parties thereto have said and subscribed their respective
hands hereunto on the day and year first above return.

Signed by the said Indemnifier in the presence of:-

(1).....

(2).....

Signed for and on behalf of the President of India by Sh.....(Name and Designation) in the presence of:-

(1).....

(2).....

(Rule 165A of Central Treasury Rules)

Rule 159.If a cheque is issued by Government in payment of any sum due by Government, and that cheque is honoured on presentation to Government's Bankers, payment shall be deemed to be made—

(i) If the cheque is handed over to the payee or his authorized messenger, on the date it is so handed over, or

(ii) If it is posted to the payee in pursuance of a request payment by post, on the date on which the cover containing it is put into the post.

NOTE 1.—The provisions of clause (ii) above apply mutatis mutandis to payments, made by the Government by e-Money Order or by any other recognized mode of remitting, money by post.

NOTE 2.—Cheques marked as not payable before a certain date should not be charged to the accounts until the date on which they become payable. All such cheques should bear the subscription “payable on or after” (specific date of payment to be indicated in the blank space). The superscription should invariably be affixed with a rubber stamp in Bold letters just below the issue of the cheque. The contemplated due date of payment should preferably be written in the red ink.

[Rule 166 of CTR].

Extract from Central Government Account (Receipts and Payments) Rules, 1983.

Rule 49.Date of payment- (1) For the purpose of this Rule, payments realized by the Payee by encashing a cheque revalidating in terms of sub rules (1) of Rule 146 or a fresh cheque obtained in terms of sub rule (1) of Rule 48 shall be treated as payment realized by encashing the original cheque. Without prejudice to the provisions of Rule 14 of the compendium of rules on advances, the date of payment when payment is made by cheque of the type referred to in clause (a) of sub rule (3) of Rule 44 will be reckoned as –

(i). if the cheque is handed over to the payee or to his authorized messenger,

(a). the Bank's working date next to the date of cheque, if the cheque does not bear subscription in terms of Note 2; or

(b). the specific date superscribed in terms of Note 2 on the cheque, as the case may be; or

(ii). If it is posted to the payee in pursuance of request for sending it by post the date on which the cover containing it is put into the post or the date under sub clause(b) of clause (i), whichever is later.

(2) Wherever payment is arranged by means of a Bank draft to a payee located at a station different from that of the authority competent to draw relevant cheque (against which the draft is purchased), the date of payment will be reckoned as----

(i) date on which it is handed over to the payee or his authorized agent (presuming that no undue delay is caused by the payee in this regard) or the specific date superscribed in terms of Note 2, if the latter date is later; or

(ii) if it is posted to the payee, the date on which the cover containing it is put into the post or the said specific date, whichever is later, as the case may be.

Note 1.- Payment made by Government by e-Money Order or by any other recognized mode of remitting money by post shall be reckoned as having been made on the date on which the receipt for money is issued by the Post Office.

Note 2.- The superscription "payable on or after -----" (specific date of payment to be indicated in the blank space) may be recorded on cheques, wherever necessary. The superscription should invariably be affixed with a rubber stamp in bold letters just below the date of issue of the cheque. The contemplated due date of payment should preferably be written in red ink. In the case of Bank draft also, similar superscription could be got endorsed by the Bank.

(3) Cases of payment of Rs. 1 Crore and above to a Public Sector undertaking/Government aided institutions, have to be authorized by the concerned PAO at New Delhi through the Reserve Bank of India, New Delhi, which will afford credit to the Bank (Current) account of the beneficiary by affording contra-debit to the Ministry/Department's account with the Reserve Bank. The date of payment in such cases will be the date indicated against the relevant entry in the payment scroll rendered by the Reserve Bank.

Rule 160. When it is necessary to cancel a cheque, the cancelment should be recorded on the counterfoil, and the cheque, if in the drawer's possession, should be destroyed. If the cheque is not in his possession, he should promptly request the Treasury Officer or the Bank to stop payment of the cheque and, on ascertaining that payment has been stopped he should write back the entry in his Cash Book by exhibiting the amount of the cheque as a minus figure on the payment side in the "Bank or Treasury" column. A counter-reference should be given in the Cash Book against the original, to the second entry of the cheque. A cheque remaining

unpaid from any cause for twelve months from the date of its issue should be cancelled and its amount written back in a similar manner.

CHAPTER VII
Revenue and Miscellaneous Receipts
General

Rule 161. The Director-General and the supervising Officers should see that efficient measures are taken to ensure that each postal article is taxed with the prescribed fee either by means of stamps or by recovery in cash.

NOTE. —The rules for the collection and accounting of various departmental dues are given in the respective volumes of this Handbook.

Payment of special services rendered by the Department of Posts

Rule 162. When the Department provides special postal facilities for high officials and distinguished personages during their tour, the Department shall recover the actual extra expenditure incurred by it in making the arrangements, such as the cost of temporary establishment, travelling allowances, cost of making up and delivery of special bags, contingencies and labour charges directly connected with those arrangements, if the total expenditure involved in all the branches of the Department is not less than Rs. 50 in each Postal Circle.

When the total extra expenditure exceeds Rs. 50, the Head of the Circle shall prepare the bill for all items of expenditure in detail —clearly indicating the Government or Department to whom the charge is debitable and forward the bill to the Account Office for necessary adjustment.

NOTE I.—In calculating the extra cost, on account of travelling allowances, the cost of journey performed on free passes should not be included.

NOTE 2.—When a departmental employee is required to travel with a Governor in his reserved accommodation, the extra cost incurred by the Department shall be the additional fraction of a fare ordinarily admissible in supplement of the full fare.

Franking Machines

Rule 163. Postage on postal articles may be paid by means of impressions of a franking machine. Such a machine is issued in accordance with the terms and conditions as laid down in Rule 11 of Post Office Guide Part-I, payments for the issue of a machine or for its subsequent resetting may be made through cheque/DD/digital payment. When once the articles are franked, the value of such articles are being identified and credited in full under the relevant Head of Account having the nomenclature as PRC – Remotely Managed Franking Machine.

Note: A separate Chapter (CHAPTER XXII)- ‘REMOTELY MANAGED FRNAKING MACHINE’ is available in Postal Accounts Manual-Volume-I, 2nd Edition for detailed and latest reference.

Receipts on account of advertisements in Departmental Publication

Rule 164.Receipts on account of advertisements on departmental publications collected by the Officers from the parties applying for advertisement in the publications are to be properly accounted for. The recoveries made thereunder are to be credited directly to the Government Accounts.

Officers authorized to accept advertisements in Departmental publications will be responsible for the correct realisation of the charges due from the parties applying for the advertisements in the publications. The recoveries made thereunder are to be credited directly to the Government Accounts. Recoveries when made should be credited to Government and receipts in (e-Form A.C.G.-67) granted to the payee after verification of the credits in the accounts. In case a credit is afforded in the accounts of an officer other than the one authorized to accept the advertisement, the former officer should send necessary intimation of the credit to the latter on the same day the amount is credited. A register showing the full particulars of advertisements should be maintained by the Officer authorized to accept such advertisements, with the columns enumerated below: —

- (1) Serial No.;
- (2) Name of Advertiser;
- (3) Name of canvasser (if any) securing the advertisement;
- (4) Nature of advertisement;
- (5) Particulars of space;
- (6) Page No. in the publication;
- (7) Rate of advertisement;
- (8) Amount charged;
- (9) Initial of the Officer testifying the correctness of the charge;
- (10) Date of credit;
- (11) Amount credited (a), by cheque (b) cash;
- (12) Name of the office in which the amount was credited;
- (13) Initial of the Officer verifying the creditor, the number and date of communication of the Officer intimating the credit;
- (14) Amount of commission due to the canvasser;
- (15) Date of Payment;
- (16) Initial of the sanctioning authority;
- (17) Whether the advertisement procured for the first time or for the 2nd time. In the latter case, the period for which the first advertisement remained discontinued should also be stated; and
- (18) Remarks.

NOTE 1. --ACG-67 is now available system driven in digital form, for use in place of hard copy which was in vogue prior to roll out of ERP in the Department.

NOTE 2. —In case of payment by cheque, the No. and date of the cheque and the name of the Bank on which it is drawn should be stated.

Rule 165. Receipts on account of advertisements in the Department of Posts shall be booked under 1201-Postal receipts. On existing technology platform, the receipts should be booked at Primary level under relevant General Ledger Account under MH-1201.

Receipts for Sale of Publications and Forms

Rule 166.(i) Detailed rules regarding the custody, supply and sale of Department of Posts publications and forms are given in Chapters VI and XI of the Postal Manual Volume II.

(ii) The amount realized from the sale of publications, books of blank forms etc., is credited under the detailed head, “Sale of Publications, blank forms, etc.,” below the sub-head under “Other items” under Minor Head ‘Other Receipts’ of the relative Head 1201-Postal Receipts. In respect of forms, publications etc., which can be directly identified as pertaining to Postal, the sale proceeds are taken to the respective minor and sub heads under 1201- Postal Receipts. In the existing technology platform, the amount is credited at Primary level directly under relevant General Ledger Account.

Rule 167. The Post Offices, furnish a separate schedule in Form A.C.G.-106* to the Circle Postal Accounts Office along with their monthly accounts, showing particulars of the forms or publications, copies sold and amount credited in the accounts. A statement showing opening balance, copies received during the month, copies sold during the month, and closing balance in respect of each kind of publications and forms is also sent along with the schedule.

***FORM A. C. G.-106**

DEPARTMENT OF POSTS[See Rule 16 of FHB, Vol. I]

Schedule of Receipts realized through sale of Postal publications books and forms etc., sold at.....during the month of20.....

Date	Particular of Publications books and forms etc.	Quantity	Amount	Daily Total	Remarks
1	2	3	4	5	6
	B.F. C.O.		Rs	Rs.	

Officer In-charge

Forwarded to the General Manager (F)/Director of Postal Accounts.....

Retail Post

Rule 168.Through '**Retail Post**' Department offers convenience to the general public by making third party products and services available in their vicinity through select Post Offices. Retail Post leverages the vast network of more than 150,000 Post Offices across the country.

Under Retail Post, a range of services are offered including the collection of electricity bills, collection of taxes, collection of other bills and fee for the Government etc.

The application software provide options for acceptance of bills of multiple service provider like **Electricity, Phone, Mobile Phone, Water supply, Tax, School/Examination Fees etc.**,as per the procedure givenbelow, in brief: -

1. Creating of Billers user id:-Billers are created at Divisional, Regional, Circle and at National Level on the authority of Heads of Divisions, Regions, Circle and Business Development Directorate respectively. The applicant may apply to the concerned authority alongwith the relevant details in the prescribed format. The billers will be created after necessary approvals and details viz. Biller user id, password etc. will be given to the applicant.

2. Mode of payment of Bill collection: -(i) E-payment allows bill collection either by (a) Cash or (b) by crossed Account Payee Cheque/Demand Draft in the name of Postmaster or (c) through India Post Payments Bank (IPPB).

(ii) Some billers prescribed collection of bills both in Cash and Cheque. Part payment of cash, cheque, demand draft and through IPPB for single transaction is allowed in Point of Sale (PoS).

(iii) Commission/transaction fee would be levied as per agreement and this would be configured and a unique biller id would be created by the National/Circle Administrator/Regional Administrator/Divisional Administrator based on the area of operation of service for a particular service provider. The Administrators for this purpose are nominated by the Heads of Division, Regions, Circles and Business Development Directorate respectively.

3. Bill Collection: -(i) Counter Postal Assistant (PA) will received the amount of the bill from the customer by cash or account payee cheque/demand draft in favour of Postmaster of the Head Post Office or through IPPB debit, as the case may be. The counter PA will select the mode of payment in the appropriate biller service option as customer desires to pay.

(ii) Receipt (in duplicate) is printed on the pre-printed stationery being used for generation of MPCM receipts. As it is computer generated, no signature of counter staff or date stamp of the office is required to be affixed on both the copies. The details on receipt will be customized as per requirement of the Biller.

(iii) Counter PA hands over one copy of the receipt to the customer and affixes the other copy on the bill retained with him/her.

(iv) Cash/Cheque drawn in favour of Postmaster will be transferred to the Treasurer under proper acquaintance in hand-to-hand receipt books. The cheques received in favour of Postmaster and transaction will be remitted for clearance following the procedure prescribed for other cheques received in counter transaction.

4. Accounting: Sub Office (for cash collection & Cheque collection in the name of Postmaster)- (i) Collection is accounted under Postal Net Deposit GL code.

5. Payment to the Biller: -(i) The designated/authorized nodal office will transfer to each biller the net amount arrived at as above, after deducting the service charges and GST, as applicable on the date/day as agreed to or as mentioned in the agreement.

(ii) Payment will be made by account payee crossed cheque to each biller alongwith the details of total amount collected less service charges and GST deducted and the net amount to the biller. The frequency (daily/weekly/monthly etc.) of payment will be as per the agreement entered into with that particular biller. The biller is responsible for making arrangement to collect the cheques from the nodal Post Office.

(iii) In case the transaction fee/service charge is agreed not to be deducted from the daily bill collection, then the total amount collection will be paid to the biller either daily or at an agreed periodicity.

(iv) The total amount of collections would be accounted for under the GL Code-1800040200.

(v) The commission/service charges deducted by the paying office at the agreed rate will be accounted for under the GL Code based on the biller category. ePayment commission is credited to service charge GL under head 18000040X00 (where X is based on biller category.)

(B) Selling of third party products: -

The Post Office network is used to sell third party products and services like sale of application forms of various educational institutions and recruiting agencies, sale of Railway Reservation Tickets, sale of Rakhi envelopes, address verification service etc.

The following are the main services under Retail Post being catered by the Department as a third party products:-

1. Aadhaar Enrolment:-The Enrolment process involves electronic capture of demographic and biometric information of the residents. The Aadhaar Enrolments are done free of cost in Post Offices

2. Aadhaar Updation- (i) Demographic Updation such as Name, Email ID, Mobile Number, Address, Date of Birth etc.

(ii) Biometric Updatons, facial image, 10 finger prints and Iris are updated through post offices. Aadhaar Updatons are chargeable and a sum of Rs. 50/- (including 18% GST) is collected from the citizens for every Aadhaar Updation.

3. Gangajal:-India Post through selected Post Offices across the country makes Gangajal bottles available for the convenience of public. It is available on the online portals i.e. e-Commerce Portal and e-Post office Portal of Department.

4. Post Office Passport Seva Kendras:-Department of Posts (DoP) and Ministry of External Affairs (MEA) have mutually agreed for leveraging the network of Post Office Passport Seva Kendras in order to provide passport services to citizens on a larger scale and to ensure wider area coverage for the benefits of the citizens. The facility has brought convenience to the

general public in making passport services available in their vicinity through Post Offices and saved citizens from travelling long distances in order to obtain a Passport.

5. Holy Blessings:-Customer can avail of Indiapost services for delivery of Prasad and other holy offerings from the following religious shrines/ place of worship:-

(1). **Sabarimala Swamy Prasadam, Kerala:-**

Process for booking:-

The booking for 'Swamy Prasadam' can be made by a devotee at any of the Departmental Post Office across the country by paying Rs. 450/- per packet or as revised and applicable from time to time which is subject to revision from time to time mutually by the Department and the Temple Management, along with order form. The devotee will have to download the [order form](#), fill up the order form and submit at any of the Departmental Post Office across the country. The devotee can book a maximum of 10 packets @ Rs. 450/- in one receipt as revised and applicable from time to time mutually by the Department and the Temple Management. For more packets he has to book in separate receipts. There is no upper limit for the number of bookings that can be made by a devotee. The "Swamy Prasadam" kit will reach devotee through Speed Post service of India Post. A receipt will be issued to the customer.

The National Biller id for booking of 'Swamy Prasadam' is **70020** and Biller name is *Sabarimala Prasadam*.

(2). **Mata ShriChintpurni Devi Ji, Himachal Pradesh:-**

Process for booking:-

The Prasad of Mata ShriChintpurni Devi Ji is available in three categories Rs. 201/-, Rs. 601/- and Rs. 1101/- including Speed Post delivery charges which is subject to revision from time to time mutually by the Department and the Temple Management. The devotee can place order for Prasad through official website of Mata Chintpurni Trust, Una, i.e. www.matashrichintpurni.com/online-prasad

(3). **Shri KashiVishwanath Temple, Varanasi:-**

Process for booking:-

The devotee needs to send eMO of Rs. 251/- in the name of Sr. Supdt. Of Post Offices, Varanasi East Division, Varanasi-221001 or the Prasad may be bought from the counter of Varanasi City SO @ Rs. 201/- per packet. The Prasad will be delivered through Speed Post service. These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

4. Hanuman Garhi Temple, Avodhya:-

Process for booking:-

The Prasad of Hanuman Garhi Temple is available in two categories viz. Rs. 251/- and Rs. 551/-. The devotee will have to send eMO of Rs. 251/- for Sankantmochan Prasad or Rs. 551/- for Mahaveer Prasad in the name of Sub Postmaster, Ayodhya-224123 with a message for the supply of Sankatmochan Prasad/Mahaveer Prasad. The Prasad will be delivered through Speed Post service. These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

5. Palani Dhandayuthapani Swamy Prasadam, Tamilnadu Arulmigu Dhandayuthapani Swamy Temple, Palani):-

Process for booking:-

The booking for 'Palani Prasadam' can be made by a devotee at any of the Departmental Post Office across the country by paying Rs. 250/- per packet along with [order form](#). There is no upper limit for the number of booking that can be made by devotee. The "Palani Prasadam" kit will reach devotee through Speed Post service. A receipt may be issued to the customer. The devotee can also book 'Palani Prasadam' through Palani Devasthanam website www.tnhrce.gov.in by online payment of Rs. 250/- per packet for delivery through Speed Post.

These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

The National Biller id for booking of 'Palani Prasadam' is 70063Biller name : PALANI PRASADAM .

6. Tirumala Tirupati Devasthanam, Tirumala, Chittor, Andhra Pradesh (Sri Venkateswara Swamy Vari Kalyanotsavam Prasadam):-

Process for booking:-

The devotee may contact TTD (Tirumala Tirupati Devasthanam) online through website <http://www.tirupatibalaji.ap.gov.in> or offline mode for placing order and making payment. The Prasad will be delivered through Speed Post Service.

These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

6. Shri Mata Vaishno Devi, Katra:-

Process for booking:-

The Prasad of Shri Mata Vaishno Devi is available in three categories viz. Rs. 501/-, Rs. 1100/- and Rs. 2100/- inclusive of Insurance and Speed Post charges. The devotees can place

order for Prasad through official website of Shri Mata Vaishno Devi Shrine Board www.matavaishnodevi.org.

These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

7. Shree SomnathAdi Jyotirlinga Temple Prasad:-

Process for booking:-

The customer can book the Prasad through eMO, amount of Rs. 251/- + eMOcommission, from any post office in India on the following address:

Manager, Shree Somnath Trust,
Prabhas Patan, -362268,
Dist- GirSomnath.

Specific remark on eMO “Booking of Prasad” required to be made.

The customer can also book the Prasad through official website of Shree Somnath Trust i.e. www.somnath.org.

These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

9. Amarnath ji Shrine Board:-

The Prasad of Shri Amarnath Ji Shrine Board is available in the two Categories Rs. 1100/- & Rs 2100. These rates include speed post delivery charges.

Process for booking:-

The Devotees can place order for Prasad through official website of Shri Amarnath ji Shrine Board www.shriamarnathjishrine.com assigned for the purpose.

These charges for Prasad are subject to revision from time to time as agreed upon by the Temple Management and Department of Posts.

CHAPTER VIII

Pay and Allowances: General Rules

Due Date

Rule 169. (1) Subject to such special orders as may be issued by the Government from time to time in relation to the preparation of salary bills, the process is being done through technology driven computerized platform during the last week of the month. The data pertaining to monthly pay and fixed allowances are verified, modified, prepared and kept ready for disbursement through Bank/POSB on the last working day of the month to which they relate. However, pay and allowances for the month of the March shall be paid on the first working day of April.

Such of the above data that are ready for cyclic payments are subject to approval by the DDO.

(2) The Government may in special cases relax any of the conditions specified in this Rule.

- (i) Subject to such special orders as may be issued by the Government from time to time in relation to specified Departments or places or both, bills for monthly pay and fixed allowances of Government servants may be signed at any time not earlier than 5 days before the last working day of the month by the labour of which such pay and allowances are earned and shall be due for payment on the last working day of the month to which they relate. However, the pay and allowances for the month of March shall be paid on the first working day of April.
- (ii) The Government may, in special cases, relax any of the conditions specified in this rule.

Explanation 1.—For the purpose of this rule, 'working day' shall be deemed to be a day on which the office in which the disbursement is to be made, the Accounts/Pay & Accounts office which has issued the salary cheque and the bank are all open for transacting their respective ordinary business, so that withdrawal of moneys and disbursement thereof become practicable on the same day.

Explanation 2.—In the case of an industrial establishment where payments are staggered and made on days specifically fixed for the purpose, the pay due on any of the specified days may be disbursed on the preceding working day if the specified day on which pay is due is a public holiday.

Explanation 3.—In the case of industrial establishments where disbursement of salaries to the officers and staff are not staggered but made on a single day, the amount required for such disbursement may be drawn on the day preceding the day on which the disbursement is to be made if the latter day happens to be a half working day subject to suitable overnight security arrangements being made for the safe custody of the amounts drawn.

(Rule 63 of Receipts and Payments Rules 1983)

(3) The process as to be followed in CSI, ERP is appended in Annexure-I below which is provisional and indicative only.

ANNEXURE-I

CSI HR PAY ROLL

1. Before the roll out of CSI, each DDO was involved with the complete pay roll activity and pay roll were prepared and disbursed through Meghdoot Millennium System. Post implementation of CSI platform, the concerned offices like Circle Office/Regional Office/Divisional Office, Head Offices and PAO etc. will be responsible for the processing and maintenance of personal and pay roll information for their respective staff working under their jurisdiction. The data entry processing and migration of all pay roll documents and information will be the responsibility of the concerned DDOs.
The pay roll is process based on the Employee related data maintained in the SAP system i.e. from joining related data till holding current post which includes Personal Information Service, Leave, APAR and Pay related data etc.\
2. **Hiring Process- At the Appointing Authority Level:-**
The hiring process normally happens at the Appointing Authority level like at CO/RO/DO and PAO. The first step in the pay roll work is creation of employee id. This is done in the login credentials of Appointing Authority.
First the vacant position needs to be identified and this is available in the application in use, which is accessible in the login credentials of the Appointing Authority and also any other designated officer/official for the same. The application contains the details of the Establishment strength under the jurisdiction of the Appointing Authority and also details of the filled up posts and vacant posts.
3. **Mapping of Cost Centres and Organisation Key (Head of Account):-**
Normally, the cost centre and org. key are mapped while creating the employee id in the application. The appointing authority is authorized to do the cost centre and org. key mapping and ensure that there is co-relation between the Position allotted to the employee and the cost centre mapped. There should be no mismatch between these two mappings and the DDO code, should match with the Cost Centre mapped.
4. **Prerequisites/Role Delegations:-**
Each unit (CO/RO/DO/PAO) will designate an employee as RDA (Role Delegation Authority) who is authorized to delegate different required roles to the designated staff of respective offices, for carrying out the work of data maintenance and other pay roll related works.
The RDA will delegate the roles from IM Portal. The authorities concerned should ensure that the roles delegated are relevant to the work and simultaneously should also ensure that the officials are not delegated roles which are not relevant to their work.
The most important duty of RDA is to do Post to Post mapping of the employee IDs/Position IDs of the staff of the office to their respective DDOs and their approval authorities for different type of actions.
This mapping is the base of the work flow of ESS to SAT and subsequently to pay roll area.

5. Data maintenance work at DDOs:-

The most important place of pay roll work is at the DDOs. On receipt of Appointment Order from the authorities concerned the DDO should initiate the following action at their end.

Create and Save data application (Master Data Maintenance)

The next immediate check the DDO has to do is whether the cost centre, the org. key (Head of Account) and position in conformity with the cost centre is seen info types in the application and also ensure the correct pay roll area.

6. Pay Roll Run:-

There are two types of HR payment process. One Cyclic (Salary) Payment and the other is Off Cycle Payment. After completion of salary payment, off cycle payment process to be started and end before the commencement of live pay roll run of monthly salary.

Off Cycle Payment consists of other than salary payments viz., Tour TA and LTC adv/adjustment bills, LTC, CEA, all terminal benefits, GPF withdrawals/advance, medical reimbursement and other claims etc.

Salary and off cycle pay roll process includes two stages firstly Simulation pay roll and live pay roll run and secondly simulation posting and live posting. After completion of posting, payment will be transferred to the accounts of concerned officials through POSB interface/Bank Transfer mode.

7. Transfer and Deputation In/Out , Death, VR and Superannuation:-

In the event of Transfer and Deputation in /out, retirement/death, the Appointing Authority has to complete action in the application in use

Rule 170. In the following cases separate bills may be presented for pay and allowances (including for joining time, if any) or leave salary due for part of a month and such bills may be paid before the end of the month:

(a) When a Government servant proceeds on transfer, deputation, leave or vacation—

(i) to or from a place outside India from or to a place in India, or

(ii) from any place outside India to another place outside India.

NOTE—If a Government servant is permitted to draw his leave salary in India, he will not be paid up to the date of his relief but will be allowed to draw his pay and allowances for the broken period of the month along with the leave salary for the rest of the month.

(b) When a Government servant is transferred to another account circle; or within the same account circle when involving change of drawing and disbursing officer on account of transfer between or within Civil Ministries and Departments.

(c) When a Government servant finally quits the service of the Government, or is transferred to Foreign Service or on deputation to a State Government.

(d) When a Government servant proceeding on leave from a post in a country outside India, draws in that country leave salary up to date prior to that on which he leaves that country.

(e) When, on occasions of local importance and following local practice, Heads of Indian Embassies, High Commissions or other Missions abroad, authorize payment of salary and

allowances of the locally recruited employees for the period not beyond the date preceding the day of payment.

(Rule 63 of Receipts and Payments Rules 1983)

GOVERNMENT OF INDIA'S ORDER

Payment to Government servants through e-Payment:- all payments to Government servants, including salary payments, shall be made by electronically signed payment advices for direct credit to their Bank accounts subject to availability of Banking facilities:

Provided that a one-time relaxation may be granted for payment by other recognized modes in cases of hardship where the reasons are duly approved by the Head of Department and Financial Adviser.

(G.I M.F OM. No.F.No. 3(2)(1)/2016/TA/R&P Rules/Amendment/443, dated the 12th May 2017 and DoP Letter No.2-1/2007-08/PA-(Tech-I)/1077-1147 dated 09.02.2018)

DEDUCTIONS FROM BILLS

Fund Deductions

Rule 171. The duty of noting the proper deduction to be made from pay bill/pay sheet on account of Provident and other funds shall devolve on the drawer of the bill, but no discretion is allowed in carrying out any order received from any Audit Officer/Accounts Officer to make any particular deduction. The procedure to be followed in making such deductions is laid down in Chapter XVI.

Rule 172. Deductions from pay bills on account of income-tax shall be made strictly in accordance with the relevant provisions of the Income-Tax Act, 1961, (43 of 1961), as modified from time to time, and the rules and orders issued there under.

Rule 173. Rules regarding the recovery of rents and other dues on Departmental buildings from Government servants are given in Chapter XVI.

NOTE. —Recoveries of rents and other charges on C.P.W.D. buildings (whether owned, rented or requisitioned) occupied by Officers (both Gazetted and non-Gazetted) of the Department of posts should be made by deduction from pay sheet by the Disbursing Officers concerned on the authority of the rent demands presented by the Estate Officer or his representatives or by an Executive Engineer of the C.P.W.D. as the case may be. The credits for such recoveries should be identified against the detailed Head of Accounts provisioned in the abstract.

Attachment of Pay and Allowances, etc., for debt.

Rule 174. When the pay of a Government servant is attached by any order of a Court of Law, it is the duty of the Officer receiving the attachment order to see that proper deduction is made in satisfaction of such order from the pay of the Government Servant concerned and to keep a record of such deductions in Form G.A.R. 22 (TR-13).

If a Govt. Servant is adjudged insolvent, the attachable portion of his salary vests in the Court that passed the order of insolvency or the Receiver appointed by the Court. The amounts which have been under attachment in execution of the decree against the insolvent shall also, after the order of insolvency, vest in such Court or the receiver and the attached amount in such cases, instead of being sent to the insolvency Court or the receiver for pro-rata distribution among the all the creditors of the insolvent Government Servant.

NOTE 1.—The extent to which the emoluments of a Government servant are exempt from attachment for debt is laid down in sub-section 1 of Section 60 of the Code of Civil Procedure, 1908. The following is an extract of the relevant provisions of the Sub- Sections as at present in force: —

"60 (1). The following property is liable to attachment in execution of a decree:

Provided that the following particulars shall not be liable to such attachment or sale, namely:—

- (h) the wages of labourers and domestic servants, whether payable in money or in kind;
- (i) salary to the extent of the one thousand rupees and two third of the remainder in execution of any decree other than a decree for maintenance:

Provided that where any part of such portion of the salary as is liable to attachment has been under attachment, whether continuously or intermittently, for a total period of twenty-four months, such portion shall be exempt from attachment until the expiry of a further period of twelve months, and, where such attachment has been made in execution of one and the same decree, shall, after the attachment has

Continued for a total period of twenty-four months, be finally exempt from attachment in execution of that decree.

- (i-a) one-third of the salary in execution of any decree for maintenance;

(l) any allowance forming part of the emoluments of any servant of the Government which the appropriate Government may by notification in the Official Gazette declare to be exempt from attachment, and any subsistence grant or allowance made to any such servant..... while under suspension;

Explanation I. —The moneys payable in relation to the matters mentioned in clauses (h), (i) and (ia) are exempt from attachment or sale, whether before or after they are actually payable, and, in the case of salary, the attachable portion thereof is liable to attachment whether before or after it is actually payable.

(Rule 60 of Civil Code Procedure Act 1908 last updated upto 4th March 2020)

Explanation II.—In clauses (i) and (ia)], “salary” means the total monthly emoluments, excluding any allowance declared exempt from attachment under the provisions of clause (l), derived by a person from his employment whether on duty or on leave.

Explanation III.—In clause (l) “appropriate Government” means—

- (i) as respects any person in the service of the Central Government.
- (ii) Administration or of a cantonment authority or of the port authority of a major port, the Central Government;
- (iii) as respects any other servant of the Government or a servant of any other local authority, the State Government.

Explanation IV.—For the purposes of this proviso, “wages” includes bonus, and “labourer” includes a skilled unskilled or semi-skilled labourer.

NOTE 2.—The following declaration have been issued by the Central Government under clause (I) of the proviso to sub-section (1) of Section 60 of the Code of Civil Procedure: —

The following allowances payable to any public Officer in the service of the Government, or any servant of a Railway Administration or of a Cantonment Authority or of the Port Authority of a major port, shall be exempt from attachment by order of a Court: —

- (i) All kinds of travelling allowances.
- (ii) All kinds of conveyance allowances.
- (iii) All allowances granted for meeting the cost of—(1) uniforms and (2) rations.
- (iv) All allowances granted as compensation for higher cost of living in localities considered by the Government to be expensive localities including hill stations.
- (v) All house rent allowances.
- (vi) AM allowances granted to provide relief against the increased cost of living.
- (vii) A foreign allowance or in the case of Heads of Diplomatic Missions, *frais de representations* assigned to Officers serving in posts abroad.
- (viii) Children's Education Allowance. (Whether described as such or as children education assistance or in any other manner).
- (ix) All amounts paid by way of reimbursement of medical expense

NOTE 3.—Dearness Pay, which is really a part of the dearness allowance and is treated as pay for certain specific purposes only, is laid exempt from attachment by order of a Court.

(Rule 225 of CTR/Rule 74 of R&P Rules 1983)

NOTE 4.—Field allowance paid to personnel of the Department of posts on Military Service is not granted in order to enabling an individual to meet any specific items of expenditure, but is only addition to his emoluments. The allowance is not, therefore, exempt from attachment by order of a Court.

NOTE 5.—The procedure for recovery of the amounts of Court attachments against office of the Department of Posts is laid down in Para 163 to 172 of the Postal Manual. Volume III.

Rule 175. In accordance with the above provision, the maximum amount attachable by a Civil Court, for decrees other than decrees for maintenance, is to be calculated thus:-

If the total gross emoluments earned by the Government servant are represented by 'X' and the allowances declared to be exempt from attachment vide Note 2 to Rule 174 and if the Government servant is under suspension, any subsistence grant allowance made to him, are represented by 'Y', the net amount attachable, if any, is $[X-Y-1000]/3$.

NOTE 1.—The limit of the "first two hundred rupees and one-half of the remainder" laid down in sub-section (1) of section 60 of the Code of Civil Procedure, 1908, takes effect from the 4th September, 1963.

NOTE 2.- The decrees awarded by Courts prior to 1-2-1977 would have been based upon the limit of first two hundred rupees and one-half of the remainder, in force from 4th September, 1963, or the limit of the first hundred rupees, and one half of the remainder, in force prior to that date. Such decrees would continue to be valid until revised by the Courts.

(Rule 226 of CTR)

Rule 176.(1) If an order of attachment against the Govt. servant is received before a previous order of attachment against the same Govt. servant has been fully complied with, the recoveries shall be made by the Disbursing Officer so long as the total amount recoverable w.r.t the attachment orders within the maximum limits prescribed in Rule 175.

(2) If a new attachment order has the result of increasing the amount beyond the maximum limits prescribed, the Disbursing Officer shall return the attachment order to the Court concerned with a statement showing-

(i) Particulars of the existing attachment(s).

(ii) Particulars of the amount(s) withheld and paid up-to-date into the Court(s) concerned, and

(iii) amount(s) remaining to be recovered.

(Rule 226-A of CTR)

Rule 177. Any deductions which may have to be made to account of subscriptions to provident funds recognized by Government, taxes on income payable by the Government

servant and debts due to Government should be made from the non-attachable portion of the Government servant's salary.

Rule 178. Without prejudice to the appropriate provisions of the Code of Civil Procedure, 1908 (5 of 1908), as amended from time to time, the procedure to be followed by the drawing and disbursing officers in making recoveries from pay of Government servants, of amounts in compliance with attachment orders issued by Courts, shall be regulated in accordance with the following rules namely:—

(1) Subject as hereinafter provided in this rule, the gross amount of pay and allowances shall be drawn in a pay sheet, but only the net amount, after deducting the amount recoverable under the attachment order, shall be disbursed to the Government servant concerned. The authority whose duty it is to make the deductions is responsible for remitting the amounts without undue delay to the Court concerned.

(2) In the case of an attachment order issued by a Court in India against a Government servant whose pay and allowance are to be disbursed outside the local limits to which the Code of Civil Procedure extends, the Drawing and Disbursing Officer of the concerned Ministry/Department in India will be responsible for drawing the amounts recoverable monthly in compliance with the attachment order and remitting them to the Court concerned, unless timely intimation is received by him of the death of the Government Servant or of any other event necessitating the discontinuance of such payments.

(3) In cases in which a judgment debtor does not sign the acquaintance roll and intentionally allows his pay to remain undischarged in order to evade payment on account of an attachment order issued by a Court of Law, the head of the office, may draw the pay of the judgment-debtor in satisfaction of the attachment order, subject to the prescribed restrictions, and remit the amount to the Court concerned.

(4) The amounts drawn under sub-rules (2) and (3) above shall be treated in the accounts in the same way as leave salary or pay drawn by the Government servant concerned, the particulars of the attachment order being entered in wage type concerned in PA 30 to be displayed in the pay sheet and sent to the Jurisdictional Court, along with the cheque drawn in favour of the Court concerned as the case may be as an authority for the charge, and the Court's receipt for the amount shall be filed with the attachment register or such other suitable record as may be kept by the Drawing Officer.

[Extract drawn from Rule 77 of the Central Government Account (Receipts and Payments) Rules, 1983 and Rule 228 of CTR]

Rule 179. The cost, if any of remittance to a Court of money realized under its attachment order shall be deducted from that amount realized and the net amount remitted to the Court.

GOVERNMENT OF INDIA'S DECISION

Recoveries towards profession tax and co-operative society dues,-

1. Recoveries from the salaries of Government servants, on account of profession tax levied under an Act of a State Government, and dues of Co-operative societies registered under the various Co-operative Societies Acts where such Acts impose a statutory obligation on the Government to effect such recoveries, shall be made by the Drawing and Disbursing Officer in accordance with such procedure as may be laid down by Government from time to time.
2. A Drawing and Disbursing Officer, even when not located within the territorial limits to which any of the above-mentioned Acts applies, may effect recoveries on account of profession tax or dues of a co-operative society from the salary payable to a Government servant, provided that such Government Servant, in the case of dues of Co-operative Societies, authorizes in writing the Disbursing Officer to effect such recoveries and the Disbursing Officer ensures, before effecting the recoveries that the authorization given to him by the Government servant is clear, unambiguous and has not been revoked.

[Rule 229-A of CTRs and Rule 79 of Receipts and Payments Rules, 1983.]

First payment of Pay, Allowances, etc.

Rule 180. When the name of a Government servant appears for the first time in a pay bill, the bill shall be supported by a Last Pay Certificate in the Form 1 [T.R. -73] prescribed for the purpose; if the Government servant did not previously hold any post under the Government or is re-employed after resignation or forfeiture of past service, a certificate by the Drawing and Disbursing Officer to the effect that the medical certificate of fitness in the prescribed form has been obtained in respect of the Government servant must accompany the bill in conformity with and if so required by any rule or order governing the conditions of the service to which he belongs. Where the competent authority under any rule or order authorize the drawal of pay and allowances of a newly appointed Government servant for a period not exceeding two months without a medical certificate of fitness, a certificate to this effect shall be furnished in the first pay bill.

If a pensioner is re-employed, the fact shall be stated in the bill.

As regards appointments of Military pensioners in the Civil Department, there should be a certificate on the first pay bill to the effect that the pay has been fixed with due regard to the provisions of Central Civil Services (Fixation of Pay of Reemployed Pensioners) orders 1986 and other instructions on the matter issued by the Government of India from time to time. In cases of continued employment following under Article 526(b) (New) where military pension is granted in future, it is also necessary for audit purposes that the administrative authorities should furnish a similar certificate on the first Pay Bill drawn after the receipt of information by them of the grant of the military pension to the persons concerned.

NOTE 1—The form of Last Pay Certificate prescribed by the Comptroller and Auditor General and the detailed instructions issued by him for its preparation are reproduced in Appendix 4.

NOTE 2.—Last pay certificates of Government servants whose names do not appear in the Establishment pay bills should be filed by the Head of the Office with the documents pertaining to the Service Book or service roll.

NOTE 3.—If any Officer has been declared "temporarily unfit" by the competent medical authority and retained in service, the period for which the Officer has been declared "temporarily unfit" should be intimated to the Circle Accounts Office.

NOTE 4.— As the medical certificate of fitness furnished by a Government servant is an important document it should be kept in safe custody along with the other documents connected with his service career. However, an entry in his Service Book may be made under the signature of the Head of the Office that he has furnished the medical certificate of fitness.

[Extract from Rule 80 of Receipts and Payments Rules, 1983 and Rule 230 of Central Treasury Rules].

Rule 181. In all cases of transfers, the responsibility for obtaining his own copy of the Last Pay Certificate from his last Disbursing Officer shall rest with the Government servant concerned.

GOVERNMENT OF INDIA'S DECISION

Issue of Last Pay Certificate in the event of transfer, deputation or foreign service - In all cases of transfers, deputations and foreign service, the last Drawing and Disbursing Officer of the Government servant should send a copy of the Last Pay Certificate to the new Drawing and Disbursing Officer. Other documents such as the Service Book are also to be sent in the case of transfers from one Ministry or Department of the Central Government to another (including Defence, Posts & Telegraphs and Railways).

[Rule 81, Central Government Account (Receipts and Payments) Rules, 1983]

Rule 182. A Disbursing Officer must be careful not to pay the pay and allowances to a Government servant to whom he has granted a Last Pay Certificate unless the certificate is first surrendered.

NOTE1 —Withdrawal for a claim for Travelling Allowance in respect of journey, by a retiring Government servant and his family, from his last place of duty to a place where he wishes to reside, may be permitted by the Disbursing Officer even without surrendering the Last Pay Certificate.

NOTE2- In the event of death, retirement or discharge of a Government Servant, the Children Education Allowance admissible in respect of him should be drawn and disbursed by the Head of the Office in which the Government Servant was last employed and withdrawal of

funds for the purpose may be permitted by the Disbursing Officer even without surrendering the Last Pay Certificate.

(Note 2 below rule 21 of CTR)

GOVERNMENT OF INDIA'S ORDERS

(1). Provisional payment to non-Gazetted staff without LPC- In order to avoid hardship, the President has been pleased to decide that provisional payment of substantive pay may be allowed to non-Gazetted Government servants pending receipt of their LPC either on reversion from a Gazetted post or on transfer from one non-Gazetted post to another. Cases of the latter kind should, however, be very rare as, in the case of non-Gazetted staff, there would not normally be any difficulty to get the LPC in time from the Head of the Office (Drawing Officer) where the non-Gazetted Officer was serving prior to such transfer.

The Head of the Office may sanction provisional payment in such cases and suitable indication of the payment should be given in the Establishment bill by the Head of Office/DDO for purpose of Audit.

[Extract from Rule 276 of CTR]

[G.I.MF., OM No. F7(15)-E.III(A)/64, dated the 1st October , 1965].

(2). Drawal of provisional pay when renewal sanction for temporary posts not received.

- Gazetted Officers may draw their pay and allowance provisionally up to a period of three months after the expiry of sanction to the post at the same rate as they were drawing in these posts without any authority from the Accounts Officer concerned when there is delay in receipt of renewal sanction for the temporary posts. For this purpose, the Officer concerned should attach to the pay bill claiming provisional payment of salary a certificate signed by the Controlling Officer who is authorized to sign his T.A. Bills indicating that the Gazetted Officer has actually been holding the post and that the sanction for continuance of the temporary post has been applied for and is awaited. In cases when the Officer is himself the Controlling Officer for T.A claim the certificated may be obtained from his next higher authority. In cases where further delays are anticipated necessitating continuance of such provisional payment of salary beyond the period of three months the Officer concerned should approach his Audit Officer through his Head of the Department for authorization of provisional salary explaining the circumstances for the delay in issue of the sanction for continuance of the post.

[G.I.F.F. O.M NoF7(45)-E (A) /73, dated the 29th October 1973]

Rule 183.Last payment of pay and allowances—

Normally, the last payment of pay or allowances in respect of a Government servant who finally quits service of the Government or who is placed under suspension may be made only after the Head of Office satisfies himself, by reference to his own records and to other appropriate authorities where necessary, that there are no demands outstanding against the

Government servant. However, in case, where security for an amount considered by the said Head of Office to be adequate to cover the aforesaid demands is taken from such Government servant, in cash, or by a surety bond, or by with-holding a part of the gratuity payable to the Government servant, the last payment of pay and allowances may be made and the last pay certificate issued, even if the likely dues from such Government servant remain to be assessed and realised.

Exception. —The disbursement of pay and allowances in lieu of notice period under the provisions of rule 56 (j) of the Fundamental Rules or rule 48 of the Central Civil Services (Pension) Rules, 1972, shall be governed by special instructions issued by the Government in this behalf.

NOTE: —The above provisions apply mutatis mutandis to payment of final dues or honorarium to (i) contract officers and officers purely in the temporary employment of the Government, proceeding on foreign service in or out of India, and

(ii) non-officials including members of any Commission or Committee whether statutory or not, on their termination of service with the Commission, or Committee.

(Rule 93 of Receipts and Payments Rules 1983)

Vacancies caused by Officers attending Courts of Law as Witnesses

Rule 184. When a Government servant is summoned by a Court of Law as a witness in a matter relating to his departmental duties, arrangement may be made to fill up the place of the absentee at a cost not exceeding his minimum pay, provided it is certified in each case that the arrangement was required in the interest of the Department. The certificate should be attached to the pay bill.

The absentee will continue to draw his own pay.

NOTE 1.—The certificate should be signed—

(i) In respect of all officials subordinate to him by the Superintendent, or if the official is attached to a Head Office not subordinate to the Superintendent, by the Postmaster;

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(ii) In all other cases by the Head of the Circle.

NOTE 2.—Heads of Circles are empowered to sanction charges for the employment of substitutes in cases in which Government is not a party, subject to the limits of their powers to create temporary appointments. Such temporary appointments ought not to be sanctioned where the work of the absentees can be temporarily distributed among the other officials or where there is a leave reserve.

NOTE 3.—Substitutes may be employed at departmental expenses, if absolutely necessary, in place of Extra Departmental Agents, who are summoned by a Court of Law to

give evidence in their capacity as employees of the Department but are not paid by the Court any sum as pay or subsistence allowance in which case the Extra Departmental Agent will draw his own allowance. If, however, the Extra Departmental Agent is allowed pay or subsistence allowance by the Court in such cases he need not credit the amount received from Court to Government and is substitute will, if he be an outsider, draw the usual allowance of the Extra Departmental Agent.

NOTE 4.—Heads of Circles are empowered to sanction, subject to the limits of their powers, the employment of substitutes in place of Postal officials called by the police to identify suspects or to assist in the investigation of cases in which Government is a party. Substitutes should not be employed where the work of the absentee can be managed by the residual staff.

Arrear Bills

Rule 185. Arrears of pay, fixed allowances or leave salary shall be drawn, not in the ordinary monthly bill, but in a separate bill, the amount claimed for each month being entered separately, with quotation of the number and date together with date of encashment of the bill from which the charge was omitted or withheld, or on which it was refunded by deduction, or of any special order of competent authority granting a new allowance or an increase in pay. A note of the arrear bill shall invariably be made in the Pay Bill Register in form GAR 17 or in the office copy of the bills for the period to which the claim pertains, over the dated initials of the drawer of the arrear bill, in order to avoid the risk of the arrears being claimed over again. The drawing officer shall also record the following certificates on the arrear bill under his dated signature: —

- (i) that no part of the amount claimed has been drawn previously; and
- (ii) that a note of arrear claim has been made in the office copy of the bills for the period to which the claim pertains.

Subject to conditions laid down in Rule 25, such bills can be presented at any time and may include as many items as are necessary.

NOTE 1.—The bill clerk who actually draws up the arrear bill will make the entries in the original bills, the Accountant or L.S.G. Clerk- in-Charge of Billing Section should check the entries cent per cent, and drawer of the bill should check at least 10 per cent, of such entries. Where the bill clerk and the Accountant happen to be the same as in the case of small Post Offices, some other official in supervisory charge should attest them cent per cent., the actual drawing officer attesting at least 10 per cent, of the entries. The wording of the entries to be made in the original bills should be: —

"A sum of Rs.....on account of..... (Nature to be specified drawn/redrawn in Supplemental Bill No..... dated....."

NOTE 2.—In the case of Chief Post Master's Post Offices, the duty of attesting at least 10 per cent, of the entries referred to in Note I above will be exercised by the Deputy Chief

Postmaster instead of the Chief Postmaster. The certificate in token of his having exercised this check should also be obtained from the Deputy Chief Postmaster.

Rule 186. In drawing arrear pay the total claim due for the month should be shown in the new bill and the gross amount previously drawn should be deducted therefrom bringing out the net amount due for the month and from this net amount the further deductions on account of income tax, etc., should be made. The deductions previously given in the regular monthly bill should not be shown on the new bill as all these have already been credited to their respective heads.

GOVERNMENT OF INDIA'S ORDERS

(Below Rule 276 of CTR)

(1) Procedure for payment of arrears of pay, allowances, etc., of a Government servant transferred from one Division/Office/Department to another in respect of whom a Last Pay Certificate has been issued:-

1. The practice obtaining for the payment of arrears of pay and allowances, etc., of a Government servant transferred from one Division/Office/Department to another and in respect of whom a LPC has been issued, varies from office to office and no uniform procedure is being followed in this regard. The question of evolving a uniform procedure has been under the consideration of the Ministry of Finance for some time past. It has now been decided in consultation with the Comptroller and Auditor-General matter of drawing the arrear claims of the Government servants who are working under their control.

2. The Drawing and Disbursing Officer of the office in which the Government servant is currently working, may prepare a "Due and Drawn Statement" in respect of arrears of pay and allowances of such a Government servant and send it to his earlier office(s)/Parent office, as the case may be, for verification of the claim. The latter office may check these statements, make entries in their records (i.e., in the office copies of the bills) and return to the concerned Drawing Officer with a certificate that the arrears relating to the Government servant have been noted in the relevant office copies of the bills. On receipt of the "Due and Drawn Statement" duly verified by the earlier/parent office, the Drawing and Disbursing Officer may prepare the arrear bills of the Government servant in the proper forms, record the necessary certificate as required in rule 276 of CTRs and draw the bills from the Treasury and disburse the arrears to him on proper acquittance. The expenditure in this behalf may be debited to the budget provisions of his office.

3. In the case of Government servants working in Defence, Railways, P&T and other Governments transferred to civil and vice versa, the procedure referred to in Para.2 above is further modified to the extent that while accepting the "Due and Drawn Statement" of arrear claims, the concerned office should also accept the debit thereof, record the classification and return it to the Drawing and Disbursing Officer of the office in which the Government Servant is currently working for drawal of arrears and payment to him.

[G.I.M.F, O.M No. F-10(49)-B-73, dated the 7th January, 1974].

(2). Arrears of ‘Dearness Allowance’ sanctioned retrospectively may be drawn and paid by the DDO of new office without verification of Due –Drawn statement:- Arrears of dearness allowance/additional dearness allowance sanctioned by the Government retrospectively after the transfer of a Government Servant from one Department to another Department, or one office to another, in the same Department shall be drawn and paid by the DDO responsible for the drawal and disbursement of the emoluments of the Government servant against the new post, without getting the “Due and Drawn” statement verified by the previous DDO. Before making such payment, it will be verified from the Service Book, Leave Account and LPC that there is no spell of unauthorized absence/half pay leave/EOL during the period for which the arrears are payable in respect of a Government servant. (Cases involving such spells will be regulated by the provisions of the main rule). However, an intimation of the payment of such arrears having been made shall be sent by the new DDO to the DDO of the earlier office for keeping necessary note in the pay bill register. He may check the details of payments authorized by the new DDO and in case any discrepancy/Over payment is noticed, he may intimate it to the new DDO for recovery from the Government servant. The previous DDO shall send a confirmation to the present DDO about his having kept a note of the payment of arrears in the pay bill register. The new DDO shall watch the receipt of such a confirmation from the previous DDO and shall make a note to this effect in the pay bill register.

[G.I., M.F., C.G.A., Lr. No. V 16011/90/C.T.R/83-84/506, dated the 29th October, 1986, incorporated as ‘Exception’ below Rule 83, Central Government Account (Receipts and Payments)Rules, 1983].

Payment on quitting service

Rule 187. The last payment of pay or allowances shall not be made to, or in respect of a Gazetted Government Servant finally quitting the service of the Government by retirement, resignation, dismissal, death or otherwise, or placed under suspension, until the Disbursing Officer has satisfied himself, by reference both to the Account Officer, the departmental authorities and to his own records, that there are no demands outstanding against him. In cases of other Government servants, payment should not be made without reference to the Account Officer that has to be received by him through the pension documents from the Head of the Office concerned.

NOTE 1.—In the case of contract Officers and Officers purely in the temporary employment of Government proceeding on foreign service in or out of India, final dues should be paid only after ascertaining that no demands are outstanding against them.

NOTE 2.—In the case of officer retaining the Government residence allotted to him, for a specified period after his retirement, or resignation or dismissal or discharge, his final accounts should be settled only after a "No Demand Certificate" has been furnished by the Estate Officer/any other Officer-in-charge of Government quarters or a Surety Bond from a permanent Government servant on a form prescribed below is produced by him:-

SURETY BOND

In consideration of the President of India (hereinafter called the 'Government' which expression shall include his successors and assignees) having agreed to settle the final account of Shri...without production of a 'no demand certificate from the Estate Officer or any other Officer in charge of Government quarters, I.....hereby stand surety (which expression shall include my heirs, executors and administrators) for payment by the said.....or rent and other dues, in respect of residence now allotted to him by the Government and also for any residence that may be allotted to the saidfrom time to time by the Government. I, the surety, further agree and undertake to indemnify the Government against all loss and damage until delivery of vacant possession of the above said residence is made over to Government.

The obligations undertaken by me shall not be discharged or in any way effected by an extension of time or any other indulgence granted by the Government to the said.....

This guarantee shall remain in force till the 'No Demand Certificate' is issued by the Estate Officer in favour of the said.....

The stamp duty for this instrument shall be borne by the Government. Signed and delivered by the said

at New Delhi....., this.....day of 20....

in the presence of : —

Signature, Address and occupation of witnesses.

Signature of Surety, Designation, Office to which attached.

NOTE 3. —The procedure prescribed in the first sentence of this rule shall apply to the last payment of dues or honorarium to non-officials, including members of any Commission or Committee, whether statutory or not, as it applies to the last payment of pay or allowances to or in respect of a Government servant who finally quits the service of the Government.

Death of Payee

Rule 188. Pay and allowances can be drawn for the day of the person's death; the hour at which death takes place has no effect on the claim.

NOTE. —"Day" for the purpose of this rule should mean a calendar day beginning and ending at midnight.

Rule 189. (1) Subject to the provision of rule 233, pay including leave salary, and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without the production of the usual legal authority under the orders of the head of Office in which the Government Servant was employed at the time of his death, provided the Head of Office is otherwise satisfied about the right of the claimant: —

- (a) In cases where the gross amount of the claim exceeds Rs. 10,000, the payment will be made by the head of office only on the execution of an Indemnity Bond in Form T.R. - 14 duly stamped for the gross amount due for payment, with such sureties as may be deemed necessary.

Provided that Head of Office may, subject to the condition prescribed in Para. 1, make anticipatory payment of an amount not exceeding Rs.10,000.

NOTE 1 :- Normally there should be two sureties, both of known financial stability, unless the gross amount of the claim is less than Rs. 10,000 in which case the authority accepting the Indemnity Bond in Form T.R. -14/ GAR-26 for and on behalf of the President should decide on the merits of each case whether to accept only one surety instead of two.

NOTE 3.—The obligor as well as the sureties executing the indemnity bond should have attained majority so that the bond may have legal effect or force. The Bond is also required to be accepted on behalf of the President by an Officer duly authorized under Article 299(1) of the constitution.

- (2) In any case of doubt payment shall be made only to the person producing the legal authority.

(3). On receipt of the claim for payment of arrears of pay and allowances [of all kinds (including traveling allowance claims)] on behalf of a deceased Government servant from his heir(s), the Head of the Office in which the Government servant was last employed should draw the amount in the appropriate bill form from the treasury. The claim should be supported by all the relevant certificates which the Head of the Office is required to furnish in the normal circumstances. However, in respect of the certificates which solely depend on the personal knowledge of the deceased Government servant and which obviously cannot be furnished by the Head of the Office, the Head of office should record, if he is satisfied about the correctness of the claim, and furnish a certificate to the effect that ‘the claim is not susceptible of verification but is considered reasonable’. The amount should be disbursed to the claimant (a) by the head of Office by following the procedure laid down in sub –rule (1)]. A formal receipt, stamped where necessary, should be obtained from the claimant(s).

NOTE:- The Procedure prescribed in this rule shall apply to any claim for payment of dues or honorarium payable to deceased non –officials, including deceased non-official members of any Commission/Committee, whether statutory or not as it applies to the claim for payment of Pay and allowances of a deceased Government Servant.

(Rule 283-C of CTRs)

SPECIMEN OF FORM G.A.R. 26

FORM OF BOND OF INDEMNITY FOR DRAWING ARREARS OF PAY AND ALLOWANCES OF DECEASED GOVERNMENT SERVANTS

KNOW ALL MEN BY THESE PRESENTS that I,
.....(a) widow/husband/son/daughter of Shri/Shrimati
(b) residing at (c) (hereinafter called the 'Obligor') which expression shall unless excluded by or repugnant to the context, include his/her heirs, executors, administrators and legal representatives and I/We, (1) (d) son of.....resident of.....and (2) (e) son of resident of Surety/Sureties on behalf of the Obligor (hereinafter called 'the Surety'/'the Sureties' which expression shall unless excluded by or repugnant to the context include his/their, heirs, executors, administrators and legal representatives) bind ourselves jointly and severally to pay to the President of India (hereinafter called 'the Government' which expression shall unless excluded by or repugnant to the context include his successors and assigns) on demand and without demur a sum of Rs.....(f) (Rupees.....) for which payment will and truly to be made we bind ourselves firmly by these presents.

Dated this.....day of.....20.....

WHEREAS the aforesaid Shri/Shrimati(b) was at the time of his/her death in the employment of Government.

AND WHEREAS the said Shri/Shrimati..... died on the.....day of..... 20.....and there was due to him/her sum of Rs..... (f) (Rupees.....) for Pay and Allowances in respect of his/her said employment.

AND WHEREAS the above, bounden Obligor..... (a) claims to be entitled to the said sum as heir of her/his wife/husband/father/the said Shri/Shrimati..... (b) but has not obtained letters of administration or a succession certificate to the property and effects of Shri/Shrimati.....

AND WHEREAS the Obligor has satisfied the Government that she/he is entitled to the aforesaid sum and that it would cause undue delay and hardship if she/he were required to produce letters of administrations of or a succession certificate to the property and effects of the said Shri/Shrimati..... (b).

AND WHEREAS the Government desires to pay the said sum to the Obligor but under Government rules and orders, it is necessary that she/he should first execute a bond with one surety/two sureties to indemnify against all claims to the amount so due to the said Shri/Shrimati.....(b) before the said sum can be paid to the Obligor.

NOW THE CONDITION of this bond is such that if after payment has been made to the Obligor, the Obligor or the Surety/ Sureties shall in the event of a claim being made by any other person against the Government with respect to the aforesaid sum of Rs.....(f) (Rupees.....) refund to the Government, the sum of Rs.....(f) (Rupees.....) and shall otherwise indemnify and save Government harmless from all liability in respect of the aforesaid sum and all costs incurred in consequence of any claim thereto THEN the above written bond or obligation shall be void but otherwise the said bond shall remain in full force effect and virtue.

IN WITNESS WHEREOF the parties here to have here unto set their respective hands the day and the year first above-written.

.....

Signed by the above named Surety/ Sureties in the presence of

Signed by the above named Obligor in the presence of:

(1) Witness (1)

(2) (2)

Accepted for and on behalf of the President of India by

.....@ in the presence of

@ @

Notes: (a) Full name of the claimant.

(b) Name of the deceased Government Servant/Pensioner.

(c) Full address and place of residence of claimant.

(d) First Surety.

(e) Second Surety.

(f) Amount of Claim.

* Signature of the Obligor.

** Signature of the First Surety. *

** Signature of Second Surety.

@ Name and designation of the officer directed or authorized in pursuance of Article 299 (1) of the Constitution, to accept the bond for and on behalf of the President.

@ @ Name and designation of witness.

Note: — The Obligor as well as the Sureties should have attained majority so that the bond may have legal effect or force.

Place of Payment

Rule 190. (1) Save as provided by the special rules for disbursement of pay and allowances, the bills for pay and allowances are ordinarily payable at the Post Office, or the Head Record Office, to which the Government servant is attached when the claim arises.

(2) Nothing contained in this rule shall have the effect of withdrawing any concession that has been or may be allowed by the Government to an individual Government servant, or class of Government servants for drawing a part of their pay at places other than their headquarters.

NOTE.—The claims on account of pay and allowances of the Gazetted and non-Gazetted personnel should be deemed to arise at the station where the Drawing and Disbursing Officer who draws the claims, is stationed. The claims on account of pay and allowances shall be remitted to the designated Bank accounts/POSB accounts of all the personnel through digital/electronic mode of payments.

[Rule 82 of Receipt and Payment Rules-1983]

Rule 191. In case of transfer the pay due in respect of the old post, which has not been drawn at the time of the transfer, may be drawn at the new headquarters or at the place in which the pay in respect of the new post is drawn.

Leave Salary

Rule 192. Subject to any special orders issued by the Govt. in this behalf or to any special procedure that may be prescribed, by departmental regulations, the leave salary of a Govt. servant, when payable in India, shall be drawn by the Drawing Officer and shall be remitted to Bank /POSB Account of the Government Servant by whom his pay was being drawn immediately before proceeding on leave. Normally, the Government servant must make his own arrangements for getting his leave salary remitted to him. However, if a Government servant on earned leave exceeding one month specifically requests for the remittance of his dues by means of demand draft, the drawing and disbursing officer concerned shall remit the same into the designated Bank accounts of the concerned Government Servant. In cases here a period of leave is followed by transfer, any portion of leave salary which was not drawn at the old station, may be drawn at the office of disbursement from which the pay in respect of the new post is drawn.

NOTE — Government servants serving in the Missions abroad may, for the period of leave spent in India, draw their leave salary in India on bills drawn by the Department/Ministry concerned on the basis of the last pay certificate issued by the Mission concerned. This procedure will also apply for the payment of joining time pay and emoluments or leave salary, as the case may be, and/or any other allowances admissible in India for the period of voyage as also for any initial period of leave spent abroad before embarking for India, which a Government servant can draw under rule 91 of the Fundamental Rules.

[Extract of Rule 87 of Receipt and Payment Rules-1983]

Pay due to Government Servants absent out of India

Rule 193. If pay or allowances be due in India to a Government Servant absent out of India, shall be paid into designated Bank/POSB account identified and linked to his salary.

Provided that when the Government servant has finally quitted India and it is not possible for him to make his own arrangement for receiving his own pay and allowances in India, payment may be made to him through the High Commissioner of India.

Pay due to Government Servants on Field Services, etc.

Rule 194. Pay and allowances of a Government servant of the Department on field service, in respect of the period from the date on which he relinquishes charge of the civil post upto the date on which his military service terminates, should be drawn on separate bills, which should be clearly marked (preferably in red ink) as "Debitable to Defence Department". The details of the expedition or force to which he is attached should also be indicated in the bill to enable the Accounts Officer of respective PAOs to pass on the charge to the Defence Department.

Payment of Honorarium

Rule 195. (i) All claims to honoraria granted to persons not in Government Service should be drawn on Receipt in e-Form A.C.G. 17 the number and date of the authority sanctioning the grant being noted therein. On obtaining the receipt, the payments shall be credited to the designated bank/POSB account of the person who is sanctioned with honorarium. Payments made by POs should be drawn as per the standard operating procedures prescribed in the technology platform.

(ii) Claims to honoraria granted to the Government Officials shall be processed as per the standard operating procedure in the technology platform in use to the nature of expenditure under PA 30, and upon processing the same, the amount will be credited to the Bank/POSB Accounts designated by the above class of persons. Payments made by POs should be drawn as per the standard operating procedures prescribed in technology platform in use.

(iii) In the case of honorarium granted to Gazetted or non-Gazetted Government servants of another Department or Government, a copy of the sanction should be sent to the administrative head of the Department or to the Controlling authority competent to sanction the undertaking of work for which honorarium is offered and also competent to allow the acceptance of honorarium. A copy of the sanction to the grant of honorarium should be forwarded simultaneously also to the GM (PAF)/Director of Accounts (Postal), responsible for the adjustment of the payment when debited through the Settlement Account.

Pay and allowances

Rule 196.(1) Save as hereinafter provided, pay and allowances may be paid only upon the personal claim of the Government servant concerned and to his personal receipt and not otherwise, except under the special authority in each case of the Government or of the Comptroller and Auditor General. The Government servant shall be paid pay and allowances, leave salary, etc. by way of transfer to his Bank/Post Office Savings Bank accounts directly through digital/electronic mode of payment.

NOTE .—Pay and allowances of a person who is certified by a magistrate to be a lunatic should be paid in accordance with the following detailed procedure under the provisions of Section 95 (1) of the *Indian Lunacy Act, 1912.*, now *Para. 1 of Rule 90 of Mental Health Act, 1987.*

(i) On receipt of information that a Government servant, not covered by the Individual Running Ledger Accounts (IRLA) scheme, has been certified to be a lunatic, the Head of the Office in which the Government servant before his being certified to be a lunatic was last employed should, on the basis of the orders issued by the appointing authority indicating the persons to whom and the proportion in which the pay and allowances admissible to the Government servant may be disbursed in accordance with the provisions of Section [95 (1) of the Indian Lunacy Act, 1912 *now Para. 1 of Rule 90 of Mental Health Act, 1987*] draw the pay and allowances of the Government servant in the appropriate bill form Gazetted or non-Gazetted as the case may be from the Treasury or other office of disbursement. The claim should be supported by all the relevant certificates which the Head of the Office is required to furnish in the normal circumstances. However, in respect of the certificates which solely depend on the personal knowledge of the Government servant and which cannot be furnished in such cases, the Head of the Office should record, if he is satisfied about the reasonableness of the claim, a certificate to the effect that the claim is not susceptible of verification but is considered reasonable. If the Government servant is invalided from service, the claim would be the last one in respect of him and the requisite payment in case he was a Gazetted Government servant shall be made only after the Head of the Office has satisfied himself by reference to the PAO concerned, the Departmental authorities, if any, and his own records that no Government dues are outstanding against him. In other cases payment may be made on the responsibility of the Head of the Office concerned.

(ii) The amount withdrawn in the manner stated above, may be paid to the persons referred to in sub-paragraph (i) above in the proportion determined by the appointing authority and receipts obtained stamped where necessary.

(iii) In cases where payments to Government servants are made under the IRLA System and the ledger account remains open, the amounts due from or due to a Government servant may be debited or credited to that account and the credit balance left over may be paid by the Accounts Officer concerned to the person(s) by cheque or Bank draft, as the case may be, after ascertaining from the appointing authority the proportion in which the amount is to be paid and also the person(s) to whom it is to be paid.

2. Where a Government servant has been invalided from service and it is found that some Government dues are outstanding against him even after the adjustment of his claims for pay and allowances, the same may be adjusted against the amount of his death-cum-retirement gratuity, if any, and if the same is also insufficient, the balance of the outstanding dues may be written off under sanction of the Competent Authority.

Bond of Indemnity to be entered into by agents

Rule 197. (a) It is not necessary, for a separate bond to be entered into for each individual. Such Banks, as are included in the second Schedule to the Reserve Bank of India Act, 1934, may be allowed to execute a general bond in form T. R. 15/GAR 47 to cover the pay, leave salary, pension, etc., of their constituents in general.

Exception.—State Co-operative Banks, and State owned /controlled Banks, which are not included in the Second Schedule to the Reserve Bank of India Act, 1934, may be allowed by Government, in consultation with the Reserve Bank to execute general bond of indemnity under this rule, provided they undertake Commercial Banking and their financial position is considered satisfactory.

DIRECTOR-GENERAL'S ORDERS

1. The following instructions are issued for information and guidance:-

(i). The present system of issue of pay authorization will be discontinued in respect of all the Officers except in respect of Officers covered in (ii) and (iii) below and instead the determination of entitlement for such Officers will be done by the Heads of Offices in the same manner as for non-Gazetted staff working under them.

(ii) The pay and allowances of the Gazetted Officers will be drawn on the same form (ACG-20) prescribed for non-Gazetted staff and acquittance obtained on the pay bills themselves/on acquittance rolls, as may be found convenient.

(iii) Drawal of claims of Gazetted Officers in non –Gazetted bill forms will be governed by the rules in Postal, FHB, Vol-1 and other departmental codes and manuals relating to non-Gazetted staff.

(iv) Gazetted Officers may receive payment by cash or cheque.

(v) The concerned Drawing Officers will prepare the bills for the Gazetted Officers on the basis of the rates already available with them and with the Gazetted Officers concerned, provisionally and subject to adjustment on receipt of service records and actual entitlements.

(vi) The Disbursing Officer will make disbursement to the Gazetted Officers as per departmental rules and will maintain necessary records on the same lines as for non-Gazetted staff.

(vii) The procedure for maintenance of retrenchment registers, submission of schedules of recoveries of GPF loans and advances, licence fee, etc., prescribed for non-Gazetted staff will apply *mutatis mutandis* to the Gazetted staff too.

(DG., P&T., No. 1-3/76-T.A., dated the 18th March, 1976)

2. Further instructions for information, guidance and necessary action of all concerned-

(i) Drawal and disbursement of pay and allowances of Gazetted Officers will be made by the Drawing and Disbursing Officers of the office on establishment bills in Form ACT-20 instead of in Form TR-22. Acquittance may be obtained on the pay bills themselves or on acquittance rolls as may be found convenient.

(ii) With the introduction of the revised procedure effective from 01.04.1976 (March, 1976, pay payable in April, 1976), the issue of pay slips by Audit offices/Circle Accountants will stand discontinued. The determination of entitlement of Gazetted Officers will be done by the Heads of Offices in which they are working in the same manner as for non-Gazetted staff. In respect of Heads of Offices the entitlement will; however, be intimated by the next higher authority, i.e. for PMGs, by this office and for SPOs/SSPOs/PPMs, etc., by the concerned Circles.

(iii) As the revised procedure is applicable to all the Ministries/Departments and their lower formations, the same will be applicable to the Telecommunication Wing also of the P&T Department, where bifurcation of Accounting had already taken place.

(iv) The Head Postmasters who are the Drawing and Disbursing Officer for all non-Gazetted staff of his office as well as that of the Divisional office, will now draw the pay and allowances of all Gazetted Officers for whom he has been the Disbursing Officer hitherto, in terms of the new procedure envisaged in GI, MF, OM dated 28.02.1976, referred to above. Similarly, the HRCs who are the Drawing and Disbursing Officers in respect of non Gazetted establishment working under them will now draw the pay and allowance of the Gazetted Officers on the RMS side and disburse the same under the new procedure.

(DG. P&T., No., 21/8/76-PAP(Pt.) dated the 20th March, 1976)

DIRECTOR-GENERAL'S ORDERS

1. The following instructions are issued for information and guidance:-

(i). The present system of issue of pay authorization will be discontinued.

(ii) & (iii) deleted.

(iv) The pay and allowances of the Gazetted Officers will be drawn on the same form (ACG-20) prescribed for non-Gazetted staff and acquittance obtained on the pay bills themselves/on acquittance rolls, as may be found convenient.

(v) Drawal of claims of Gazetted Officers in non –Gazetted bill forms will be governed by the rules in Postal, FHB, Vol-1 and other departmental codes and manuals relating to non-Gazetted staff.

(vi) Gazetted Officers may receive payment by *cash or cheque.

(vii) The concerned Drawing Officers will prepare the bills for the Gazetted Officers on the basis of the rates already available with them and with the Gazetted Officers concerned, provisionally and subject to adjustment on receipt of service records and actual entitlements.

(viii) The Disbursing Officer will make disbursement to the Gazetted Officers as per departmental rules and will maintain necessary records on the same lines as for non-Gazetted staff.

(ix) The procedure for maintenance of retrenchment registers, submission of schedules of recoveries of GPF loans and advances, licence fee, etc., prescribed for non-Gazetted staff will apply *mutatis mutandis* to the Gazetted staff too.

(DG., P&T., No. 1-3/76-T.A., dated the 18th March, 1976)

2. Further instructions for information, guidance and necessary action of all concerned-

(i) Drawal and disbursement of pay and allowances of Gazetted Officers will be made by the Drawing and Disbursing Officers of the office on establishment bills in Form ACT-20 instead of in Form TR-22. *Acquittance may be obtained on the pay bills themselves or on acquittance rolls as may be found convenient.

(ii) With the introduction of the revised procedure effective from 01.04.1976 (March, 1976, pay payable in April, 1976), the issue of pay slips by Audit offices/Circle Accountants will stand discontinued. The determination of entitlement of Gazetted Officers will be done by the Heads of Offices in which they are working in the same manner as for non-Gazetted staff. In respect of Heads of Offices the entitlement will; however, be intimated by the next higher authority, i.e. for PMGs, by this office and for SPOs/SSPos/PPMs, etc, by the concerned Circles.

(iii) Deleted.

(iv) On the Postal side the Head Postmaster who is the Drawing and Disbursing Officer for all non-Gazetted staff of his office as well as that of the Divisional office, will now draw the pay and allowances of all Gazetted Officers for whom he has been the Disbursing Officer hitherto, in terms of the new procedure envisaged in GI, MF, OM dated 28.02.1976, referred to above. Similarly, the HRCs who are the Drawing and Disbursing Officers in respect of non Gazetted establishment working under them will now draw the pay and allowance of the Gazetted Officers on the RMS side and disburse the same under the new procedure.

(DG. P&T., No., 21/8/76-PAP(Pt.) dated the 20th March, 1976)

*Note: Process of Payment has been digitized vide *Government of India, Ministry of Finance OM. No. 3(2)(1)/2016/TA/R&P Rules/Amendment/443, dated the 12th May 2017 and Department of Posts Letter No.2-1/2007-08/PA-(Tech-I)/1077-1147 dated 09.02.2018.*

Rule 198. Special rules applicable to cases of transfer of the executive charge of a Division from one Officer to another have been laid down in Chapter 2 of the Postal Manual, Volume IV (Establishment).

CHAPTER IX
Establishment
Sections of Establishment

Rule 199. The establishments in each office are divided into "sections". No fixed rules can be laid down as to what constitutes a section; but the sections should be fixed by the Circle Postal Accounts Officer in communication with the Heads of Offices on the following principles :—

- (a) The sections should be mainly divided according to the different classes of officials under each detailed head of account in each sub-section of each Abstract of expenditure; and
- (b) The establishment should ordinarily be divided into as many sections as there are different scales of pay so that each section may represent a unit of Government servants drawing pay in the same time-scale and under one Officer's control. An old scale of pay and its corresponding new scale of pay are considered as one scale of pay for the purpose of this clause.

EXCEPTION.—In the Post Office, Postal Accounts and Sub-Postmasters, on the same time-scale of pay form one section. Similarly, Inspectors of Post Offices and Head Clerks of Superintendents of Post Offices form one Section.

Alteration of Establishment

Rule 200. When the entertainment of a new establishment or a change, temporary or permanent, is proposed in an office, a letter fully explaining the proposals and the conditions which have given rise to them should be submitted to the authority concerned. In this letter should be set out *inter alia*: —

- (i) the present cost, either of the section or sections affected, or of the total establishment as the circumstances of the case may indicate to be necessary;
- (ii) details of the number and pay of the appointments which it is proposed to add or modify; and
- (iii) as accurate an estimate as possible of the extra cost involved.

NOTE 1.—In determining the extra cost, allowances, whether fixed or variable should be included. The estimate of the extra cost due to variable allowances, such as those granted under house allowance schemes, cannot be exact but it should be as accurate as possible. The Government may issue such instructions as may be necessary as to the manner in which such estimates should be prepared.

NOTE 2.—The proposition statements accompanying proposals for abolition of posts in establishments containing their own leave reserve should indicate separately the operative

and reserve strength of the Division or other administrative unit as a whole, both before and after the revision, under the columns "Present" and "Proposed".

NOTE 3.—The authorities submitting the proposals should take into account any claims to pensions that may arise in consequence of their proposals and certify to their having done so in their proposals.

Explanation (a).—When a scheme requires the sanction of a higher authority only because particular items are beyond the powers of sanction of the subordinate authority in the letter submitted to the higher authority full details should be given of these items and of any other part of the scheme so connected with them that, unless it is explained, it may be difficult for the higher authority to determine whether sanction should be given to these items or not. Details of other parts of the scheme are not required and should not be given lump sum figures showing the total cost of each part of the scheme being sufficient.

Example — It is proposed to create a new Postal Circle under the independent charge of a Director of Postal Services and the sanction of the higher authority is required only because it is proposed to create an appointment for a Director of Postal Services. No details are required of the staff proposed for the Circle, because knowledge of these details is not necessary in order to determine whether an appointment of a Director of Postal Services is required.,

Explanation (b).—When the revision of a number of establishments is undertaken in pursuance of one definite central idea, which constitutes a single scheme for purposes of sanction, and when the scheme requires the sanction of a higher authority in the letter submitting the proposals for sanction, full details of the several establishments need not be given, but only such details as will indicate the financial effect of each portion of the proposals.

Thus if the scheme is for the increase of pay of a number of establishments it will suffice to set out:—

- (i) The present cost of all establishments concerned.
- (ii) The various increases of pay or the various percentages of increases Proposed and the reasons justifying the proposals.
- (iii) In respect of each separate rate of increase proposed as set out in (ii)-
 - (a) A list of the establishments or classes of Officers to which it is to be applied and the reasons for such differentiation; and
 - (b) As accurate an estimate as possible of the probable cost.

Rule 201. The powers of sanction of various subordinate authorities in the Department of Posts are specified in the Schedule of Financial Powers of Officers of the Department of Posts. All proposals for additions to establishments, whether permanent or temporary, or for any increase in the emoluments of existing posts, should be scrutinized with the greatest care

by heads of departments and other authorities concerned. In submitting such proposal, the instructions, contained in the following rules, should be carefully observed.

Rule 202. Besides the covering letter referred to in Rule 200, a proposition statement in the prescribed form in duplicate should accompany all proposals for large scale revision of establishment in complicated cases and for other general schemes which require the sanction of the Government.

The proposition statement where these are of large scale or complicated in nature should only be forwarded through the Circle Postal Account Office. Statements connected with Temporary, Experimental and Monsoon establishments may, however, be submitted to the Director-General or the Head of the Circle direct.

Rule 203. The details to be shown in proposition statements should be determined by the following principles: —

(i) The proposition statement, where it is necessary, should relate strictly to the Section or part of the Office affected by the proposals. As regards the other parts or sections of the office, neither details nor figures of total cost need be included.

(ii) Where a section consists of different classes of employees, details need be given only of the class affected, if a saving of labour will result from the adoption of this procedure.

(iii) Where the pay of any post, existing or proposed, rises from a minimum to a maximum, by periodical increments, the average monthly cost, and not the actual or the commencing cost must be given.

(iv) The fixed allowances referred to in Note 1 to Rule 200 should be entered in the proposition statement but the variable allowances need not be included therein.

NOTE. —In the proposition statements, fractions of a rupee should be omitted from the monthly average cost; fraction amounting to fifty paise and over being taken as one rupee and a fraction under fifty paise neglected.

Rule 204. If the expenditure is proposed to be incurred in the current year, the proposals should show clearly whether it can be met within the grant or appropriation of the year. If the expenditure can be met by re-appropriation, statement in the prescribed form should be submitted with the proposals.

Register of Sanctioned Establishments

Rule 205. A register in the prescribed form [A.C.G.-19(a)], will be maintained by Heads of Offices in all the branches of the Department of Posts showing the sanctioned establishments under them. The Heads of Offices will be personally responsible for seeing that the register is kept corrected up to date and that no charges, which have not been duly sanctioned, are included in the Establishment Pay Bill.

Such of the register will be maintained manually and kept up-to-date by Heads of the Circles also in respect of all posts sanctioned in the Department's Offices as well as Extra Department Offices under their Jurisdiction.

NOTE —In the case of Post Offices the duty of keeping the register up-to-date may, under the orders of the Head of the Circle, be delegated to the Accountant.

Rule 206. In addition to the register of sanctioned establishments referred to in Rule 205 which will contain details of the establishment of each office or line within the jurisdiction of the Head Post Office, the Head Postmaster will maintain a consolidated statement containing the information in summary form which is required for the purpose of preparing proposition statements in accordance with the distribution by level of pay. In this consolidated statement spaces should be left between the entries relating to the various sections so as to permit of notes being made with regard to increases and reductions that may be ordered from time to time. When a proposition statement has to be submitted it will be necessary for the head Post Office merely to prepare, and furnish the Superintendent of Post Offices with a copy of the consolidated statement as corrected up-to-date, or an extract from it relating to the sections (viz.- cadres of the particular level of pay) affected by the proposals.

Date of Birth

Rule 207. Every person newly appointed to a service or a post under Government should, at the time of the appointment, declare his date of birth by the Christian era as far as possible with confirmatory documentary evidence such as a matriculation certificate, municipal birth certificate and so on. If the exact date is not known, an approximate date may be given. The actual date or the assumed date determined (vide Rule 208) should be recorded in the history of services, Service Book, or any other record that may be kept in respect of the service under the Government of the Government servant concerned and once recorded, it can-not be altered, except in the case of a clerical error, without the previous orders of the Department, Central Government or of a Local Administration. No alteration in the date of birth of a Government servant should be made except with the sanction of the Ministry/Department concerned of the Central Government, under which the Government servant is serving provided:

- (a) A request in this regard is made within five years of his entry into Government service.
- (b) it is clearly established that a genuine bonafide mistake has occurred; and
- (c) the date of birth so altered would not make him ineligible to appear in any School or University or UPSC examination in which he had appeared, or for entry into Government service on the date on which he first appeared at such examination or on the date on which he entered Government service.

[Extract from Rule 287 of GFR 2017 and Note 5 below FR 56].

NOTE 1— Departments of the Central Government exercise the powers of a Local Administration for the purpose of this rule.

NOTE 2.—Heads of Departments are authorized to exercise this power in the case of non-Gazetted Government servants under their control.

NOTE 3- See notes below FR 56.

GOVERNMENT OF INDIA'S DECISION

Conditions for changing Date of Birth: -The date on which a Government servant attains the age of fifty eight years or sixty years, as the case may be, shall be determined with reference to the date of birth declared by the Government servant at the time of appointment and accepted by the appropriate authority on production, as far as possible, of confirmatory documentary evidence such as High School or Higher Secondary or Secondary School Certificate or extracts from Birth Register. The date of birth so declared by Government servant and accepted by the appropriate authority shall not be subject to any alteration except as specified in this note. An alternation in date of birth of a Government servant can be made, with the sanction of Ministry or Department of the Central Government or the Comptroller and Auditor General in regards to person serving in Indian Audit and Accounts Department, or an administrator of a Union Territory under which the Government servant is serving, if-

- (a) a request in this regard is made within five years of his entry in the Government service;
- (b) it is clearly established that a genuine bonafide mistake has occurred; and
- (c) the date of birth so altered would not make him ineligible to appear in any school or university or UPSC examinations in which he had appeared or for entry into Government service on the date on which he entered Government service.

(Note 6 below Rule FR 56)

Further orders:-

The observations of the Apex Court as reproduced below was also circulated to all Ministries and Departments of the Government of India vide O.M No. 19017/2/92-Estt(A) dated 19.05.1993:-

The Supreme Court of India in Civil Appeal No. 502 of 1993 – Union of India Vs Harnam Singh- Judgment, dated 09.02.1993 had observed that:-

“Inordinate and unexplained delay or laches on the part of the respondent to seek the necessary correction would in any case have justified the refusal of relief to him. His inaction for all this period of about thirty-five years from the date of joining service, therefore precludes him from showing that the entry of his date of birth in service record was not correct”

Above observations of the Apex Court was also circulated to all Ministries and Departments of the Government of India vide O.M No. 19017/2/92-Estt(A) dated 19.05.1993 to keep the above in view while processing cases of requests for changes of date of birth. This matter was reiterated by the DoP&T on 16th December, 2014 vide O.M No. 19017/1/2014-Estt (A-IV).

Rule 208. (a) If a Government servant is unable to state his exact date of birth but can state the year, or year and month of birth, the 1st July or the 16th of the month respectively, may be treated as the date of his birth.

(b) If he is only able to state his approximate age, his date of birth may be assumed to be the corresponding date after deducting the number of years representing his age from his date of appointment.

(c) When a person who first entered Military employ was subsequently employed in a Civil Department, the date of birth for the purpose of the Civil employment should be the date stated by him at the time of attestation or if at the time of attestation he stated only his age, the date of birth should be deduced with reference to that age according to the method indicated in clause (b) above.

NOTE.—Cases in which the date of birth has been deduced from the age of appointment or attestation by any other method need not be reopened.

Service Books

Rule 209. The detailed rules regarding the maintenance of Service Books are contained in Supplementary Rules 197 to 203, Rule 288 of GFR-2017 and Chapter IV of CGA's DDO Manual (Third Edition).

The cost of Service Books should be borne by the Government and the expenditure on this account debited to the head "3201-Postal Services-08-102-01-04 Stationery and Forms printing, storage and distribution".

NOTE 1.—The services of Gramin Dak Sevaks, employed in Post Offices and Mazdoors are not recorded either in Service Books or Service Rolls.

GOVERNMENT OF INDIA'S DECISION

(1) Maintenance of Service Book in Duplicate: - The Service Book of a Government Servant shall be maintained in duplicate. First Copy shall be retained and maintained by the Head of the Office and the second copy should be given to the Government servant for safe custody as indicated below: -

(a) To the existing employees: - within six months of the date on which these rules become effective (i.e. from 1st July, 2005- vide G.I MF OM no. 8/9/E.II (A)/2003 dated the 1st July, 2005)

(b) To new Appointees: - within one month of the date of appointment [Rule 288 (2), General Financial Rules 2017]

In January, each year, the Government servant shall hand over his copy of the Service Book to his office for updation. The office shall update and return it to the Government servant within thirty days of its receipt.

(2) Inclusion of Aadhar/Unique Identification number (UID) in Service Book of Government servants:-(i). It is directed to invite attention to the provisions of the Supplementary Rules which relate to maintaining records of service of a Government employee. As per provision of SR 199, every step in a Government servant's official life must be recorded in his Service Book and each entry attested by the Head of Office, As per SR 202, Heads of Offices are to obtain the signature of the Government servants in token of their having inspected their Service Books annually. Further Rule 32 of the CCS (Pension)Rules, 1972 provides for preparatory work for sanctioning pensionary benefits. The Service Books at present contains details of bio-data, posting details, qualifying service, security details, HBA, CGHS , CGEGIS, LTC etc.,

(ii). It has been decided to include the respective Aadhar numbers also of all Government servants in their Service Books. The e-Service Book format already provides fields for Aadhar number of the Government servant.

(iii). All Ministries/Departments of the Government of India are requested to ensure that the Service Books of all employees have an entry of the employees' Aadhar number. The attached and subordinate offices under their control may also be suitably instructed for compliance. [G.I DoPT O.M No. Z-20025/9/2014-Estt (AL), dated the 3rd November, 2014]

(3) Implementation of e-Service Book in all Ministries/Departments: -

The Service Book of a Government servant is a document to record all the events in his/her entire service period and career recording each and every administrative action of the Government servant right from the stage of his recruitment till his retirement to reflect the history of Service of a Government employee. As per SRs 198 & 199, such a Service Book is to be maintained for a Government servant from the date of his/her first appointment and is required to be kept in the custody of the Head of Office in which he is serving and transferred with him from office to office.

2. It has been decided to switch over to electronic format for maintenance of Service Book. The e-Service Book module is presently available under the e-office Mission Mode Project. The data entered in e- Service Book is available to the employees to enable them to cross check and report any discrepancies. The Controller General of Accounts (CGA) was requested to accept e-Service Book as a legal tender. The CGA has agreed to accept the e-Service Book as a legal tender for all purposes and accordingly issued instructions to all Controllers of Accounts.

3. All Ministries/Departments are advised to adopt the e-Service Book as the same will be treated as legal tender for all purpose.

(G.I Dept., of P&T O.M. No. 021011/15/2010-Estt(AL) dated the 30th November 2015)

Rule 210. (1) At a fixed time early in the year the Service Books should be taken up for verification by the Head of the Office who after satisfying himself that the services of the Government servant concerned are correctly recorded in each Service Book, should record in it , a certificate in the following form over his signature:

"Service verified up to..... (date) from..... (the record from which the verification is made)."

NOTE 1.—The verification of service referred to above should be in respect of all services qualifying for pension whether permanent, provisional, temporary or officiating.

NOTE 2.—The following offices, who are not Heads of Offices are authorized to attest the entries and record certificates of annual verification of services in the Service Books of the non-Gazetted staff of the office (other than those of themselves) which are required to be maintained by their Heads of Offices: —

(1) In respect of Post Office and RMS:

(a) Any Officer in the Selection Grade authorized by the Head of the Office if there is no Accountant in the Selection Grade in the office.

(b) L.S.G.official in General Post Offices.

(2) In respect of Engineering Divisions-
Assistant Accounts Officers

(3) In respect of Circle and Administrative Offices.

Office Superintendent or any official in the Selection Grade, authorized by the Head of the Circle.

(4) Assistant Accounts Officers in respect of all offices.

(i) The above-mentioned Officers who have been authorized to attest entries in Service Books are also authorized to maintain these documents including Leave Accounts and keep them in their custody; and

(ii) to attest entries in the Leave Accounts, provided that the Head of the Office concerned remains responsible for the proper maintenance of an attestation of entries in Service Books, Service Rolls and Leave Accounts and for their custody. In order to ensure that the Head of the Office does exercise general supervision in this matter, the Head of the Office should inspect at least 10 per cent of these documents every year and initial them in token of having done so.

N.B.—In order to ensure that this check is properly exercised and that every Service Book is subjected to scrutiny in one year or another, a register should be maintained by the Head of the Office to show the particulars of Service Books brought under scrutiny each time by him.

NOTE 3. —For this purpose, the Assistant Postmaster General or Deputy Director in so far as the Circle Office, the Dead Letter Office and the Stock Depots are concerned, and the Assistant Director General (Administration) in so far as the Directorate is concerned should be considered as the Head of the Office.

(2) The Head of the Office in recording the annual certificate of verification should, in the case of any portion of service that cannot be verified from office records, distinctly state that for the excepted periods (naming them), a statement in writing by the Government servant, as well as, a record of the evidence of his contemporaries, is attached to the book.

When, however, a non-Gazetted Government servant is transferred from one office to another, the Head of the Office under whom he was originally employed should record in the Service Book under his signature, the result of the verification of service, with reference to pay bills and acquittance rolls, in respect of the period "for which the Government Servant was paid by" him, before forwarding the Service Book to the office where the services are transferred.

GOVERNMENT OF INDIA'S DECISIONS

(1). Elimination of delay in the sanctioning and payment of pension: - The following procedure shall be followed in regard to the maintenance of Service Books so as to eliminate any delay in the sanctioning and payment of pension: -

(i). It shall be the responsibility of the Officers maintaining the Service Book to make annual verification and also to complete and certify the Service Books in respect of previous service in the 20th year (Now 18th year vide Notification F. No. 38/80/08-P&PW dated 21.12.2012, published as GSR 928(E), in the Gazette of India Extraordinary, dated 26-12-2012) of service or 5 years before retirement, whichever is earlier.

(ii) The orders of the Competent Authority, where required on the nature of service, as for example, periods of leave, breaks in service, etc., should be obtained and recorded in the Service Book. The entries made in the Service Book should be shown to the Government servant and his signature obtained in the Book.

(iii). The orders of the Competent Authority regarding the counting or otherwise of periods of extraordinary leave or periods preceding breaks in service as qualifying service for pension should be obtained invariably at the same time as the occasion arises and not later. Such orders should be noted in the Service Book. Unless otherwise shown in the Service Book, it will be presumed that the orders of Competent Authority have been obtained and the periods of extra ordinary leave and periods preceding break in service will count for pension.

(iv) Any omission or lapse on the part of the administrative authority to observe the procedure in Clauses (ii) & (iii) above is likely to result in overpayments such as those consequents on period of extraordinary leave being allowed to count for pension and breaks getting automatically condoned. Suitable disciplinary action will be taken in cases where loss has been caused to the State as a result of lapses on the part of the concerned authorities.

[*Gl., MF., OM No. F18 (7) –E V(B) /65- Part-V, dated the 24th June, 1966 & Rule 32 of CCS Pension Rules, 1972*)

(2). Cost of photograph to be affixed on the first page of the revised Service Book, shall be borne by the Government- A photograph of the Government employee has to be affixed on the first page of Part-I of the revised Service Book. A question has been raised whether the cost of the photograph has to be borne by the Government employee or by the Government. The matter has been considered in this Ministry and the President is pleased to decide that the cost of the photograph shall be borne by the Government in future. (G.I, MoF, O.M. No. 17011/I/E.IV(A)/77, dated the 7th July, 1977).

Rule 211. The Service Books and Service Rolls should be kept in the custody of the Head of Office. When an employee is transferred to another office, his Service Book or Service Roll should not be sent to the Head of the Office to which he is transferred and not made over to him, nor should it be given to him when proceeding on leave.

The Service Books of Gazetted Officers, officiating or substantive, should be kept in the custody of the competent authority responsible for authorizing the entitlement of their pay and allowances.

If the Head of an Office is non-Gazetted Government servant, his own Service Book should be kept in the custody of his immediate superior.

NOTE 1.—The Officers mentioned in Note 2 to Rule 210, though not Heads of Offices are authorized to keep the Service Books in their custody (except their own Service Books) which are required to be kept in the custody of their Heads of Offices.

NOTE 2.—For the purpose of this rule, the Officer responsible for drawing the pay bill of an establishment should be construed as the Head of the Office in respect of that establishment.

NOTE 3- The Service Books of non-Gazetted Postal personnel on deputations to Army Postal Service wherein they officiate as Gazetted Officers will be kept centrally in the Office of the Director of Postal Accounts, Nagpur (APS Accounts Section) for the sake of convenience and facility.

GOVERNMENT OF INDIA'S DECISION

Heads of Offices may delegate to subordinate Gazetted Officers powers to attest entries in Service Books of all Gazetted Officers (except their own):- In relaxation of the provision of SR 199, the Heads of the Offices are permitted to delegate to subordinate Gazetted Officers under them powers to attest entries in Service Books of all Gazetted Officers (except their own Service Books) for the maintenance of which the Heads of Offices are responsible.

2. The subordinate Gazetted Officers who are delegated powers to attest entries in the Service Books of Gazetted Officers are also authorized:-

(i) to keep these documents in their custody; and

(ii) to attest entries in the Leave Accounts,

Provided that the Head of the Office concerned remains responsible for the proper maintenance of the attestation of entries in Service Books and Leave Accounts and for their custody. The Head of the Office should scrutinize atleast 10% of these documents every year and initial the same in token of having done so.

3. The powers to attest entries in Service Books and Leave Accounts shall not be exercised by those Gazetted Officers who have been delegated such powers in respect of entries in their own Service Books and Leave Accounts. The entries in their Service Books should be attested by the Head of the Office who will also be responsible for their custody.

4. In the e-form of Service Book and leave account it is to be validated by next authority in electronic process.

[G.I MF OM No. 3(3)-E.IV (A)/76, dated the 25th November 1976.]

Rule 212. (a) The Service Books should be kept arranged alphabetically.

NOTE.—If the number of Service Books to be maintained in an office is not large then the Service Books of all officials in that office, may be kept together alphabetically. If however, the number of Service Books is large, the Service Books may be arranged cadre wise but in that case the alphabetical Index should also be maintained cadre wise.

(b) Except as provided in Rule 285 Service Books must always be kept unfolded; and whenever it is necessary to send a book by post it should be forwarded unfolded between stiff boards large enough to protect contents and be dispatched under registered cover.

(c) On the first appointment of a Government servant for whom a Service Book is required to be maintained under S. R. 197 the necessary book should be opened by the Officer making the appointment who should fill in and contemporaneously attest the descriptive particulars on the first page. The particulars must be furnished from his personal knowledge of the newly appointed Government servant at the time of appointment if possible; other- wise they should be obtained through some other Departmental Officer named by the Officer making the appointment, the Service Book being sent to him for the purpose. The book should then (if necessary) be forwarded for custody to the Head of the Office concerned.

(d) In cases in which the descriptive particulars are not supplied from the personal knowledge of the Officer making the appointment, he should, when he first meets the newly appointed Government servant in the course of his tours or inspections, make a note of those particulars with a view to verifying and attesting, at the earliest opportunity, the entries already made in the Government servant's Service Book.

NOTE.—The "personal marks for identification" recorded on the first page of a Government servant's service book should include an impression of the ball of his left thumb and of the fingers of the left hand.

(e) When the owner of a Service Book dies or resigns or is discharged, the date of his death, resignation or discharge (as the case may be) should be entered in his service book. The service book or roll should be preserved in the custody of the Head of the Office for five years and then destroyed.

(f) The descriptive particulars on the first page of a Government servant's Service Book should be re-attested every five years by the supervising Officer concerned.

NOTE 1.—Officers when re-attesting the descriptive particulars in Service Books under this rule should write in words the entries relating to date of birth in cases in which this has not been done.

NOTE 2.—Assistant Superintendents and Inspectors of Posts Offices and Railway Mail Service, Second Class Postmasters, Assistant Post Masters (Accounts), of all categories should be treated as Supervising Officers for the purpose of the re-attestation of entries in the first page of Service Books of subordinate officials.

NOTE 3.—The re-attestation of entries on the first page of the Service Books should be made by the Superintendent in respect of the Assistant Superintendents and the Inspectors and by the Inspectors or the Superintendent in respect of Lower Selection Grade Officials in Post Offices and Railway Mail Service.

NOTE 4.—The Selection Grade Sub-Postmasters should be treated as supervising Officers in respect of the work connected with the re-attestation of entries in Service Books of those officials whom they are competent to appoint.

NOTE 5.—The Manager of a Returned Letter Office should be treated as a Supervising Officer for the purpose of this rule in respect of the work connected with the re-attestation of the entries in the first page of Service Books and Service Rolls so far as Ins office is concerned.

Note 6.- The Assistant Accounts Officer of Administration Section of the Office of the Director General should be treated as a Supervising Officer for the purpose of this rule in respect of the work connected with re-attestation of the entries in the first page of the Service Books and Service Rolls so far as the staff of the Office of the Director General is concerned.

Rule 213. The Head of the Office is required to maintain an alphabetical index in the following form, to the Service Books in his custody and is responsible that the index is corrected up-to-date:—

Name of official	Office from or to which transferred	Date of attestation or last re-attestation of the descriptive particulars	Remark

Sufficient number of pages of the index should be assigned to each letter of the alphabet

Note—See "Note" below Rule 288(a).

Leave Accounts

Rule 214. The Leave Account of a non-Gazetted Government servant will be kept in the custody of the Head of the Office in which he is employed as prescribed in Supplementary Rule 215(b) and the entries in the Leave Account attested by the later. The Leave Account of a non-Gazetted Government servant who himself is the Head of an Office should, however, be kept in the custody of his immediate superior who will also attest the entries in the Leave Account.

NOTE 1 —The Officers enlisted in Note 2 below Rule 210 of this Handbook are also authorized to attest entries in the Leave Accounts of officials whose Service Books they are authorized to keep with them, and also keep such Leave Accounts in their custody.

NOTE 2.—A separate record in the form given below, should be maintained by the authority keeping the service records of officials, indicating therein the various kinds of special leave (e.g. special disability leave, hospital leave, maternity leave, study leave, leave not due, commuted leave, etc.) granted to Government Servant from time to time.

In case of transfer of an official the new officer responsible for maintenance of service records should complete the register with reference to the entries in the Service Book.

Register showing particulars of special kinds of leave granted to Government Servants

Sl. No	Name and designation of the official	Nature of leave	Period		Particulars of sanction		Initials of authority competent to attest entries in the Service Book	Remarks
			From	To	Authority No.	Date		
1	2	3	4		5		6	7

Monthly Bills

Rule 215. Bills for pay, fixed allowances and leave salaries shall be prepared separately for permanent, temporary and experimental establishments in Form A.C.G. 20. In the monthly bill for the permanent establishment, the full claim for the month (including amounts to be held over for future payments) shall be exhibited. The bill shall be divided into two parts. In the first part the claims drawn in favour of Government servants whose names are required to be shown in the bill shall be entered and the second part shall contain the claims drawn in favour of other Government servants and other claims (e.g., office rent, etc.). The various sections comprising the establishment shall be shown separately, the description of each section as well as the sanctioned number of posts being prominently noted at the top. Separate totals shall be struck for each section and at the end the total of each section shall be brought forward and a grand total arrived at for the whole bill. All fixed allowances claimable by a non-Gazetted Government servant shall be drawn in the establishment pay bill.

NOTE I.—The pay of Establishment referred to in the Exception to Rule 245 which is treated as a contingent charge, shall not be included in pay bills.

NOTE 2.—In the case of big establishments, separate pay bills may, in consultation with the Postal Account Office, be prepared for each distinct part of the establishment or each section, as the circumstances may require, in each case.

Rule 216. (a) Claims under the heads enumerated below and similar other fixed allowances or contingent expenses which are drawn regularly irrespective of the actual expenditure incurred in any month shall be shown under separate sections in Part II of the establishment pay bill :—

- (i) Office rent; and
- (ii) Payments for conveyance of mails.

Charges on account of office rent, subsidies etc. drawn in establishment pay bills should be supported by payee's receipts which should be submitted to the Audit Office along with establishment pay bills when the charge exceeds Rs. 100 in each case. Bills for subsidies amounting more than Rs. 100 per mensem and subsidies for carriage of mails by modes other than rail and air transfer exceeding Rs. 250 per mensem sanctioned by Superintendent of Post Office/RMS or Postmaster and Rs. 500 sanctioned by Senior Superintendent of Post Office/RMS should be submitted to Postal Accounts Office in addition to the payee's receipts in support of the charges drawn in the Establishment Pay Bill.

In the case of payments for conveyance of mails, contractors should furnish bills showing the details of the actual monthly mileage run duly receipted and stamped (where necessary). The Disbursing Postmaster should carefully scrutinize these bills before payment

with reference to the terms and conditions of the contracts and endorse on them such of the certificates prescribed below, as are applicable to them.

C E R T I F I C A T E

(1) Certified that there has been/was no change in the schedule involving an alteration in the mileage run/number of trips shown in the schedule involving an increase or decrease in the payment due to the contractor.

or

(1) Certified that the change in the mileage run /number trips was due to alterations in the Schedule for which due notice was given to the contractor.

(2) Certified that the additional mileage run was due to occasional trips ordered.

(3) Certified that the price of petrol on the first day of the month, for which payment is claimed, was neither more nor less than the basic price of petrol per litre specified in the agreement.

Or

(4) Certified that the increase in the amount of payment is due decrease to the price of petrol having been on the first day of the month by (amount) from the basic price of petrol specified in the agreement.

(b) Bills preferring claims for rent on account of hire of private buildings by the Government for accommodation of Central Government Offices should be accompanied by the same certificates, with necessary modifications, signed by the Disbursing Officers, as are prescribed in cases of Municipal and Local taxes, electric and water charges, etc., in Rule 271

NOTE.—In the case of a building hired for official purposes, but a portion of which is used as residence, the rent for the entire building shall be sanctioned by the Competent Authority and drawn in the Establishment Pay Bill as office rent.

Rule 217. If, for any reason, the leave salary admissible to a Government servant is not known (as for example when the kind of leave to be granted to him has not been finally decided by the sanctioning authority) the amount of pay to which he would have been entitled had he remained on duty shall be entered in red ink in the fourth money column, the amount being left undisbursed pending the fixation of his leave salary and ignored in totaling.

Rule 218. Amounts claimed in a pay bill (Form A.C.G.-20) but not drawn should be entered in red ink in the relevant money columns and ignored in totaling. The column "Total of the Section" will be used to show the amount actually drawn for each section; and when pay is drawn for a portion of a month only, the rate at which it is drawn, and the number of days for which it is claimed, should be stated either against the name of the employee in the body of the bill, or in a note at foot of the page; the pay of the persons included in each section will be marked off in it and the total of each section will be entered in red ink. The events affecting the rate of pay should be noted in the body of the bill in addition to entries in the Absentee statement.

In the "Remarks" column against the items concerned should be entered remarks showing how payments of charges have been affected by death, retirement, permanent transfers, first appointment, etc. The notes printed on the form should be carefully followed and the certificates required under the rules and printed on the form should invariably be given wherever necessary.

Rule 219. Against each post should be shown the names of both the substantive and officiating incumbents, the names of the former being arranged in order of seniority (as measured by pay) and serially numbered below each section. Permanent vacancies should be exhibited clearly by entering the word "vacant". Pay drawn in favour of an Officer holding substantively a post in one section and officiating in a post in another section should be shown under the section in which he actually worked

NOTE.—In the case of big offices (e.g. GPOs/HPOs/MDGs), the names of the substantive incumbents may be arranged in any other manner in consultation with the Postal Accounts Office.

Rule 220. If a Government servant works in different Sections for broken periods of a month his pay should be drawn in the bills under each of these sections for the days he actually works there. In such cases, the acknowledgement of payment should be taken against each of the entries but if the total payment exceeds Rs.5000/-, stamped acknowledgment should be obtained against one of the entries in the bill and suitable remark to this effect recorded against the other entries in the bill or acquaintance rolls, as the case may be.

Presently, all the payments on account of pay and allowances, TA/LTC bills etc. is being made directly into the accounts either POSB or concerned Bank accounts of the officials as per the prevailing orders of the Government of India, Ministry of Finance.

Rule 221. Acquittance rolls of officials for whom no Service Books or Service Rolls are maintained shall be prepared separately and shall on no account be combined with the acquittance rolls of other official.

Rule 222. The instructions for the preparation of the pay bill for the permanent establishment apply *mutatis mutandis* in the case of pay bills for temporary and experimental establishments. These bills should, however, be prepared sanction-wise and not section wise, indicating the number and date of each sanction in red ink.

Absentee Statement

Rule 223. The monthly bill shall be supported by an absentee statement, if any person in superior service whose name is required to be shown in the establishment pay bill, was absent during the month either on special duty or on suspension, or with or without leave other than casual leave or when a post is left vacant substantively, whether any officiating arrangements have or have not been made against it.

NOTE. I.— Whenever an absentee statement accompanies a bill, certificate No. 2 printed on the bill form should be struck out.

NOTE 2.—When a Government servant is paid for any period of joining time, the period should be shown separately in the absentee statement and if the period exceeds 7 days exclusive of Sundays, the additional information, i.e. particulars of journey, total number of days spent in transit, etc., required for audit purposes may also be given in the "Remarks column" in the absentee statement

NOTE 3.—When a non-Gazetted Government servant is transferred otherwise than for the public convenience, the Head of the Office will endorse on the Establishment bill in which his pay for the month is drawn, a certificate stating the reason of the transfer.

NOTE 4.—The subordinate offices shall send on the 22nd of each month an absentee statement, upto the 20th of the month, to the Head Postmasters or the Divisional Engineers as the case may be, in respect of all non-Gazetted staff, whose names are required to be included in the Establishment Pay Bill. They shall also send a supplementary statement from 21st upto the end of the month on the following month. The Head Postmasters or the Divisional Engineers should check these statements with reference to charge reports, leave or posting orders, etc. before preparing the Establishment Pay Bills etc.

All the events communicated through the original absentee statements will be incorporated in the monthly Establishment Pay Bills whereas changes intimated through the Supplementary Statement should be taken into account while preparing the Supplementary pay bills and/or the bills for the subsequent period.

NOTE 5.—The Record and Sub-Record Clerks will send on the 22nd of each month, an absentee statement, upto the 20th of the month, to the Head Record Clerk, in respect of non-Gazetted staff, whose names are required to be included in the Part I and/or whose total strength is to be shown in Part II of the Establishment Pay Bill. They shall also send a Supplementary statement from 21st upto the end of the month on the 1st of the following month. The Head Record Officer should check these statements with reference to charge Reports, leave or posting orders etc., before preparing the Establishment Pay Bills etc.

All the events communicated through the original absentee statements will be incorporated in the monthly Establishment Pay Bills whereas changes intimated through the supplementary statements should be taken into account while preparing the supplementary pay bills and/or the bills for the subsequent period.

Rule 224. When a Government servant is transferred permanently to another Government, the Head of the Office from which he is transferred should prepare a leave account showing the amount of "earned leave" at credit of the Government Servant concerned, on the date of his permanent transfer and send it to the Head of the office to which he is transferred. A copy of his leave account should simultaneously be sent to the circle Accounts Officer of the Office from which the Government Servant is transferred, so as to enable the former to accept the debits on account of leave salary in respect of the "earned leaves" that may be available by the Government Servant in the new office, up to the extent of the period, credited in the said leave account.

GOVERNMENT OF INDIA'S ORDERS

(1). No allocation of pensionary liability between Departments of Central Government:-

The system of allocation of leave salary and pension contribution among the departments of Government of India, including Railways, Defence, Posts, Telecommunications and Union Territory Government/ Administration has been dispensed with from 1st January, 1978, for all cases of leave salaries paid and pensions sanctioned on or after that date.

[Authority:(I) Ministry of Finance, Deptt. of Expenditure.) Special Cell O.M. No. F.2 (117) /76-SC Dated 26.12.1977 & (II) C.G.A.'s O.M.No. S- 11031/1/78/TA/725 Dated 23.2.1979]

Rule 9.9 of Civil Accounts Manual, Vol. I (Revised Second Edition), 2007

(2)Deputation of Central Government officials to State Governments and vice-versa:-

(a). The Government employees whether temporary or permanent, who are deputed from Central Government to State Government and vice-versa, the system of allocation of pension/leave salary etc. has been dispensed with. This has been done in terms of Govt. of India, Department of Personnel & Administrative Reforms letter No.3 (20)/Pen (a)/79 dated 31.3.1982, read with the provisions contained in Appendix V-B, II and III to the Government Accounting Rules, 1990. The liability for pension and gratuity in such cases will be fully borne by the Central or State Government to which the government employee permanently belongs, at the time of retirement.

(b). The full liability for leave salary is to be borne by the department from which the government servant proceeds on leave.

(Rule 9.10.1 & 9.10.2 of Civil Accounts Manual, Vol. I (Revised Second Edition), 2007)

Periodical Increment

Rule 225. To the first bill in which a periodical increment is drawn for a Government servant, a periodical increment certificate in Form T. R. 24 shall be appended.

Since Fundamental Rules mandate bi-annual increment for the officials on 1st of January and 1st of July of each year, the DDOs prepare the list of eligible officials who are due for increment on the dates as mentioned above. Accordingly, the details which are essential and also compliant to the process that is to be done in PA-30 are being entered into for recording as well as for drawal purpose.

Rule 226. Of the two alternative certificates printed on Form T. R. 24, 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, excluding periods of suspension for misconduct and absence on extraordinary leave, etc., and if he has held the post in an officiating capacity, or if the post held by him substantively was a temporary post, kinds of leave, which are shown in the tabular portion of the certificate.

In all other cases, the second alternative form shall be used and it will be supported by an explanatory memorandum showing briefly but clearly the ground; on which the increment is claimed.

Travelling Allowance Bills

Rule 227.(1) Bills for travelling allowance other than permanent or fixed travelling allowance of Government Servants shall be prepared and presented in accordance with the following provisions:

(i) The bills shall be prepared in Form G.A.R. 14(along with claims in Form G.A.R 14A, 14B or 14C, as the case may be) the instructions printed on the form being strictly observed. When a circuitous route is taken, the reason for doing so must invariably be stated in the bill.

(ii) When actual expenses are drawn on account of carriage of horses or conveyances, details of horses or conveyances transported should be furnished in the bill. For the purpose of drawing the allowance on account of family, a certificate must be furnished by the Government servant of the number and relationship of the members of his family for whom the allowance is claimed. No other details in these or other cases need be furnished but every claim for the cost of transportation of personal effects and horses or conveyances should be supported by a certificate that the actual expenses incurred were not less than the amount claimed. Accounts Officers are at liberty to call for details or for evidence of expenditure in any case in which the expenditure appears to be unusually large.

(iii) All travelling allowance bills must bear a certificate of the drawing officer in the following form:—

"Certified that I have satisfied myself that the amounts included in the bills drawn one/two/three months previous to this date, with the exception of those detailed below (total amount of which has been refunded by deduction from this bill) have been disbursed to the Government servants named therein and their receipts taken on the office copy of the bill or in a separate acquittance roll".

Rule 227-A.The bill completed as above may be encashed at Disbursing Office on the receipt of the Head of the Office; but no bill requiring previous countersignature of a controlling authority shall be presented before such counter signature is obtained.

NOTE.—A list of Controlling Officers for travelling allowance is available in the Compilation of Fundamental and Supplementary Rules.

Rule 228. The travelling allowance bills of Government servants proceeding on tour shall be presented at convenient intervals during the period of their tour or immediately on return to the headquarters and, as far as practicable, before 31st day of March if the tour has been completed before that date.

Rule 229. In case of travelling allowance bills of non-Gazetted establishment an additional certificate in the following form should be endorsed on travelling allowance bills (Form

G.A.R .14), or Travelling Allowance Journals (Form T. R. 26), as the case may be, by the Controlling Officer at the time of countersigning the bills:—

"None of the officials mentioned in this bill is in receipt of conveyance allowance."

"Also that... necessary deductions have been made from this bill on account of conveyance allowance for the days for which mileage or daily allowance has been drawn in respect of the officials."

Rule 230. Travelling allowance bills should invariably be submitted to the Controlling Officer within one month of the completion of journeys. The original "transfer" or "deputation" order should be submitted with travelling allowance bills. The remarks "order produced" and "travelling allowance bill passed" will be made on the bill and the transfer or deputation order respectively under the signature of the countersigning officer. Travelling allowance bills submitted on account of "tour" should be serially numbered by the Drawing Officer and in case when no claim is made in any month a remark to the effect that no tour performed should be made by the Drawing Officer on the next travelling allowance bill cashed.

Director-General's Instructions

Record to be maintained in Circle Office: - With a view to enable the Controlling Officers to check the admissibility or otherwise of Travelling allowance drawn under Director-General's Instruction No.(1) (a) below SR 130 before passing the Travelling Allowance bills, a record regarding the number of times a candidate appears for a particular examination should be maintained in Circle Office as also in the offices of the Controlling Officers. Necessary particulars should also be entered in the confidential records of all such candidates.

Rule 231. In the case of a Government Servant supplied with free fares by the use of free passes for self, shall be shown in the fares by the use of free passes for self, shall be shown in the travelling allowance bill. If no such deduction is shown in a travelling allowance bill the Government servant concerned shall state therein the special reasons for which no deduction has been made.

Rule 232. In cases in which travelling allowance is claimed for journeys on which free transit is allowed and also for other journeys, a note should be recorded in the remarks column of the travelling allowance bills by the Drawing Officers to the effect that none of the places except those specified in the bill are connected by lines over which free conveyance is allowed.

Cost of Medical Treatment

Rule 233. Subject to the condition that all bills for the expenditure incurred by, and to be reimbursed to, Government Servants on account of medical attendance and treatment shall be countersigned by the controlling authorities who are empowered to countersign travelling allowance bills of the Government Servants concerned, the amount claimed may be drawn in

the establishment Bills in Form G.A.R.-23 (TR-27-A) under the sub-head "Salaries". The Controlling Officers shall scrutinize carefully before signing or countersigning a claim in respect of medical expenses that the claim is genuine and is covered by rules and orders on the subject and that the charges claimed are supported by proper vouchers, receipts and certificates, etc. They are empowered to disallow claims which do not satisfy these conditions.

Overtime Allowance in the Railway Mail Service

Rule 234. A bill (Form A.C.G.-37) for Overtime Allowance, including overtime allowance in lieu of duty on Sunday or Weekly Off days, earned by the sorters etc., in a Railway Mail Service Division during any four-weekly cycle should be prepared in duplicate after the completion of a cycle and submitted by the Head Record Clerk to the Divisional Superintendent. The Superintendent should exercise all the checks to see that the allowance has been in each case properly and correctly drawn and then sanction bills involving 70 hours or less in a cycle and return them to the Head Record Clerk for effecting payment. In cases where the employment of staff in a cycle exceeds 70 hours, a statement should be prepared separately by the Head Record Clerk with reference to the Overtime Register and forwarded to the Divisional Superintendent to enable him to obtain the formal sanction of the Head of the Circle in permitting the employment of an official on Overtime duty beyond 70 hours in a cycle, as enjoined in para.18 (2) of Director-General Posts and Telegraphs, letter No. 10-1/64- PE, dated the 12th February 1964. Simultaneously Overtime Allowance bills concerning these cases will be prepared in order to facilitate payment immediately on receipt of sanction from the Head of the Circle. The Head of the Circle will accord the sanction after exercising the necessary check and satisfying himself about the imperative need to order overtime duty beyond 70 hours in each case individually and return the statement to the Divisional Superintendents Railway Mail Service at an early date. Thereafter the bills already prepared will be passed for payment by Divisional Superintendent after according formal sanction. The duplicate copy of the bill in all cases marked "Not Payable" and "Duplicate" in red ink after sanction by the Competent Authority should be sent by the Superintendent to the Postal Accounts Office on the 26th of the month following the month to which the bill relates.

Outstation Allowance Bills

Rule 235. Outstation allowances earned by Sorters, Mail Guards and Van-Peons will be drawn in Form A.C.G. 38 in the beginning of the following month by the Head Record Clerk who will submit the bill to the Divisional Superintendent for counter signature. After the bill is cashed, the amounts payable to the officials concerned will be disbursed in the usual way. The outstation allowance bills for mail peons in Post Offices will be countersigned by Superintendents of Post Offices or first-class Postmasters, as the case may be.

Outstation allowance due to cash Mail overseers and village Postmen whose number of night halts per week are fixed and consequently are eligible to draw this allowance at fixed monthly rates will be drawn in the establishment pay bill form by the disbursing office

concerned on receipt of requisite sanction from the Senior Superintendents/Superintendent/1st Class Postmaster as the case may be. In cases where the night halts are not fixed the Head, Sub or Branch Postmasters will prepare outstation allowance bills in form A.C.G.-38(b) in the first week of the following month and forward them to the Sr. Superintendent/ Superintendent/ 1st Class Postmaster, as the case may be, for countersignature. After counter signature, the amount payable to the officials concerned will be disbursed in the usual way. Any excess drawal in a particular month should be adjusted by short drawal in the subsequent month.

Class IV/MTS staff in Post Offices viz. Runners and Mails Peons will draw out-station allowance on the same terms and conditions as are applicable to village Postmen. The Superintendent of Post Offices (including Senior Superintendent of Post Offices) and 1st Class Postmasters, as the case may be, will be competent to sanction the out-station allowance bills of these officials.

Since the duties of Travelling Mail Peons in Post Offices are analogous to those of Peons in R.M.S. the grant of Out Station Allowance to Travelling Mail Peons in Post Offices shall be regulated on the same terms and conditions as are applicable to the Van Peons (Class IV Staff) of the R.M.S.

Officials of Lower Selection Grade of the Postal, R.M.S who are recruited on Circle Service basis, when required in the interest of service to work as Instructors in the training centers situated outside the territorial boundaries of their Circle of recruitment, shall be entitled to an outstation allowance at the rate specified from time to time.

Rule 236. (i) Overtime allowances are sanctioned to the various categories of officials of the Department under conditions as laid down in Manual of Appointments and Allowances by the authority mentioned against each therein and also various orders and instructions issued by the Department on the matter from time to time.

(iii) The allowances should be drawn in a bill in form ACG-64 and in the case of overtime relating to weekly off or overtime on a Postal holiday in form A. C. G.-64 (a), in duplicate and sent to the sanctioning authority concerned for his sanction. One copy of the bill signed by such sanctioning authority, or in a case where the Head of the Circle is the sanctioning authority by him or one of his Gazetted Assistants, should be submitted to the PAO after payment, duly charged in the Schedule of pay and allowances or the Schedule of bills paid as the case may be.

(iv) The claims of overtime allowance in Administrative Offices should be preferred by the Government Servants in duplicate in Form A. C. G.-64(b), furnishing the details of emoluments, rate of O. T. A., and the details of overtime duty performed so as to make available the requisite information for exercising proper scrutiny and verifying the correctness of the claim. The form should be signed by the Competent Authority after proper verification and sent to the Drawing Officer for preparation of the bill in Form A. C. G.-20. The copies of the claims will serve as an authority for the drawal of O. T. A. in the Establishment pay Bill (Form A. C. G.-20) and should be attached to them.

NOTE. —The certificates noted against items (a) to (f) below should be endorsed on all bills by the Head of the Office. The other certificates should be endorsed on overtime bills wherever necessary.

Certified that: —

- (a) The sums entered in this bill have been actually paid to the persons to whom due;
- (b) The officials for whom overtime allowance; are claimed in this bill have actually earned them by working overtime;
- (d) The periods for which overtime allowances are claimed in this bill have been checked with the initial records and found correct;
- (e) The overtime allowances are claimed at rates sanctioned by the Competent Authority ;
- (f) The overtime allowances have been taken into account in calculating the Income Tax due from the Government servants noted in this bill; and
- (g) That officials for whom overtime allowance have been drawn in this bill as per orders in the Government of India. Ministry of Communications (P. & T.) letter No. PE 10-12/52. Dated 15-12-52 were actually required to work on Sundays/other weekly off days stated against each and that they were not allowed compensatory holiday in lieu of attendance on such days for which overtime is claimed.

Explanation.—In the case of Post Offices, the "Head of Office" in this rule refers to "Head Postmasters of the Head Post Office".

Note 2.—In the case of overtime bills claimed under Rule 100 (a)(ii) of Postal Manual, Volume IV. the following certificate should also be endorsed by the Disbursing Officers concerned on all the overtime bills "Certified that overtime allowances have been claimed in this bill under Rule 100 (a)(ii) of the Postal Manual, Volume IV, and all the conditions prescribed therein have been fulfilled".

Note 3.—In cases in which time scale supervisors and clerks are employed as "Supervisors" under Note 3 below Para. 117 of the Manual of Appointments and Allowances (3rd Edition), the following certificate should be endorsed on the Overtime Allowance Bill by the Head of the Office.

"Certified that the employment of non-selection grade official as "Supervisor" for purposes of overtime work under Para. 117, of the Manual of Appointments and Allowances (3rd Edition) has been made only in unavoidable, exceptional, and emergent cases."

An annual statement showing the number of cases in which non-selection grade officials had to be employed on supervisor); duties, on payment of the higher rate of overtime allowances, showing reasons therefore should be submitted to the Director-General on the 1st April each - year for scrutiny and check.

NOTE 4.—In cases in which overtime is paid out of fees recovered from private parties and credited in the account, the Drawing Officer should certify on the bill that the prescribed fees have been realized and credited to Government.

GOVERNEMENT OF INDIA ORDER'S

Consequent upon implementation of recommendations of 7th CPC Government of India has issued fresh orders/guidelines, specifically, in respect of the categories of the employees those would be eligible to draw the OTA, as below: -

1. The Government has decided that given the rise in the pay over the years, the recommendations of the 7th CPC to discontinue OTA for categories other than Operational Staff and industrial employees who are governed by statutory provisions may be accepted.
2. Accordingly, it has been decided to implement the aforesaid decision of the Government on Overtime Allowance across all the Ministries/Departments and attached and subordinate office of the Government of India. The following definition shall be used to define Operational Staff. "All non-ministerial non-Gazetted Central Government servants directly involved in smooth operation of the office including those tasked with operation of some electrical or mechanical equipment."
3. The concerned Administration Wing of the Ministries/Departments will prepare a list of operational Staff with full justification based on the above parameters for inclusion of a particular category of staff in the list of operational staff with the approval of JS (Admn.) and Financial Adviser of the concerned Ministry / Department.
4. The grant of OTA may be linked to biometric attendance subject to the conditions mentioned below.
 - a) OTA should be paid only when his/her senior officer directs the concerned employee(s) in writing for staying back in office to attend urgent nature of work.
 - b) The OTA will be calculated on the basis of biometric attendance.
 - c) The OTA for Staff Car Drivers should be linked with biometric system as normally, the designated parking is allotted in the office building. However, in cases where the parking lot is provided far from office, the Staff Car Driver would mark his/her attendance while leaving from his office and a grace time of not exceeding 2 hours should be allowed to cover the distance travelled after leaving office, including the time to drop the officer and then reaching the parking lot. In such cases, calculation can be done from log books, duly verified by the officer concerned.
 - d) The OTA to field officials should be calculated on the basis of biometric attendance, as normally, such officers are given facility of official transport to attend the field work. Such officers are supposed to report in office before proceeding to field. In cases, where officials are required to attend the field work directly from home, they may be extended facility of official transport from home in lieu of transport allowance and OTA may be given on the basis of the log book of that vehicle, duly verified by their senior officers.

5. Since, the Government has decided not to revise the rates of OTA, the rates as prescribed in this Department's OM dated 19th March, 1991 for Office Staff, Staff Car Drivers and Operative Staff will continue to operate subject to their fulfillment of the above conditions.

6. All the existing instructions, except to the extent superseded by this O.M., will continue to remain in force.

7. These instructions will be applicable with effect from 01 July, 2017.

Note: Necessary action for allowing the OTA to the eligible staff shall be determined strictly as per the list specified by the Department in compliance to Para. 3 of above order.

Ministry of Personnel, Public Grievances and Pensions, Department of Personnel & Training
OM No.A-27016/ 03/ 2017-Estt.(AL) dated 19th June, 2018

Purchase of Season Tickets

Rule 237. Expenditure for the purchase of season railway tickets for the use of Mail guards, postmen and class IV/MTS officials may be sanctioned by the Superintendent of Post Offices or the 1st class Postmaster concerned and expenditure for the purchase of monthly bus tickets for mail peons or other Government servants who are required to accompany mails carried in buses may be sanctioned by the Superintendent of Post Offices concerned whenever this is considered necessary in the interests of the public in service. The amount should be drawn in the prescribed form of a travelling allowance bill and charged in the accounts as travelling allowances.

"Expenditure for the purchase of Season Railway Tickets may also be sanctioned by Superintendent R. M. S. in the case of Mail Guards and Class IV/MTS officials."

Distribution of Pay and Allowances

Rule 238. The Head of an office is personally responsible for the amount drawn on a bill signed by him or on his behalf until he has paid it to the person entitled to receive it and obtained a legally valid quittance on the office copy of the bill. If in any case, owing to the large size of an establishment or for any other reason, it is not found feasible or convenient to obtain the receipts of the payees on the office copy of the bill, the Head of the office may maintain a separate acquittance roll in Form A. C. G-24.

If for any reason, payment cannot be made within the course of the month, the amount drawn for the payee shall be refunded by short drawal in the next bill; his pay or allowances may be drawn anew under Rule 185 when the occasion for making the payment arises:

Provided that if in the opinion of the Head of the office this restriction is likely to operate inconveniently, the amount of undisbursed pay or allowances may, at his option, be retained for any period not exceeding three months, but this concession shall not be availed of unless the Head of the office is satisfied that proper arrangements can be made for the safe custody of the sums retained.

Undisbursed pay or allowances may not, under any circumstances, be placed in deposit. It should be ensured that the undisbursed cash in the custody of a particular Government servant, at any time, is not disproportionate to the amount of his security.

NOTE 1.—A bill register in form T.R. 28-A should be maintained all heads of offices who are authorized to draw moneys from the treasury/Bank/Post Offices on bills signed by them. The register should be reviewed monthly by a Gazetted officer and the result of the review recorded thereon.

NOTE 2.—The detailed procedure for the disbursement of Pay and allowance of the non-Gazetted establishment to be followed in Post Offices and for RMS in Head Record Offices.

NOTE 3.—Acquittance rolls and office copies of the bills are not to be submitted to the Circle Accounts Offices, but being important records, they should be stamped "paid" and preserved carefully for the periods prescribed. In respect of payments made through Acquittance Rolls on the pay day, the disbursement certificate at the foot thereof should invariably be signed by the disbursing officer in token of the total amount actually-paid. The "paid" stamp, duly attested by the drawing officer need be affixed only against the total disbursed amount of the Acquittance Roll. In respect of undisbursed amounts paid subsequently, the items should be stamped "paid" individually and attested by the drawing officer while signing the Cash Book.

Exception—The Sub-Record Clerks and Sub-postmasters who disburse pay and allowances of the staff attached to their offices are authorized to attest payments made by them on the acquittance rolls instead of by the Drawing Officer.

Adjustments in Appointments

Rule 239. In the case of non-Gazetted establishments divided into separate units or cadres carrying different scales of pay, an authority competent to make appointments in that establishment on both the units or cadres may make excess appointments in a lower unit or cadre against an equal or greater number of vacancies left unfilled in the higher unit or cadre.

Payment of dues in respect of deceased Government Servants and Government servants on leave/under suspension

Rule 240. The leave salary of a Government servant on leave in India, the pay and allowances of a Government servant who was on duty for a portion of a month before proceeding on such leave, the travelling and other allowances of a Government servant who proceeded on such leave before the allowances could be disbursed, and the pay and allowances (including travelling allowance) due to a deceased Government servant may, if the Government servant concerned, or his legal successor in case of a deceased Government servant so desired be remitted by the Drawing Officer/Disbursing Officer directly into the Bank account of the official/nominee as the case may be. The amount of subsistence allowance in respect of officials under suspension also shall be credited directly to the Bank Account/POSB account by way of electronic mode.

CHAPTER X

Contingent Charges

Introductory

Rule 241. The term 'Contingent Charges' or 'Contingencies' used in this Chapter means and includes all incidental and other expenses, which are incurred for the management of an office as an office or for the technical working of a department, other than those which under prescribed rules of classification of expenditure fall under such other heads as 'works', 'repairs', 'stock', or 'tools and plants', etc.

A list of important items, to be classified under 'Other Contingencies' as well as a list showing the names of important articles in common use in all the branches of the Department of Posts, cost of which should be debited to the detailed heads, 'Liveries and Uniforms' and 'Purchase and Repair of Furniture' below the Head 'contingencies' is given in Appendix 13A.

All items of contingent expenditure which do not find a place in the list of contingent expenditure detailed in Appendix-13-A to this Handbook and those items for which no specific financial powers have been delegated to any of the authorities in the Department should be treated as 'Other Miscellaneous Expenditure'. The term will also exclude all items falling within the category of pay and allowances to Government Servants, leave salary, pensions, Grant-in-Aid, Contributions works, stocks, tools and plant and the like.

Rule 242. The rules of procedure in this Chapter shall apply primarily to contingencies; and unless otherwise provided miscellaneous expenditure which is not classed as contingencies is also subject to these rules.

Classification of Charges

Rule 243. Contingent charges incurred on the public service may be divided into the following classes:—

(i) *Contract Contingencies*—Those for which a lump sum is placed annually at the disposal of a 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.

(ii) *Special Contingencies*—To include such contingent charges, whether recurring or non-recurring and cannot be incurred without the previous sanction of a superior authority.

(iii) *Countersigned Contingencies*—To include such contingent charges as may require the 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 Account Officer.

(iv) *Full Vouched Contingencies*—To comprise contingent charges, which require neither special sanction countersignature, but may be incurred by the Head of the Office on his own authority subject to the necessity of accounting for them. These may be passed on fully vouched bills without countersignature.

NOTE 1.—The five classes of contingencies set forth above are not necessarily mutually exclusive. There may be cases in which special contingencies may be regulated by scales, or in which a bill for scale regulated contingencies may require countersignature. When a contingent bill falls within two or more classes, the procedure prescribed for each of these classes should, as far as possible, be applied to it.

NOTE 2.—Contingent bills of the offices of the Director General and of the Heads of Circles do not require any countersignature.

GENERAL RULES

General matter

Rule 244. (1) The financial powers of subordinate authorities to sanction contingent expenditure are regulated generally by the orders embodied in the Schedule of Financial Powers of Officers of the Department of Posts and such other general or special orders as may be issued by the Government in this behalf.

Subject as aforesaid, the Head of an Office may incur or sanction expenditure on contingencies within the amount of appropriation placed at his disposal for the purpose, provided that—

(i) In cases where any special rule, restriction, limit or scale has been prescribed by Competent Authority regarding any particular item or class of contingent expenditure, it should be strictly observed.

NOTE.—Special rules, restrictions, etc., prescribed by Government regarding individual items of contingencies are laid down in Appendix 5A and in the Schedule of Financial Powers of Officers of the Department of Posts.

(ii) Contingent expenditure of an unusual character or involving departure from any general or special rule or order made by Government should not be incurred, nor should any liability be undertaken in connection therewith, without the previous sanction of the Government.

(2) In respect of contract contingent charges for which a lump sum is placed annually at the disposal of a Disbursing Officer, no formal sanction will be required for expenditure incurred within the annual allotment, except in so far as the authority fixing the contract allotment issues directions to the contrary.

(3) The Head of an Office may authorize any Gazetted Officer serving under him to incur expenditure under sub-para. (1) above, subject to the conditions specified in Note below clause (g) to Rule 35.

(4) The financial and administrative instructions in respect of certain specified items of contingent expenditure including expenditure on the purchase of stores are given in

Appendix-13 to this volume. These instructions are supplementary to those contained in other connected rules and orders. Where an item is not covered by an entry in Appendix-13 or Schedule of Financial Powers of Officers of the Department of Posts or by any other restriction, scale or limit prescribed by an Act, Rule, Code or order of Government, the monetary limits shown below will be operative: —

Authority	Monetary Limits up to which expenditure may be sanctioned in each case	
	Recurring	Non-recurring
Heads of Departments	Rs. 200 per year	Rs.1000
All other Disbursing Officers who are Gazetted	Rs. 10 per month	Rs. 100

Rule 245. Persons on daily wages (casual workers) should not be engaged for a work of regular nature. Casual Labourers cannot be deployed/engaged for a work of regular nature, casual which stands assigned to the MTS vide Postal Directorate OM dated 24.09.2010 while adopting a common designation for the erstwhile Group 'D' as Multi Tasking Staff (MTS) Group 'C'. Some additional duties were assigned to MTS Cadre in addition to their existing duties like watch and ward, caretaker duties, opening and closing of rooms, general cleanliness and upkeep of section, Unit/office including dusting of furniture, cleaning of building, rooms, fixtures; upkeep of parks, lawns, potted plants etc.

Department of Post's Order

Re-designating erstwhile Group 'D' employees as Multi Tasking Staff Group 'C' and their revised duties.In pursuance to Ministry of Personnel, Public Grievances and Pension, Department of Personnel & Training OM NO. AB-14017/6/2009-Estt (RR) dated 30th April 2010 and O.M. No. 1-20/2008-PCC dated 24th September 2010 of Department of Posts, the designation of erstwhile Central Secretariat Group 'D' employees on the cadre of Postal Dte. will henceforth be designated as Multi Tasking Staff Group 'C' in the Secretariat.

The following duties have been prescribed for the Multi Tasking Staff Group 'C':-

- (a) Maintenance of diary/dispatch/Movement Registers including entry in computer and physical maintenance of records.
- (b) Submission of periodical statements of routine nature like absentee statement, etc.
- (c) Preparation and submission of indents with the approval of Supervisor
- (d) Photocopying and sending of fax messages.
- (e) Delivery of Dak within and outside the building
- (f) Watch and ward/caretaker duties, opening and closing of rooms, generate cleanliness and

upkeep of section/unit/office including dusting of furniture cleaning of building, rooms, fixtures; upkeep of parks, lawns, potted plants, etc.

(g) Other non-clerical work in the section/unit

(h) Driving of vehicles, if in possession of valid driving license

(i) Sale of Postage Stamps/Stationery, Assistance in booking of Registered/parcel and Speed Post Articles, Receipt and Dispatch of mails including preparation of Mail/Registered/parcel lists, Preparation of delivery lists for registered articles/Money Orders.

(j) Scanning of Speed Post Bags/Articles and its uploading on the speed net or any other software dealing with the processing of Speed Post articles or similar other activity.

(k) Assistance in sorting of mails, exchange of mail, Letter box clearance, etc.

(l) Handling customer enquiries.

The additional duties assigned to such Multi Tasking Staff Group 'C' are only illustrative and not exhaustive. Any other duty/duties may also be assigned to them by the Superior authority.

[GoI, Ministry of Communications, Department of Posts OM No.L-2012008-PCC dated 24.09.2010]

Rule 246. (i) Where the nature of work entrusted to the casual workers and regular employees is the same, the casual workers may be paid at the rate of 1/30th of the pay at the minimum of the relevant pay scale plus dearness allowance for work of 8 hours a day.

(ii) In cases where the work done by a casual worker is different from the work done by a regular employee, the casual worker may be paid only the minimum wages notified by the Ministry of Labour & Employment of the State Government/Union Territory Administration, whichever is higher, as per the Minimum Wages Act 1948.

(iii) Persons on daily wages (casual workers) should not be recruited for work of regular nature.

[DoPT OM No. 49014/1/2017-Estt.(C) pt dated 04.09.2019 communicated vide DOP letter no. 4-4/2009-PCC dated 11.10.2019].

Rule 247. All charges actually incurred must be paid and drawn at once, and under no circumstances may they be allowed to stand over to be paid from the grant of another year.

Rule 248. No money should be drawn unless it is required for immediate disbursement. It is not permissible to draw money in anticipation of demands, or to prevent the lapse of budget grants.

Rule 249. Contingent charges are to be recorded and treated in the accounts as charges of the month in which they are actually disbursed.

Responsibility of Drawing Officers

Rule 250. Every Government Officer shall exercise the same vigilance in respect to petty 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 (or cash imprest, as the case may be), that the expenditure is within the available appropriation and that all steps have been taken with a view to obtain 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 access over the contract grant.

[Rule No.107 of Central Government Account (Receipt & Payment) Rules 1983]

NOTE.—When contingent bills include payments made at the rates based on contracts of which copies are not furnished to Accounts office, the Disbursing Officer should furnish a certificate in the contingent bill to the effect that the claim is correct with reference to such contract rates.

Responsibility of Controlling Authority

Rule 251. The countersigning Officer shall be responsible for seeing (i) that the items of expenditure included in a contingent bill are of obvious necessity, and are at fair and reasonable rates; (ii) that previous sanction for any item requiring it is attached; (iii) that the requisite vouchers are all received and in order, and that the calculations are correct and; specially (iv) 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 Disbursing Officer, and insist on its being checked.

Permanent Advances

Rule 252. Government Officers who have to make payment for contingent expenditure, before they can place themselves in funds by drawing contingent bills, may make such payments out of 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. The only Officers of the Department who are provided with permanent advances are the heads of large administrative offices (e.g., Heads of Circles) and certain Officers of the Railway Mail Service as also the managers Postal Store Depots performing the duties of drawing and Disbursing Officers. No such advances are allowed to Postmasters who disburse the contingent charges either from their balances or from their sanctioned imprests.

Note-1- the monetary limit will not apply in regard to claims relating to telephone, electricity and water bills in the case of a non-cheque drawing. Drawing and Disbursing Officer stationed at a place different from that at which the accredited PAO/Cheque-Drawing DDO authorized to pay his contingent bills, as the case may be, is located.

Note-2- Procedures for maintenance of Permanent Advance or Imprest are available in para 10.12 of the Civil Accounts Manual and Rule 322 of GFR-2017.

Rule 253. Head of Departments may exercise full power in consultation with their Internal Financial Advisers, wherever Internal Financial Cells have been organized in terms of Ministry of Finance, O.M. No. F. 10 (3)-E. (Co-ord.)/67, dated 18-10-1968, to decide all matters relating to the amounts of permanent advances in respect of offices/organizations subordinate to them. While fixing the quantum of permanent advance, the sanctioning authority should take into account not only the remaining conditions laid down in this rule but also the following:

(a) the sanctioning authority should bear in mind that the advance should not be larger than absolutely necessary;

(b) the advance should be based on the average monthly contingent expenditure of the office for the preceding twelve months;

(c) normally, it should be assumed that the advances be recouped at least twice a month and so the amount sanctioned should not exceed half the amount of the average monthly contingent expenditure calculated as in (b) above; and

(d) copies of sanctions along with the statements of expenditure of the cashed with classified details of items of expenditure should be furnished to the Audit/Accounts Officer.

NOTE 1.- The applications for permanent advances should be accompanied by a statement showing month by month for the preceding twelve months the amounts of contingent bills cashed with classified details of items of expenditure.

NOTE 2.-Charges in Post Office Accounts on account of grant or increase of permanent advances should appear in the schedule of unclassified payments. Similarly, credits on account of reduction of these advances should appear in the schedule of unclassified receipts.

(2) As these advances involve the permanent retention of money outside Treasury, they must not be larger than is absolutely essential.

(3) These advances should not be multiplied unnecessarily. An Officer's advance should meet the needs of every branch of his office. If he has subordinates who require petty sums he should spare a small portion of his own advance for their use than apply for separate advances for them taking acknowledgements from them in the same way as he himself furnishes to the Accounts Officer, and retaining them in his office.

EXAMPLE -The Head Record Officer of each Railway Mail Service Division distributes the amount sanctioned for the division among himself and his subordinate Officers according to the requirements of each office and himself furnishes the Accounts Office with the acknowledgement for whole amount.

(4) The advance is intended to provide on the responsibility of the Officer entrusted with it for emergent petty advances of all kinds; though it is seldom that they will be needed for other than contingent charges; thus if a MTS is required to travel by rail his fare must sometimes necessarily be advanced from this amount.

NOTE 1.-An advance of outstation allowance may be given to MTS under this rule. Such of those Group 'C' RMS staff who are required to proceed on RMS sets at short notice in place of absentees should also be allowed advance of outstation allowance.

NOTE 2.-An advance under the provision of the above clause may be given to Group 'C' staff of the Railway Mail Service in order to meet the rail fare when they are required to proceed on duty with running sections at short notice.

The advances to the Mail Guards and Sorters may be made on the personal responsibility of the Head Record Clerks or Sub-Record Clerks as the case may be, but such advances and repayments need not appear in the Government accounts. The vouchers given by the recipients of such advances will be treated as forming part of cash, and the Officer holding the permanent advance should be responsible to account for the entire amount either in cash or in vouchers. The Departmental Inspecting Officers should also verify genuineness of the vouchers which are so treated as forming part of cash.

(5) The holder of a permanent advance is responsible for the safe custody of the money placed in his hands and he must at all times be ready to account for the total amount of the money.

(6) In case of transfer of charges and yearly on the 15th April, each Officer in whose favour the permanent advance is sanctioned shall send an acknowledgement of the amount due from and accountable for by himself as on the 31st March preceding, to the authority which sanctioned the permanent advance, viz., Heads of Departments, and the said authority will maintain suitable record to watch receipt of such acknowledgements.

"Certified that the sum of Rs.being the permanent advance sanctioned for the(name) office was held by me on the 31st March, (Year)/received by me on my assuming charge on the..... (date) and that the amount is due from and to be accounted for by myself."

Control of Contingent Expenditure

Rule 254. For purposes of control and audit, Government will issue orders specifying the nature or object of contingent charges of particular Disbursing Officers which should be classed as countersigned contingent charges to be drawn and accounted for in accordance with the procedure prescribed in Rule 275*et seq.* of this Handbook.

Expenditure incurred by a Disbursing Officer on objects classed as countersigned contingencies must come under the direct supervision and scrutiny of the Head of the Department of the Controlling Officer who will sign the detailed bills relating to them. Monthly detailed bills in respect of countersigned contingent charges incurred by each Officer should be submitted to the Controlling authority concerned for detailed scrutiny and transmission after countersignature to the Circle Accounts Officer. Full details of such charges need not be entered in the abstract bills presented for payment at the disbursing office. A Competent Authority may in respect of specified items of countersigned Contingent charges require the detailed contingent bills to be sent to the controlling authority for scrutiny and countersignature before it is presented for payment at the disbursing office.

NOTE.—The provisions of this rule do not apply to contingent Charges of Heads of Departments and other controlling authorities, which will be drawn and accounted for in accordance with the procedure laid down in the following Rule.

Rule 255. No detailed bills need be submitted to a higher authority for contingent charges which are not classed as countersigned contingencies; each bill presented at a disbursing office, should therefore, contain full details of the expenditure, supported by necessary sub-vouchers for individual payment included in the bill.

Rule 256. The duties and responsibilities of disbursing and Controlling Officers with regard to contingent expenditure incurred on the public service are defined in Rule 250 and 251 of this Handbook. The Head of the Department should issue such subsidiary instructions as may be necessary for the guidance of Controlling and Disbursing Officers subordinate to him.

Rule 257. The following special instructions are laid down for the control of contingent expenditure:—

(i) Where the appropriation for contingent charges covers expenditure on a number of distinct and individually important objects or class of expenditure, such appropriation should be distributed by the Controlling authority among the important items comprised in it. If some of the items are not important those items taken as a whole may be treated as a 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. The contingent register prescribed in Rule 263*et seq.* of this Handbook should be so designed that this can be done conveniently.

(ii) For countersigned contingencies, the monthly detailed bills provide all the information required by the Controlling authority 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 authority along with the detailed bill furnishing special reasons for incurring the excess expenditure.

(iii) For non-countersigned contingencies, the Controlling authority should get periodical 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 special 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 or allotment register of the offices under his control and satisfy himself generally that the charges are necessary and not excessive, the rates correct, the sanction obtained adequate, etc.

Record of Sanctions to expenditure

Rule 258. In the cases in which power to sanction an expenditure is delegated to an Officer with the restriction that the total amount of sanction accorded during a year or any other period should not exceed a certain limit, such Officers should in order to watch that the prescribed maximum limit is not exceeded, keep a record of all sanctions accorded by him for each such class of expenditure in a register with the following columns:—

- (1) Serial number of entry.
- (2) No. and date of the sanction.
- (3) Name of the office incurring the expenditure with brief particular of the charge.
- (4) Amount of each sanction.
- (5) Progressive total up to and including each entry of a new sanction.
- (6) Remarks.

Cancellation and Destruction of Sub-vouchers

Rule 259. The following rules for the prevention of the fraudulent use of sub-vouchers shall be observed by all Drawing and Controlling Officers in the matter of cancellation and destruction of sub-vouchers:-

(i). Unless in any case it is distinctly provided otherwise by any rule or order, no sub-voucher may be destroyed until after a lapse of three years.

(ii) Every sub-voucher which is not forwarded either to the Accounts Officer or to a Controlling Officer along with the bills but is recorded in the office to which the expenditure relates, must be duly cancelled by means of a rubber stamp or by an endorsement in red ink across the voucher, the cancellation being initialed by the Officer authorized to draw the contingent bills of the office. The cancellation should be made at the time when the contingent bill, in which the sub-voucher or sub-vouchers are included, is actually signed. If the amount of a sub-voucher exceeds the permanent advance, the cancellation shall be made immediately the payment is made and entered in the contingent register.

(iii) Sub-vouchers for sums exceeding Rs. 50 but not exceeding Rs. 200 submitted to a Controlling Officer which he is not required to forward to the Accounts Officer shall be duly cancelled by him after check and the cancellation shall be attested by the Controlling Officer at the time of countersignature of the bill. Sub-vouchers for sums not exceeding Rs. 50 with the exception of vouchers for wages of Mazdoors should be so defaced or mutilated that they cannot be used again.

NOTE.—Duties of cancelling the sub-vouchers and of attesting such cancellation, may at the discretion of the Head of the Circle, be delegated to another Gazetted Officer not below the rank of an APMG or Assistant Director.

(iv) In all cases in which the sub-vouchers are not required to be submitted to the Audit Officer or the Controlling Officer, the Drawing Officer shall certify in the bill, that 'Sub-vouchers other than those attached to the bill have been so cancelled that they cannot be used again'. Regarding sub-vouchers submitted to a Controlling authority by the Drawing Officer and which are not required to be submitted to the Audit Officer, the Controlling authority shall furnish the following certificate:

"Sub-vouchers for sums exceeding Rs. 50 but not exceeding Rs. 200 have been so cancelled that they cannot be again used in support of claims against the Government. Sub-vouchers for sums not exceeding Rs. 50 with the exception of vouchers for wages of Mazdoors have been so defaced or mutilated that they cannot be used again."

NOTE.—Sub-vouchers which are required to be sent to the Accounts Officer should not be cancelled either by the Drawing Officer or by the Controlling Officer, as the duty of cancelling those sub-vouchers and keeping them in proper custody to prevent their fraudulent use devolves on the Accounts Officer.

Supply of Articles for public service

Rule 260. Subject to any special rule or order on the subject, an authority which is competent to incur contingent expenditure may sanction the purchase of stores required for use in the public service. Such purchases are also subject to the usual restrictions regarding the existence of necessary appropriations and to any monetary limits and other conditions prescribed generally or in regard to specific articles or classes of articles.

The orders relating to the supply of articles for the public service are contained in the Store Rules in *Appendix 6* and those relating to supply of stationery and printing stores for public service are given in *Appendix 8*.

Instructions for the purchase of Stores through GeM are available on GeM Portal established by the Government of India and Government e-Marketplace (GeM) Procurement Manual February - 2019 published by Balmer Lawrie & Co.(A Government of India Enterprise)

Inter Departmental Adjustments

Rule 261. The Rules 123 to 129 as notified under GFR-2017 for which a department of Government may make charges for services rendered or articles supplied by it and the procedure to be observed in dealing with such charges are reproduced as below:

Rule 123: Inter-Departmental Adjustments- Save as expressly provided by any general or special orders, a Service Department shall not charge other Departments for services rendered or supplies made which falls within the class of duties for which the former Department is constituted. However, a commercial Department or Rule undertaking shall ordinarily charge and be charged for any supplies made and services rendered to, or by, other departments of Government.

Rule 124: Principles for division of Departments for purposes of inter-departmental payments- For purposes of inter- Departmental payments, the Departments of a Government shall be divided into service Departments and commercial departments according to the following principles:-

(i) Service Departments. -These are constituted for the discharge of those functions which either-

(a) Are inseparable from and form part of the idea of Government e.g. Department of Administration of Justice, Jails, Police, Education, Medical, Public Health, Forest, Defence; or

(b) Are necessary to, and form part of, the general conduct of the business of Government e.g. Department of Survey, Government Printing, Stationery, Public Works (Building and Roads Branch), Central Purchase Organization (Director-General of Supplies and Disposals, New Delhi).

(ii) Commercial Departments or Undertakings.-These are established mainly for the purposes of rendering services or providing supplies, of certain special kinds, on payment for the services rendered or for the articles supplied. They perform functions, which are not necessarily governmental functions. They are required to work to a financial result determined through accounts maintained on commercial principles.

Rule 125: Period for preferment of claims- All claims shall ordinarily be preferred between Departments, both commercial and non-commercial of the Central Government, within the same financial year and not beyond three years from the date of transaction. This limitation, however, may be waived in specific cases by mutual agreement between the departments concerned.

Rule 126: Procedure for settlement of interdepartmental adjustments. The settlement of inter-departmental adjustments shall be regulated by the directions contained in *Chapter 4 of Government Accounting Rules, 1990.*

Rule 127: Inter-departmental and other adjustments to be made in the account year- Under the directions contained in the Account Code for Accountants General, Inter-departmental and other adjustments are not to be made in the accounts of the past year, if they could not have been reasonably anticipated in time for funds being obtained from the proper

authority. In all cases, where the adjustment could have reasonably been anticipated as, for example, recurring payments to another Government or department and payments which, though not of fixed amount, are of a fixed character, etc., the Accounts Officer will automatically make the adjustment in the accounts before they are finally closed. The onus of proving that the adjustments could not have been reasonably anticipated should lie with the Controlling Officer. As between different Departments of the same Government, the recoveries effected for services rendered shall be classified as deductions from the gross expenditure. However, recoveries made by a Commercial Department, e.g., Railways, Posts or a departmental commercial undertaking in respect of services rendered in pursuance of the functions for which the Commercial Department is constituted shall be treated as receipts of the Department but where it acts as an agent for the discharge of functions not germane to the essential purpose of the Department, the recoveries shall be taken as reduction of expenditure. Exception.-Recoveries of fees for purchase, inspection, etc., effected by the Central Purchase Organizations of Government of India, are treated as receipts of the Department concerned.

NOTE 1.-The term 'recovery' is used in this rule to denote repayment of/or payment by one Department of the same Government towards charges initially incurred and classified by another Department in its accounts as final expenditure by debit to a Revenue or Capital Head of Account. Recoveries towards establishment charges, tools and plants, fees for procurement or inspection of stores or both, etc., effected at percentage rates or otherwise, are some examples.

NOTE 2.-Recoveries effected from another Department of the same Government which are to be classified as deduction from the gross expenditure, shall be shown in the relevant Demand for Grant as "below the line" recovery under the appropriate Major Head of Account etc. Recovery actually effected, irrespective of the year to which it relates shall be adjusted in accounts in the schedule of recovery to be attached to the Appropriation Account of the year in which the recovery is effected.

Rule 128: Adjustment of Pensionary Charges of certain Commercial Departments- Except as otherwise provided the pensionary liability of commercial departments and undertakings, for which pro forma commercial accounts are maintained, shall be assessed on a contribution basis at such rates as may be fixed by Government from time to time. In the case of departments and undertakings, for which no regular commercial accounts are maintained either within or outside the regular Government accounts but which are allowed to charge for their products or services rendered, the pensionary liability shall be taken into account in the estimate of overhead charges and manufacturing costs for the purpose of calculating the issue price of goods manufactured or fees for services rendered. The calculation shall be made at rates prescribed for the purpose by Government.

NOTE: The Railways, Posts and Defence Departments are regarded as separate Governments for the purpose of adjustment of pensionary charges.

Rule: 129: Pensionary liability in the case of Government Departments/ Undertakings declared as commercial- In the case of Government Departments and

Undertaking declared as commercial, adjustment of Pensionary liability shall be made in the regular accounts by charging the average of the percentage for 15th year of service based on the rates of monthly contribution of pension as prescribed in the appropriate order issued from time to time under Appendix-II of Fundamental and Supplementary Rules

Rule 262. In the case of work done by a Government factory (such as a jail, mint or workshop) as also in other cases in which interdepartmental adjustments are permissible, the Officer-in-Charge shall, if the adjustment is to be made by book transfer, prepare an invoice of the quantity and price of the work done, and forward it in triplicate to the Officer served who, on approving the invoice, will countersign all and return one copy to the supplying Officer. Another copy he will file in his own office; and the third he will attach to his contingent bill for the current month, noting the amount in his statement of account at foot in order to work out the available balance of his grant, but not including as a disbursement among the charges of Iris bill. Before dispatching his monthly bill, however, he must post the amount of the work bill in his contingent register, and include it in the forward total, in order that he may agree that forward total with that shown in the statement of account on his contingent bills. Such invoices shall never be retained by the countersigning Officer.

NOTE 1.—The Officer served cannot charge the amount in his contingent bill, as no cash payment is made but only a book adjustment in the Account Office: but the amount available for contingent expenditure is reduced and so to work out the available balance, a note is made in the register of contingent expenditure, and in the statement of account at foot of the bill. The amount of work bills countersigned should also be noted in the allotment register for purposes of check.

NOTE 2.— The following instructions should be printed or stamped on all forms of invoices for the supply of stores, etc., and the Officer receiving the supply should comply with them before a bill is countersigned:-

It is essential for accounting purposes that the entries below, should be filled in. Failure to do so will result in unnecessary delay and return of the invoice for compliance-

- 1) Head of charge (Major, Minor and Sub-head, primary and secondary unit).
- 2) Month and year to which the charge relates.
- 3) Designation of the Accounts Officer by whom the amount is adjustable.
- 4) Name of the Department to which the charge is debitable.

Note 3:- Bills in respect of stores etc., purchased through the Indian Stores Department are not governed by this rule, but by the Special rules framed by the Government. In the case of such bills, unless there are special instructions to the contrary, the consignee should retain only the triplicate copy of the bill for record in his office, the particulars and amount whereof should be noted in the memorandum of expenditure in his contingent bill, which need not be supported by a copy of the bill as is required, in the case of other work bills mentioned above.

SPECIAL RULES FOR THE POST AND R.M.S. OFFICES

Contingent Registers

Rule 263. 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 him, shall be entered against the date of payment of each item.

NOTE 1— If during the absence of the Head of the Office and of the Gazetted Officer to whom the duty of maintenance of contingent register has been delegated, the entries in the contingent register have been initialed by a non-Gazetted Government Servant, the register must be reviewed and the entries re-initialed by the Head of the Office or such gazette Officer on return to duty in the headquarters.

Rule 264. As each payment is made, entries must be made in the contingent register of the date of payment, brief description; of each charge, number of vouchers or sub-vouchers and the amount in the proper columns. In the case of any charge requiring explanation, the initials of the Officer incurring it shall be taken against the description.

NOTE.—The Officer attesting entries in a contingent register will after initialing each individual entry, check the daily total and write the amount in words over his signature with date.

Rule 265. In the Director General's Office and the Circle Offices the register will be maintained in form T.R. 29. In the case of Post Offices and Head Record Offices of the Railway Mail Service, Foreign Post divisions, the register will be maintained in Form ACG 18 and ACG 18A, respectively, while in the case of Record and Sub-record offices of the Railway Mail Service divisions, a simple register will be kept in the following form: —

Date	Particular	Amount expended from the permanent Advance	Amount Recovered by contingent bills or other - wise	Balance after each transaction	Amount presented by vouchers	Remarks
1	2	3	4	5	6	7

NOTE 1.—Contingent charges incurred by the Head Post Office as well as by its sub and Branch Offices will be entered daily by the Head Office under the appropriate heads in the register (Form A.C.G.-18) in separate groups for (i) the Head Office, (ii) the Sub-Officers, and (iii) the Branch Offices. A daily total will be made for each group, of the charges entered in the different sub-columns, and the aggregate of the totals for each group will be entered in the column headed "Total" and transferred at once to the appropriate group in the "schedule of bills paid".The totals should be carried over from day to day and a consolidated total struck at the end of each period when Abstract contingent bills are prepared. A final total for the whole month including the I and III periods should also be struck in the Register.

Bills for encashment

Rule 266. When it is necessary to draw money for contingent expenses, as for example, when the permanent advance begins to run short, or when a transfer of charge takes place, and in any case at the end of each month, a red ink line should be drawn across the page of register, the several columns added up and several totals posted in a separate bill in the prescribed form against the appropriate heads. The Head of the Office or the Officer to whom this duty has been delegated shall carefully scrutinize the entries in the register with the sub-vouchers, initial them if this has not already been done, and sign the bill which will then be dated and numbered and presented for payment at the Post Office.

NOTE.—When the advance is running short, a demand may be presented in excess of the balance; this item too should be entered in the register and include in the bill, the number given being that which the sub-voucher will bear when payment has been made.

Rule 267. (1) Subject to any order or instruction issued by the Government in this behalf, a Contingent Bill for payment to suppliers, etc., which cannot be met from the permanent advance, may be endorsed for payment to the party concerned. This procedure shall not apply to cases where the Disbursing Officer is authorized to incur expenditure by drawing cheques on the Treasury.

(2) Whenever under the provisions of clause (1) of this rule a Contingent bill is endorsed to a private party, the Drawing Officer shall, before signing the bill obtain the specimen signature of the party on the body of the bill which he shall attest before signing the bill. The Drawing Officer shall simultaneously issue an advice to the Postmaster or the Disbursing Officer concerned giving full particulars of the bill. The bill must at once be entered in the Contingent Register and a note made to the effect under the initials of the Drawing Officer that the amount has been drawn.

Where the endorsee wishes to collect payment on the bill through a messenger (other than a Banker) the messenger must produce a letter of authority in Form T.R.-72 which may be obtained from the Drawing Officer concerned.

(3) An endorsement on a contingent bill by a Drawing Officer in favour of a messenger is not an endorsement for the purpose of this rule.

Exception.—Circle Office Jaipur may encash the Electricity and Water Bills in the Post Office for direct payment to the suppliers account in the local banks.

NOTE.—Endorsements will in all cases remain current for three months only counting from the date of issue. In the case of bills issued in the last quarter of the year, however an endorsement should be entered to the effect that the payment orders will lapse unless the bills are cashed by the end of March.

Fully vouched contingent charges

Rule 268. (1) Officers whose contingent bills do not require counter signature should draw money from the Post Office by bills in Form T.R. 30 showing full details of the charge.

(2) Unless in any case, the Comptroller and Auditor General directs otherwise sub-vouchers for more than Rs. 500 shall be submitted to the Circle Postal Account Office.

NOTE 1.—In the case of Contingent bills of the offices of Director General and the Heads of Circles drawn in TR-30, the progress of expenditure against the budget grant is required to be shown in memorandum at the foot of these bills.

NOTE-2.—Contingent charges incurred by the office of the Director General and the Heads of Circles relating to the wages of mazdoors engaged on manual labour and paid at daily or monthly rates, should be supported by vouchers containing full particulars of charges, viz.. the number of Mazdoors employed the period for and the rate at which employed and the work done.

Rule 269. The cost of certain classes of articles purchased by Heads of Circles for use in their own offices or in the offices subordinate to them, viz.. (1) Offices of Superintendents and Inspectors of Post Offices and Railway Mail Service, (2) Post Offices, and (3) Railway Mail Service Sections and offices should be booked separately under the relevant heads, the account classification depending in each case on the offices to which the articles are supplied. Heads of Circles will indicate in their Contingent bills the detailed classification of the cost incurred on the purchase of such articles. In cases where the charge cannot be directly allocated to a particular head, the expenditure incurred should, in the first instance, be debited to suspense head—"Stock Depot Suspense" and a monthly statement showing the debit or expenditure incurred and credit or supplies made during the month should be sent to the Accounts Office, brief particulars of each class of charge to be transferred to the respective account head by per contra credit to the suspense head being furnished in the statement. In the case of articles the cost of which is paid for by book debit, a separate statement with brief particulars of the articles should be sent to the Account Office. The statement should be superscribed "To be paid" or "By book debit" and should contain the designation of the supplying department in addition to other particulars as to the amount to be debited to the several heads of account and to the "suspense head". The amount shown under suspense head should be included in the monthly statements of suspense account to be rendered by the Heads of Circles to the Circle Postal Account Offices. All freight charges (Railway as well as Steamer) incurred by the Stock Depot of Circle Offices should be classified under the same head of account as the stores on which they are incurred.

Rule 270. Contingent charges incurred on account of the wages of mazdoors engaged on manual labour and paid at daily or monthly rates should be supported by vouchers containing full particulars of the charges, viz., the number of mazdoors employed, the period for and the rate at which employed and the work done. The Disbursing Officer should endorse a certificate on these vouchers to the effect that the mazdoors were actually entertained and paid.

Rule 271. Contingent Bills preferring claims for municipal and local taxes, electric and water charges, etc., incurred on account of the hire of private buildings by the Government for accommodation of Central Government Offices should be accompanied by the following certificates signed by the Disbursing Officer :—

"Certified that the amount drawn on account of rates and taxes in Contingent Bill No..... dated thewas actually paid to the parties concerned and that:-

- (i) no portion of the building for which the expenditure was incurred was utilized for residential or other purposes during the period the charges were paid;
- (ii) expenditure in respect of the portion of buildings used for residential or other purposes during the period for which the charges were paid has been recovered from the under mentioned Government servants from whom it was due."

Provided that in the case of Drawing and Disbursing Officers who do not find it possible to furnish the first portion of the certificate prescribed above due to the fact that the imprest amounts held by each of them are much less than the monthly rate of contingent expenditure on rates and taxes, etc., required to be paid by each of them to different parties, the following certificate should be furnished in lieu of the first portion of the certificate prescribed above:—

“Certified that

(a) the amounts drawn on account of rates and taxes, etc., in the previous Contingent bill No..... dated..... have actually been paid to the parties concerned, and that

(b) the amounts drawn in this bill will be paid to the parties on realization."

Rule 272. Contingent bills which include charges on account of purchase of goods on which Sales Tax has also been charged should be supported by the following certificate by the disbursing officer.

"Certified that in the case of sub-vouchers attached to the bill and those retained in my office relating to the purchase of goods on which GST has been charged, the goods have not been exempted under the Goods and Services Tax Act 2017, or the Rules made thereunder and that the amounts paid on account of GST on those goods are correct under the provisions of that Act or the Rules made thereunder and that in the case of supplies against regular contracts, the relevant contract includes a specific provision that the Goods and Service Tax is payable by Government".

Rule 272-A. The following certificate, signed by the Drawing Officer shall be attached with all the Contingent bills which include charges on account of expenditure on light refreshments at formal meetings and conferences:-

“Certified that the expenditure on entertainment charges included in this bill was incurred in accordance with the terms and conditions laid down by the Government, from time to time, and that the prescribed monetary limits have not been exceeded”.

Rule 273. In the case of all casual and part time employees whose pay is drawn on Contingent bills, Certificates in the following form shall be furnished by the Drawing Officer :—

1. Certified that all casual and part-time employees whose pay has been charged in this bill were actually entertained in Government service during the period concerned.
2. Certified that the rates of pay and dearness allowance of part-time and casual employees drawn in this bill have been fixed in accordance with the orders of the Government of India presently in force.
3. Certified that pay and allowances of the unapproved candidates appointed to Postmen, Mail-guards and MTS in Postal and R. M. S. Branches charged in this contingent bill have not been drawn in the regular Establishment bills and that the total number of persons in each category on duty including the unapproved candidates appointed on casual basis does not exceed the sanctioned strength of that category excluding leave reserve.

Contingencies regulated by scales

Rule 274. The authority prescribing the scale should lay down the conditions precedent to the application of the scale, making it clear whether the bills must be countersigned before or after payment and what certificates should support the bills. It should be the duty of the Controlling Officers to see that the charges incurred are in accordance with the prescribed scales and the conditions which govern them.

COUNTERSIGNED CONTINGENCIES

Abstract Bill

Rule 275. In the case of contingencies countersigned after payment, the charges are drawn in abstract contingent bills in Form No. A.C.G. 19, the figures for the several detailed heads being transcribed from the contingent register.

In Post Offices the bills are prepared on the 10th and on the last working day of the month, receipted by the Postmaster, impressed with the "paid" stamp and then sent to the Circle PAO with the accounts for the period. The bills will not, however, be literally paid on those dates, as the amounts drawn in the bills have already been paid out of the cash balance as soon as they were incurred and charged in the Schedule of Bills paid on the actual dates of payment.

In Railway Mail Service offices, abstract contingent bills are prepared on the occasion prescribed in Rule 266. The Bills thus prepared are presented at the Post Office for payment and sent to the Postal Accounts Office after encashment with the accounts for the period.

In Railway Mail Service offices and Postal Foreign Post Divisions the consolidated lists of vouchers are to be presented at the Post Office for payment which are then booked against the relevant Head of Account/ GL Code and thereafter these are sent to Circle Postal Accounts Office after the encashment with the accounts for the period.

NOTE I.—All contingent charges (irrespective of their nature and amount) which are sanctioned by the authority higher than the Head of a Circle, and also all recurring contingent charges (other than those drawn in Establishment Pay Bills and those on account of pay of employees paid from contingency) should be drawn in separate abstract contingent bills which should be prominently marked in red ink as "Special and Periodical charges".

NOTE 2.—Abstract contingent bills do not require to be countersigned and no vouchers should be attached to them.

NOTE 3.—Charges connected with the delivery of mobilization covers or with military expeditions should be drawn in separate abstract bills and from the subject of a separate monthly bill distinctly marked "Debitable to the Defence Department" indicating, when possible the name of the expedition.

DETAILED BILL

Rule 276. From the monthly totals of the contingent register, the monthly detailed bill shall, in the case of contingent charges countersigned after payment, be prepared in Form A.C-G. 19 (1) headed "not payable" and showing the monthly total of each column, with description of each charge requiring explanation. The numbers assigned to the sub-vouchers and authority shall be entered against each item; and the number and date of every abstract contingent bill paid during the month together with the amount shall be shown in the memorandum at foot. The amount shown in the bill must be agreed with the total of the abstract contingent bills cashed during the month. Differences, if any, between the total of a detailed bill and the Register must be adequately explained. It will be signed by the Head of the Office and submitted to the Controlling Officer with all sub-vouchers not later than the 10th of the following month to which the charges relate in the case of Post Offices, 20th of the following month in the case of GPO/HPO/MDGs and 5th of the following month for other offices.

NOTE.—Special and periodical contingent charges referred to in Note 1 to Rule 275 should be shown separately for each minor as well as detailed head under a distinct heading "Special and Periodical charges"

Rule 277. If in any month the monthly proportion of the appropriation has been exceeded, a report of the special circumstances which rendered the excess necessary should be sent to the countersigning officer with the detailed bill.

In case where the Controlling Officer does not place a separate allotment at the disposal of each Head of an Office subordinate to him, it is the duty of the Controlling Officer (and not of the Head of the Office), to watch the progress of expenditure against the budget grant.

NOTE —In the monthly contingent bills of Aligarh Postal Seals which are required to be countersigned by the Director General, the progress of expenditure against the budget grants is shown in a memorandum at the foot of the bill.

Countersignatures

Rule 278. On receipt of the monthly detailed bill in the office of the Countersigning Officer, it shall be reviewed by him with the sub-vouchers. Any disallowance, with the number of the sub-voucher concerned and explanation of the objection, must be noted on the bill and in the contingent register or such other record as may be kept in the Office of the Controlling Officer. The Countersigning Officers shall then record the date of admission under his initials, sign the bill and dispatch it to the Circle Accounts Office direct on or before the 5th of the second month following the month to which the charges relate in case of bills of all Head Post Offices, 15th of the second month following in the case of GPO/HPO/MDGs and last day of the month following in the case of other offices with the sub-vouchers required to be sent to the Circle Accounts Office, his signature to the certificate endorsed on the bill taking the place of the sub-vouchers retained by him.

Sub-vouchers for the following items should be forwarded with the countersigned bill by the controlling authority to the Circle Accounts Office:

- (a) All items for more than 200.
- (b) All State telegrams (Foreign); and
- (c) All items of payment of Railway freight on postal stores, etc., for more than 50.

NOTE- The term "items" refers to items of expenditure, not items of charge, e.g., a charge for Rs. 220 for section writers would not require to be supported by a sub-voucher if the amount was made up of sums paid to several individuals none of which exceeds Rs. 200. The limit of Rs. 200 is, however, subject to alteration of Comptroller and Auditor-General.

Disbursement of Extra Despatch of Mails

Rule 279. The register for authorizing payment of extra despatches of mails in Post Offices and RMS Offices may be maintained in the form given below:

In order to have an effective control over expenditure on coolie charges for extra despatches of mails, delivery of heavy mails, cash conveyances, etc., the Superintendents in the case of

all Post Offices and Railway Mail Service Units under their control and the Heads of Circles in the case of GPOs/HPOs under their control, may prescribe, where the charges for heavy mails are apparently too frequent and too heavy, a monthly monetary limit which should be watched by the Postmasters concerned to ensure that the monthly expenditure is not exceeded. If in any month there is an indication that prescribed limit is likely to be exceeded, the Superintendent or the Head of the Circle, as the case may be, has to be approached sufficiently in advance giving sufficient reasons for the unexpected rise in that month for approving expenditure exceeding the limit in that month. While prescribing the monetary limits, the Superintendent or the Head of the Circle should be guided by considerations of the traffic involved, the importance of the office and his personal knowledge of the work in the offices concerned gained during his periodical inspections and other factors coming to his notice. The limits so prescribed should be watched by the Head Postmasters in case of the Sub-Offices under their control so that all unapproved excesses are specially brought to the notice of the Superintendents.

Register of Sanction to Charge

Extra Despatch of Mails of the.....Post/RMS Office

Delivery of Parcels / Mails

Date	Name and Beat No. of	Reason for extra expenditure Particulars of Mail bags despatched	Weight of mails delivered or despatched and Initials of the Officer who weighed the consignment.	Means of Services engaged (workman /wheeled convenience)	Amount authorized for payment	Initial of APM/DPM who authorized payment	Remarks
1.	2.	3.	4.	5.	6.	7.	8.

Verification and Countersignature of Non-Payable contingent bills

Rule 279-A. The non-payable contingent bills of the Post Offices/RMS, excluding the contingent charges in respect of the office establishment of Superintendent should be checked at Divisional Offices and countersigned by the Superintendent of Post Offices/RMS. The contingent charges in respect of the office establishment of the Superintendent should be drawn in fully vouched contingent bills. The NPC bills of the Head Office in the Gazetted grade will, however, still require countersignature of the Head of the Circle. In respect of Post Offices under the charge of Gazetted Postmasters having under their account jurisdiction Sub-Post Offices administered by Divisional Superintendents of Post Offices, the expenditure incurred by these Post Offices on cooly charges for delivery and dispatch, should continue to be compiled, as is being done now, in a statement sent to the Divisional Superintendent along with the NPC bills. At Divisional Offices, the NPC bills thoroughly checked with reference to

monetary limits (referred to above) and care should be taken in the sanction of such charges. The Superintendent of Post Offices should carry out an intelligent check of the contingent bills received by them from the Post Offices, with their knowledge of the mail arrangements and the importance of the delivery area as also the seasonal fluctuations of postal traffic. In this regard, special notes may be made by them in their diaries for personal verification at the time of the inspection of the offices. The services of the Assistant Superintendents, IPOs, etc., may also be requisitioned in this regard when necessary as is being done in regard to verification of credit and unpaid postage of Post Offices.

The verification of check of such contingent charges should comprise in particular the following details:

- (1) Whether each item of expenditure is *prima facie* admissible and covered by departmental rules and within their powers of sanction.
- (2) The special monetary or quantitative limits prescribed for any item (such as for Stationery, bicycle and typewriter repairs, purchase of glass tumblers, etc.) have been observed.
- (3) Cooly charges for dispatch of mails and delivery are compared with the traffic and revenue of the Post Offices.
- (4) Proper arrangements exist for weighing the mails and for proper entry of the particulars in the prescribed register in regard to cooly charges.

After the prescribed verification is carried out and the monthly statements are scrutinized, the Superintendents should countersign the NPC bills of the Post Offices and RMS Offices other than those of his own office establishment and those of the establishments of the Gazetted Postmasters and forward them to the Accounts Office direct.

Procedure relating to sanction of the monthly statement of Contingent Expenditure and countersignature- NPC Bills

Rule 279-B. In respect of contingent expenditure on Divisional establishment, a monthly statement of such expenditure incurred on the Divisional Office itself under Major Head '3201-Postal Services-01-101-03-Control and Supervision Postal Division/01-101-04 RMS Divisions' included in the Fully Vouched Contingent bills should be submitted by him to the Circle Office along with the details of such expenditure listed voucher-wise for scrutiny by the Circle Office of the need for such expenditure. The pro forma statement to be submitted in this regard is shown below which would serve as a check on the sanctions issued by the Superintendents authorizing expenditure on their own offices. As regards expenditure incurred by Circle Offices, necessary check will be exercised by the Inspection Wing of the Postal Directorate.

PROFORMA

Statement of Contingent Expenditure incurred by the Office of Superintendent of Post Offices/RMS/Postmasters (Gazetted) for the month of.....

Contingencies	Expenditure sanctioned by Head of the Circle/Director-General	Expenditure sanctioned by SSP/SSRM/PM	Expenditure uncured in anticipation of approval of Head of the Circle/Director-General
<p>1.Fixed House Rent</p> <p>2.Rates and Taxes</p> <p>3. Pay and Allowances of Contingent employees</p> <p>4.EPC</p> <p>(i) Electricity charges.</p> <p>(ii) Water Charges</p> <p>(iii) Hot and Cold weather charges.</p> <p>5. Purchase and repair of-</p> <p>(i) Furniture</p> <p>(ii) Operational and Minor Equipment.</p> <p>6. Other Contingencies-</p> <p>(a) Police escort</p> <p>(b) Extra dispatch of Mails</p> <p>(c) Cooly charges of delivery of heavy parcels</p> <p>(d) Charges for conveyance of Cash</p> <p>(e) (N/A)</p> <p>(f) Conveyance charges for officials</p> <p>(g) <i>Purchase of official equipments</i></p> <p>(h) <i>Purchase of Misc. Articles for office use other than stationery</i></p> <p>(i) Purchase of stationery articles and Rubber stamps</p> <p>(j) Cooly charges for conveyance of stationery and other items</p> <p>(k) <i>Sealing Wax</i></p> <p>(l) Other Misc. Expenditure</p>			

This statement should be prepared separately for Divisional Offices or Post Offices (where the Postmaster is sanctioning for his own office and sent to the Circle Office for examination and check. For others, a similar statement is to be attached in the above form and submitted on due dates. For cooly charges of the offices of Gazetted Post Offices, the copy of the countersigned statement indicating the date of charge as well as the office should invariably be attached with this statement and submitted along with this form.

In support of Column 3 of the above statement, the items of purchases or services obtained under each detailed head should be listed in a subsidiary statement to bring out the nature of each payment so that the Head of the Circle could assess the necessity and reasonableness of the expenditure sanctioned for their own office by the SP /Gazetted Postmaster/Superintendent, etc. The statement may be as follows:

Detailed Account	Head of	Date	Voucher No.	Particulars of expenditure	Amount	Remarks

Disallowances

Rule 280. After dispatch of the bill to the Circle Accounts Office, the countersigning Officer should communicate any disallowance to the Drawing Officer, and its amount shall without fail be refunded by short-drawings in the next contingent bill; therein the gross amount of each sub-voucher shall be entered and below the total shall be entered "Deduct disallowed from bill ofRs....." and the receipt given would be for the net amount only. If, after correspondence, the countersigning Officer withdraws his objection, the amount may be redrawn; after the total of the sub-vouchers in the next bill would be entered "Add amount of disallowance from bill of.....refunded by deduction from contingent bill No....., dated....., and reallocated as per" and the receipt would be for the gross amount, and the items would be re-included in the next monthly contingent bill.

EXCEPTION.- In the case of Post Offices, however, the amount of disallowances should be credited in the Schedule of unclassified receipts.

NOTE- It will be observed that the totals in the disbursing register are those of amounts charged, not of those admitted by the countersigning Officer, but when an amount disallowed by him on one detailed head is adjusted by a short charge on another encashed bill, the actual charge for each head may be worked out by entering the amount retrenched in black ink with a minus sign in the column of the retrenched head on the line of totals for the bill in which the adjustment is made; the forwarded totals will thus be correct.

CHAPTER XI
Miscellaneous Charges
Refunds of Revenue

Rule 281. Refunds of revenue are broadly classified as—

- (i) refunds to which the claimants are legally entitled; and
- (ii) refunds which are made *ex gratia*, Government being under no legal obligations to make them.

NOTE-1.—Refunds of revenues are not regarded as expenditure for purposes of grants or appropriations.

NOTE 2.—Remissions of revenue allowed before collections are to be treated as reduction of demands and not as refunds.

Rule 282. Refunds of revenue can be drawn only on the demand and on the receipt of the person entitled to receive them after production of proper authority; on no account may they be drawn on the receipt of a departmental officer and lodged in a deposit account pending demand.

Rule 283. Every refund shall be noted against the original credit in the departmental accounts or other documents in which the moneys received have been entered in detail, and a certificate of such a note having been made must be given in all vouchers for refunds. Any acknowledgement previously granted should, if possible, be taken back and destroyed and a note of the repayment recorded on the counterfoil of the receipt.

Rule 284. A refund shall be sanctioned by the Competent Authority and payment will be effected directly by crediting the Bank Account of the person claiming the refund and the amount charged in the accounts. The receipt together with sanction should then be forwarded to the Circle Postal Accounts Office in support of the charge. In CSI offices, the details extracted from T code Fagll03 of the General Ledger should be sent along with the receipt and sanction.. The sanction shall give full particulars of the case and if cash credit is involved, the particulars given should be such as to admit of verification in Circle Accounts Office.

Refunds to Departmental Offices

Rule 285. Refunds of amounts credited in excess in the accounts of an office by an official of the Department may be authorized by Superintendents of Post Offices, or Railway Mail Service, First Class Postmasters as the case may be, but other refunds to Departmental Officers should be authorized by Heads of Circles.

Refunds of Loans repaid in excess

Rule 286. Amounts paid in excess in repayment of a loan on personal account and/or interest thereon by a Government servant/private individual may be refunded to him. The following procedure may be adopted:-

The sanction for repayment of the amount which has been paid in excess on account of the principal of the loan and/or interest thereon by a loanee shall be issued by the authority competent to sanction the original loan after verifying from the Departmental Authority/Circle Accountant responsible for maintaining the detailed account of the loans that such a repayment is due to the loanee; the fact of having made such a verification should be indicated in sanction. No further authority for payment from the Circle Accountant is necessary. On the basis of this sanction the Head of Office or Departmental Officer who normally disburses the loan in the case of private individuals, may draw funds by presenting a bill in the form of simple receipt, separately for amounts paid in excess on account of principal of a loan and for interest at the Disbursing office attaching to the bill a copy of the sanction for such payment. The Head of Office/Departmental Officer concerned shall disburse the amount to the loanee and obtain his quittance duly stamped where necessary. The classification of the bill for withdrawal on account of excess deposit of a loan and the interest shall be shown therein as 'Minus credit' to the Head of Account to which the loan was debited at the time of its payment and "Deduct Refunds" under Major Head "0049-Interest Receipts-Sub Major Head 60- Other Interests Receipts of Central Government-900- Deduct Refunds", respectively. The Departmental Officer/Circle Accountant who keeps the detailed account of the loan will keep a note of the sanction for the refund in the relevant loan account and when payment is actually made the voucher number and date of payment will also be recorded and attested by the Departmental Officer /Gazetted Officer in the Circle Accountants Office, as the case may be.

Payment of commission to canvassers procuring advertisements for Departmental Publications

Rule 287. Claims for the commission for procuring advertisements for departmental publications, should be supported by a certificate from the advertiser stating that the advertisements for which the commission is claimed were inserted as a result of the claimant's canvassing. The Competent Authority should, before according sanction, satisfy that the amount in respect of which commission is claimed has been actually credited to Government and the amount of the commission claimed is correct. Particulars of the credit of the amount recovered on account of the advertisement fees should be mentioned in the sanction. With a view to see that the commission may not be paid more than once on the same amount of credit for the advertisement fees, necessary note of payment shall be kept by filling in columns 14 to 18 of the register referred to in Rule 164.

NOTE.—Payments of commission charges referred to in this Rule will be treated as 'Contingencies' of that branch of the Department which issues the publication for which the relative advertisements are secured.

Rents payable to Railway Administrations

Rule 288. Whenever accommodation is required by the Department at a Railway Station or on Railway land and a building is constructed for the purpose by the Railway Administration, the rent payable shall be sanctioned by the Competent Authority and a copy of the sanction specifying the date from which the rent will be paid, sent to the Circle Accounts Office (see Note I below Rule 529 of the Postal Manual, Volume II). Claims for rent submitted by Railways and Canal authorities, etc., for the buildings occupied by the Postal Department (office and residence) shall be countersigned by the concerned Divisional Head

[9-3 DGP&T/69]

Rule 289. The Railways are also entitled to interest at the ruling date of dividend on the capital outlay during the period of construction of the buildings which is allowed by calculating the interest for the exact period of construction. For works for which construction period covers one or more full financial years, the interest charges for those years, should be calculated on the mean capital for those years. The interests for broken periods, both during the year of commencement and the year of completion, should be charged for the exact periods—the basis of reckoning being monthly mean capital. These orders take effect from 01.04.1967. The amounts claimed by the Railway on this account should be adjusted in the Postal accounts under "fixed house-rent and ground, etc.," under 'Contingencies' (now office expenses) in the relevant Abstracts.

Rule 290. The rules regarding the liability of the Department of Posts consequent on the surrender of the buildings (including the electric fittings provided in the buildings) specially constructed by the Railway Department for the use of the Department of Posts or in case of such buildings being damaged or destroyed by earthquake, fire, erosion of the sea or other unforeseen circumstances, are given in *Rules 529-C and 529-D of the Postal Manual, Volume II.*

Refund of Postal charges

Rule 291. Rules regarding refund of Postal charges are given in the Postal Financial Hand Book, Volume II.

CHAPTER XII
Loans and Advances to Government Servants
General Rules

Rule 292. Unless the Government issues special orders in any case, no advance shall be granted except as provided in the following rules, by the authorities specifically empowered by the Government to grant advance.

NOTE.—The powers of sanctioning advance for the purchase of conveyances (including animals are given in the Schedule of Financial Powers of Officers of the Postal Department).

Sanction

Rule 293. In the case of advances of travelling allowances on transfer the sanction will specify the office to, or under the jurisdiction of, which the Government servants transferred.

(Advance of pay abolished vide GI MF OM No. 12(1)/E II(A)/2016 dated the 07th October, 2016.)

Rule 294. It is not permissible to sanction a loan or advance to a Government servant which involves a breach of any of the basic principles laid down in Rule 60. In any case in which a cash grant would be within the powers of sanction of a particular authority, the grant of an advance not exceeding the cash grant will not require the sanction of a higher authority.

Rule 295. In the case of interest bearing advances to Government servants an authority empowered to deal with an application for an advance should not issue an order of sanction until he has satisfied himself that funds are available in the year in which the amount of the advance is to be paid and every such sanction must clearly indicate that funds are so available.

Advances for Departmental Purposes
Emergent Advances

Rule 296. (1) Advances for departmental purposes may be sanctioned by the Competent Authority in accordance with Rule 434 of the Postal Manual Volume II.

(2) Disbursing Officers should credit the amount sanctioned direct into the Bank accounts/POSB accounts of the payees through digital/electronic mode of payment.

Rule 297.Such advances will be held under objection in the Circle Accounts Office until adjusted, (a) by cash recovery, or (b) by deduction from the final voucher for the completed work or contract. The advances are payable by operating appropriate GL code.

NOTE 1.—If the whole amount of the advance drawn on an abstract bill, has not been expended, the recovery made in cash should be credited in the relevant head of account and a

note reporting the credit to the Countersigning Officer and to the Circle Accounts Officer should be written immediately along with credit information available in the relevant GL Code.

NOTE 2. —If on receipt of the final voucher for the completed work of the Postal or Railway Mail Service Branch there is any balance still to be paid, the amount should be paid as a contingent charge under relevant GL code.

NOTE 3. —Advances made for the purpose of construction and repairs of buildings are treated in the accounts as "Advances" and booked under the Major Head "8553-Postal Advances" in Deposit and Advances.

NOTE 4.-The advances will be noted in the e-Register of Retrenchment and Recoveries (Form ACG-60) and their clearance watched through the same. The monthly statement of advances and recoveries of advances enclosed with the monthly account current sent to the PAO by the units should also indicate such advance made for the purpose of constructions and repairs of buildings and its clearance should also be watched by the Circle Accountant through the broadsheet maintained for the purpose.

GOVERNMENT OF INDIA'S DECISIONS

(1) Payment of advance to Contractors.- See Rule 434, Postal Manual Volume-II.

(2) Advance payment to supplier- Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:-

(i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipments, etc.

(ii) Advance payment demanded by firms against fabrication contracts, turnkey contracts etc.

Such advance payments should not exceed the following limits-

(i) Thirty per cent of the contract value to private firms;

(ii) Forty per cent of the contract value to a State or Central Government agency or a Public Sector Undertaking; or

(iii) in case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

Ministries or Departments of the Central Government may relax, in consultation with their Financial Advisors concerned, the ceilings (including percentage laid down for advance payment

for private firms) mentioned above. While making any advance payment as above, adequate safeguards in the form of Bank guarantee, etc., should be obtained from the firm.

Part payment to suppliers - Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it despatches the goods from its premises in terms of the contract.

[Rule 172(1) and Rule 172 (2) of GFR, 2017.]

Repairs to Rented Postal Buildings

Rule 298. The terms of agreement entered into with the land- lords of rented buildings occupied by the Department of Posts generally permit the Department in the event of the landlord failing to carry out, repairs, to carry out such repairs and deduct the cost of the same from the rent due. In such cases the Director-General and Heads of Circles are authorized to sanction expenditure on repairs (including electric installations and repairs thereto) to rented buildings occupied by Department of Posts subject to the proviso that the same is recovered in the shortest possible time during the currency of the lease by deduction from the rent payable to the landlords. The powers of various authorities in this regard are given in the Schedule of financial Powers of the Officers of Department of Posts. The expenditure incurred in connection with this repair should be treated in the accounts as “Advances recoverable” to be booked under Major Head 8553-Postal Advances Rail Mail Services Other Accounts. The amount thus accounted under the above head being cleared when recovery from the landlord is affected.

Note 1:- Non recoverable expenditure incurred on repairs to rented buildings should be debited to the detailed head “Office Expenses” in the relevant abstracts.

Advances for contingent expenditure

Rule 299. An advance may be made to a Government servant other than an Inspecting Officer, for himself or an Assistant or Deputy, proceeding on tour, to an amount sufficient to cover for a month his contingent charges, such as those for the hire of conveyance or animals for the carriage of records, tents or other Government property, subject to adjustment upon the Government servant's return to headquarters or 31st March, which-ever is earlier. The advance is to be treated as a final contingent charge being drawn and accounted for as such. A second advance cannot be made to a Government servant until an account has been given of the first.

NOTE 1. —Advances under this rule should not be applied to the expenditure of any Gazetted Government servant which is meant to be covered by his travelling allowance.

Advances to Government Servants on Personal Account

GENERAL RULES

Eligibility

Rule 300. Except as otherwise provided in this rule, advances on personal account should not ordinarily be granted to persons who are not in permanent Government employ. As the pay of such persons does not constitute adequate security for a loan, advances should not ordinarily be granted to them. In special cases, however, if the circumstances admit of the provision of adequate security, advances may be granted in accordance with the terms of these rules to officiating temporary Government servants without any substantive appointment under general or special sanction, of the Ministry of Finance.

Explanation —When advances are granted to employees not in permanent employ, it is necessary that the surety must be a permanent Central Government servant of comparable or higher status to that of the temporary Government servant to whom an advance is sanctioned.

NOTE 2.—Advances to meet the travelling expenses of the families and conveyance of the personal effects of Government servants who die while in service, may be granted provided the security of a permanent Central Government servant is obtained in the following form in each case before the advance is allowed.

SURETY BOND

[See Government of India's Decision (2) under Rule 82 of Compendium on Rules on Advances to Government Servants]

KNOW ALL MEN BY THESE PRESENTS THAT, WE (1)1(hereinafter called the 'Obligor') (2)2 (hereunder called the 'Surety') are held and fully and firmly bound up to the President of India (hereafter called the 'Government' for the sum of Rs 3..... to the payment of which amount well and truly to be made, we jointly and severally bind ourselves and our respective heirs, executors, administrators, legal representatives and assigns by these presents.

WHEREAS the Government has paid to the Obligor a sum of Rs 3..... (receipt of which sum the Obligor hereby acknowledges) on account of advance of travelling expenses to the family of 4..... the deceased (hereinafter referred to as the 'family') for their journey to..... and for the transport of the personal effects of the said 4..... deceased to 5

NOW THE CONDITION OF THE ABOVE WRITTEN BOND is such that if the said Obligor shall account to the satisfaction of the Government, within one month of the completion of the journey to 5..... by the family if the family travels in one batch, or when the family travels in more than one batch, or within one month of the completion of the journey by the last batch, or within one month of the expiry of the period of six months after the date of receipt of

this advance, whichever is earlier, for the proper expenditure of the aforesaid advance, then the above written Bond shall be void and of no effect but otherwise the Bond shall remain in full force, effect and virtue. These presents further witness that— (a) any forbearance, extension of time, or indulgence on the part of the President of India or any Officer to the Obligor whether with or without the knowledge or consent of the Surety, shall not in any way release the said Surety, his heirs, executors, administrators, legal representatives and assigns from his or their liability under the above written Bond; (b) the stamp duty on this Bond shall be borne by the Government.

Signed and delivered by the above named
Obligor in the presence of

- 1.....
- 2.....

- [1. Herein insert the name of the individual to whom the advance is paid.
- 2 . Herein insert the name of the Surety.
- 3 . Here specify the amount of advance paid.
- 4 .*Insert*the name of the deceased Government servant.
- 5 .*Insert*the normal place of residence of the Government servant, a journey to which is admissible under the rules.]

Signed and delivered by the above named
.....
Surety in the presence of
.....

Accepted for and on behalf
of the
President of India, in the presence of
1.....
2

NOTE 3. —A Head of Department may grant an advance for the purchase of conveyances, other than bicycles, to a quasi-permanent or temporary employee of the Posts and Telegraphs Department subject to the condition that such an employee has put in not less than three years' service and that he furnishes an acceptable surety from a permanent Central Government Servant.

Form 1
Form of surety bond

KNOW ALL MEN BY THESE

PRESENTS THAT I,.....SON OF.....,Resident of..... in the District of.....at present employed as permanent.....in the(hereinafter called “the surety”) am held and firmly bound unto the President of India (hereinafter called “the Government" which expression shall include his successors and assignees) in the sum of Rs.....(Rupees..... only) with interest as hereinafter specified and all cost between attorney and client and all charges and expenses or may have been incurred by or occasioned to the Government to be paid to the Government FOR WHICH PAYMENT to be well and truly made I hereby bind myself, my heirs, executors, administrators and representatives firmly by these presents. As witness my hand this.....day of..... two thousand and

WHEREAS the Government has agreed to grant to.....son of....., a resident of....., in the district of.....at present employed as temporary.....in the.....(hereinafter called “the borrower”) at the borrower's own request an advance of Rs.....(Rupees.....only) for the AND WHEREAS THE BORROWER has undertaken to repay the said amount in.....equal monthly installments with interest as calculated at the rate and in the manner prescribed in Government of India decisions below Rule 2 of Compendium of Rules on Advances, thereon or on so much thereof as shall for the time being remain due and unpaid calculated at fixed Government rates in force for Government loans from the day of the advance. AND WHEREAS in consideration of the Government having agreed grant the aforesaid advance to the Borrower the Surety has agreed to execute the above bond with such condition as hereunder is written.

NOW THE CONDITION OF THE ABOVE-WRITTEN Bond is that, if the said Borrower shall, while employed in the said.....DULY and regularly pay or cause to be paid to the Government the amount of the aforesaid advance owing to the Government any installments with interest as calculated in the aforesaid manner thereon or on so much thereof as shall for the time being remain due and unpaid calculated at fixed Government rates in force for Government loans from the day of the advance until the said sum of Rs..... (Rupees..... only) with interest as calculated in the aforesaid manner shall be duly paid, then this bond shall be void, otherwise the same shall be and remain in full force and virtue.

BUT SO NEVERTHELESS that if the Borrower shall die or become insolvent or at any time cease to be in the service of the Government, the whole or so much of the said principal sum of Rs.....(Rupees..... only) thereof as shall then remain unpaid and the interest due on the said principal sum calculated in the aforesaid manner from the day of the advance shall

immediately become due and payable to the Government and be recoverable from the Surety in one installment by virtue of this bond.

The obligation undertaken by the Surety shall not be discharged or in any way affected by an extension of time or any other indulgence granted the Government to the said borrower whether with or without the knowledge or consent of the Surety.

The Government have agreed to bear the stamp duty, if any, for this document.

.....
Signature of the (Surety)
(Designation).....
Office to which attached
.....
In the presence of
(i).....
(ii).....

Signed and
delivered by the said.....
.....
(Signature of Surety)
(Designation).
at Office to which attached.....
this
of..... In the presence of
(i)
20.....
(ii)
Signature
address and occupation of the Witnesses

ACCEPTED
For and on behalf of President of India.

GOVERNMENT OF INDIA'S DECISIONS

(1) Sanctions issued / agreements executed for grant of interest-bearing should include provision for charging penal interest –

In cases of advance for purchase of Scooter/Motor Car/Bicycle, sanctions to be issued by the Competent Authority/agreement to be executed by the Government servant at the time of drawing of advance sanctioned to him should provide for recovery of interest at 2 ½ % above the prescribed rate with the stipulation that if conditions attached to the sanction, including those relating to the recovery of amount, are fulfilled completely to the satisfaction of the Competent Authority, rebate of interest to extent of 2 ½ % will be allowed.

(GID(1) below Rule 2 of Compendium of Rules on Advances)

(2) In case of advances not bearing interest.- In case of advances not bearing interest, sanctions to be issued by the Competent Authority / agreements to be executed at the time of drawing advance should stipulate that no interest shall be chargeable if the conditions attached to the sanction, including those relating to the recovery of amount, are complied with fully to the satisfaction of the Competent Authority. However, in case of default, interest at 2% (two percent) over the interest rate which is allowed by the Government on the Provident Fund balance of its employees shall be charged in the following cases:-

(i) in cases where the advance is not utilized fully but the adjustment bill is submitted in time, interest may be charged as stated above on the unutilized portion of advance from the date of drawal of advance to the date of refund

(ii) in cases where the adjustment bill is not submitted within the prescribed time, the entire amount of advance may be recovered in one lump sum immediately on expiry of such time. In such cases also, the interest may be charged as mentioned above on the entire amount of advance from the date of drawal to the date of recovery of amount. The claim of the Government servant for reimbursement would, however, not be forfeited merely on account of recovery of advance. Heads of Departments may, however, waive such recovery or charging of interest thereon, in cases where non-submission of adjustment bill can be attributed to genuine difficulties.

The amount of interest recovered shall be credited to the receipt Major Head corresponding to the expenditure head to which the advance was debited and absence of such receipt head to the Major Head “068-Misc. General services-other receipts”.

[GID (1) below Rule 2 of Compendium of Rules on Advances].

(3) Grant of advances- Seventh Pay Commission recommends Amendment to Rules of Compendium of Rules on Advances to Government servants - It is directed to say that in pursuance of the decision taken by the Government on the Seventh Pay Commission's recommendations relating to advances, all the interest -free advances stand discontinued as per

attached annexure, with the exception that the interest-free Advances for Medical Treatment, Travelling Allowance for family of deceased, Travelling Allowance on tour or transfer and Leave Travel Concession shall be retained

2. In addition, the advance for training in Hindi through correspondence Course, which is not mentioned in the Compendium of Rules on Advances to Government servants, also stands abolished in pursuance of the decision of Government on Seventh CPC recommendations.

3. These orders will take effect from the date of issue of this OM. The cases where the advances have already been sanctioned need not be reopened.

4. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller Auditor General of India.

5. All the Ministries / Departments are requested to bring the Amendments to the notice of all its attached and subordinate offices for their information.

**AMENDMENT TO COMPENDIUM OF RULES ON ADVANCES TO GOVERNMENT
SERVANTS, 2005**

Sl no.	Name of Advance	GOI Decision on Seventh CPC recommendations
1	Bicycle Advance	Abolished
2	Warm Clothing Advance	Abolished
3	Advance of Pay on Transfer	Abolished
4	Festival Advance	Abolished
5	Natural Calamity Advance	Abolished
6	Advance of Leave Salary	Abolished
7	Advance for Law Suits	Abolished

[GI., M.F., O.M. No, 12 (1)/E. II (A)/2016, dated the 7th October, 2016.]

(4)Grant of advances- Seventh Pay Commission recommendations- Amendment to Rule 21 (5) of compendium of Rules on Advances to Government servants-It is directed to say that in pursuance of the decision taken by the Government on the Seventh Pay Commission's recommendations relating to advances, the existing provisions of Compendium of Rules on Advances-21(5) relating to Personal Computer Advance are amended as per the amendments attached.

2. These orders will take effect from the date of issue of this O.M. The cases where the advances have already been sanctioned need not be re-opened.

3. The other interest bearing advances relating to Motor Car Advance and Motor Cycle/Scooter/Moped Advance will stand discontinued.

4. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor-General of India.

5. All the Ministries/Departments are requested to bring the amendments to the notice of all its attached and subordinate offices for their information.

AMENDMENTS TO COMPENDIUM OF RULES ON ADVANCES TO GOVERNMENT
SERVANTS, 2005.

CONDITIONS OF GRANT OF COMPUTER ADVANCE:

RULE 21(5)

Advance	Quantum	Eligibility Criteria
Personal Computer Advance	Rs. 50,000 or actual price of PC, whichever is lower	All Government employees

(ii) The Computer Advance will be allowed maximum five times in the entire service.

[GI MF OM NO.12 (1)/E II(A)/2016, dated the 7th October 2016]

(5) Grant of Advance- Amendment to Rule 80 of Compendium of Rules on Advances to Government servants, 2005.- it is directed to say in pursuance of a reference received from Department of Personnel and Training regarding the demand raised by the Staff Side in the National Council (JCM), the existing provisions of Compendium of Rules on Advances- Rule 80- relating to amount of advances to the families of Government servants who died while in service, are retained and amended as per attached Annexure.

2. These orders will take effect from the date of issue of this office memorandum. The cases where the advances have already been sanctioned need not be reopened.

3. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor-General of India.

4. All the Ministries/Departments are requested to bring the amendment to the notice of all its attached and subordinate offices for their information

AMENDMENTS TO COMPENDIUM OF RULES ON ADVANCES TO GOVERNMENT
SERVANTS, 2005

RULE 80. Amount of Advance: The amount of an advance which may be granted under Rule 79 shall not exceed Rs.25000 (Rupees Twenty five thousand only).

[GI, MF OM No. 12(1)/2016-E. II(A), dated 20.06.2018].

Estimates

Rule 301. Provision should be made in the Budget for all advances which can be foreseen. Heads of Circles and other estimating authorities should, therefore, make a timely estimate both of the gross advances and recoveries for the coming year.

This applies also to non-interest-bearing advances like advances, which should not be sanctioned unless the authority competent to sanction the advance has satisfied that funds are available in the year in which the amount of the advance is to be paid and every such sanction must clearly indicate that funds are so available.

NOTE. —The "gross" amount of advances granted in any year should not exceed the provision in the estimates.

Rule 302. Simple interest at the rate specifically fixed for the purpose by the Government will be charged on advances granted to Government servants for the purchase of motor cars, and other conveyances (including animals) and in certain circumstances for the payment of special passage advances made in England by the High Commissioner, and of passage over-seas. The interest will be calculated on balances outstanding on the last day of each month.

Note (1)- Interest bearing advances relating to Motor Car Advance and Motor Cycle/ Scooter/ Moped Advances except Personal Computer Advance will stand discontinued as per Ministry of Finance, Department of Expenditure OM No. 12(1)/E II(A)/2016 dated 07.10.2016.

Note (2):- The cases where the Advances have already been sanctioned before 07.10.2016 need not be reopened.

GOVERNMENT OF INDIA's DECISIONS

(1) Rates of interest on the advances for purchase of conveyances-The rates of interest to be charged on the advances for the purchase of conveyances granted to Government servants during the relevant years are as follows-

Year in which advance is granted	Rate of interest per annum to be charged on the advance for the purchase of		
	Motor Car	Motor Cycle Scooter, etc	*Bicycle

2008-2010	11.5%	8.0%	
2011-2012	11.5%	9.0%	
2012-2013	11.0%	9.0%	
2013-2014	11.5%	9.0%	
2014-2016	11.5%	9.0%	
Note: Since advances on Motor Car and Motor Cycle, Scooter etc., discontinued w.e.f. 07.10.2016, rate of interest has been updated till 2016 only.			

From 7-10-2008, *cycle advance treated as Interest-free Advance (OM. Dated 7-10-2008).

(2). Drawing and Disbursing Officer is responsible for calculation of interest recoverable from loanee Government servants – The responsibility for calculation of interest recoverable from the loanee Government servant will be that of the Head of Office/Drawing and Disbursing Officer both for Gazetted and non-Gazetted Government servants. The Head of Office would, however, be responsible for obtaining mortgage bonds and agreements and ensuring that necessary insurance, as required under the rules is affected.

2. The Pay and Accounts Officers who, under the Departmentalization Scheme are responsible for maintaining detailed accounts of loans and advances, will be responsible for (a) checking the correctness of interest recovered by the Drawing and Disbursing Officer, and (b) confirmation of the correctness of the balances as shown in the recovery schedules and pointing out discrepancy, if any, to the concerned Drawing and Disbursing Officer.

[GIF MF O.M. No. 10 (9)-B dated the November, 1976.]

(3) Recovery of penal interest in the case of non-fulfillment of conditions attached to the grant of advance – See GIDs (1) and (2) below Rule 300.

(4) Reckoning of dates of repayment in cases of delayed disbursement of pay/leave salary.-In cases where the recovery of installment is effected through the pay/leave salary bills and the Government servant concerned is unable to present his claim for pay/ leave salary in time for certain administrative reason or for want of a pay slip from the Accounts Officer, the deductions in respect of the advance should be deemed to have been made in the month following the month to which the pay/ leave salary relates irrespective of the actual date of its drawal.

[G.L.M.F., O.M. No. File No. 16(7) E (II) (A)/69, dated the 23rd July, 1969]

(5) No interest chargeable beyond the date of death in case of recoveries from Death Gratuity or leave salary - In case where on account of premature death of a Government servant, it becomes necessary to recover a part of the outstanding balance of an interest-bearing advance sanctioned to a Central Government servant and/or interest on the amount of such advance by adjustment

either against death gratuity or leave salary actually drawn after the date of the death of the Government servant, no interest should be charged on the amount of advance thus adjusted against the death gratuity/leave salary, if any, beyond the date of death of the Government servant.

(GI MF OM No. F 16(2)-E II (A/67, dated the 18th May 1967)

Drawal

Rule 303.Advances to Government Servant on personal account may be drawn on ordinary pay or travelling allowance bill form or on simple receipt (Form ACG 17) as may be found convenient.

The names of Government servant with their designations and the amounts of advances sanctioned for each should be clearly indicated in the form to be used for the purpose.

Disbursement

Rule 304. The Disbursing Officer shall pay the sanctioned amount by off cycle payment process recognized for this purpose. The amount thus sanctioned should be entered against the Employee master data in PA 30 against the wage type available for this purpose. The sanctions shall in every case is submitted to Circle Postal Accounts Office in support of this charge.

Repayment

Rule 305.All advances are subject to adjustment by the Government servants receiving them in accordance with the rules applicable to each case. When an advance is adjustable by recovery, the amount to be recovered monthly should not be affected by the fact of the borrowing Government servant going on leave of any kind with leave salary or his drawing subsistence grant. The sanctioning authority may in exceptional cases order a reduction in the amount of the monthly installment, provided that in the case of interest bearing advances to Government servants, the whole amount due should be completely recovered within the period originally fixed.

Rule 306.If an advance is granted to a Government servant who is due to retire or whose services are likely to be terminated within the maximum period prescribed for its payment, the number of installments shall be so regulated that the repayment of advance with interest, if any, is completed before retirement or termination of the service, as the case may be.

Mode of Recovery and Accounting of Loans and Advances

Rule 307.In case of long term advances paid to Government servants viz., Motor Car Advances, other conveyance advances etc. and House Building Advances paid under HBA rules the Heads

of Office will effect recovery in accordance with the provision of the Rules contained in the Chapter and HBA rules respectively, the accounts in respect of which will be maintained by the Pay and Accounts Office concerned.

Sending of monthly schedules to PAO is now not necessary as the same is available as e-schedules in the system.

GOVERNMENT OF INDIA'S DECISION

Procedure to be followed for prompt acceptance of outstanding balances of advances at the close of year- Advances referred to in sub-rules (b) and (c) of Rule 12 of Compendium of Rules on Advances are debit to relevant minor, etc., heads under the Major Head "7610-Loans to Governments servants", advances granted in terms of the rules contained in the remaining Sections of the Chapter except Sections XII and XIV (Part-I) are debit to the final head of account to which the salary or travelling allowance, as the case may be, of the Government servant concerned is debit.

2. The following procedure should be followed for facilitating prompt acceptance of balances outstanding as on 31st March every year of loans to Government servants-

(i) In respect of long-term advances referred to in sub-rule (b) of the rule, the Accounts Officers will verify the outstanding balance shown in the schedules of recovery with those worked out in their offices every month and take up the matter with Drawing Officer a communication confirming the correctness of the balances shown in the schedules of recovery appended to the bills for February paid in March or pointing out discrepancy, if any, in the same.

(ii) In respect of short-term advances referred to in sub-rule © of the rule, each Drawing Officer will record a certificate on the monthly abstract for the month of April each year that "The total (namely, Rs.....) of the amounts outstanding on 31st March 20....(excluding recoveries from pay bills for March) against employees on the rolls of the office on that date and accepted by them individually as correct, is equal to the closing balance indicated in the abstract for February, plus payments made minus repayment received in cash during March of that year".

(Ministry of Finance, OM No. F 23 (5)-E, II(a)/80, dated the 5th February, 1981)

Rule 308. When advances are recovered by deductions in bills, the original date and amount of the advance or other sufficient particulars of the advance shall be recorded in the bill for its identification and retained in e-format "Drawal and Disbursement".

Rate of Recovery

Rule 309. The amount of an advance to a Government servant on personal account to be recovered monthly should be fixed in whole rupees. Amount of installments to be fixed etc. is available in detail in the "Compendium of Advances to Govt. Servants"

Recovery of Advances of Travelling Allowances

Rule 310. An advance of travelling allowance should be recovered in full on submission of the Government servant's travelling allowance bill.

NOTE. —When a single lump sum advance is drawn to cover the travelling expenses both of the Government servant himself and of his family, it may be adjusted by the submission of more than one bill if it so happens that the members of the officer's family do not actually make or complete the journey with him. In such a case the officer should certify on each adjustment bill submitted by him that a further bill in respect of travelling allowance of the members of his family (to be specified) who have not yet completed the journey will be submitted in due course and is expected to include an amount not less than the balance of the advance left unadjusted in this bill.

Recovery of Special Advances

Advance on Tour

Rule 311. In all cases of journeys in respect of which travelling allowance as for a journey on tour is admissible, an advance may be granted: —

(i) To a Government Servant, proceeding on tour, of an amount sufficient to cover his personal travelling expenses for a month. The amount of advance granted under Rule 51 of Compendium of Rules on Advances to Government Servants shall be adjusted within 15 days from the completion of tour or the date on which the Government servant resumes duty after completion of tour.

[Rule 51 of Compendium of Rules on Advances to Government Servants]

(ii) To a Government servant, proceeding on 'a prolonged tour' in the interior to places which are difficult of access, of an amount sufficient to cover contingent charges in and personal travelling expenses in terms of sub-clause (i) above for six weeks, subject to adjustment within 15 days on completion of the tour or the date on which the Government servant resumes duty on completion of tour.

[Extract from Rule 49 of Compendium of Rules on Advances to Government Servants]

NOTE 1.— (i) Advances under sub-clause (1) may be granted by Heads of offices to Officers subordinate to them.

(ii) Such advances may be sanctioned to themselves by all Officers declared to be their own controlling Officers under SR. 191.

(iii) Such advances to Heads of offices, who are not their own controlling Officers, may be sanctioned by the respective controlling Officers.

NOTE 2.—A second advance cannot be made to a Government servant under this rule until an account has been given of the first.

A Government servant who has taken an advance under this rule for any particular journey may not take payment on travelling allowance or other bills drawn in respect of the same journey while the advance or any portion of it still remains unadjusted.

Government of India's Decision

Second advance may be granted to undertake the journey soon after the completion of earlier one- In cases where a Government servant is required to proceed on tour frequently at short notice and under emergent circumstances, necessitating the undertaking of journey soon after completion of earlier one, thus leaving little time for the official to prefer his TA Bill, a second TA advance may be sanctioned by the Competent Authority subject to the following conditions being fulfilled-

- (i) The second journey is required to be undertaken soon after the first one, i.e. within a week after completion of the first tour;
- (ii) The bills for the advances drawn should be submitted latest within a week after completion of the second journey;
- (iii) In any case, not more than two advances should be allowed to remain outstanding at a time.

[Rule 50 of Compendium of Rules on Advances to Government Servants and GoI. MoF. OM. No. F 17 (4) -E (A)/75 dated the 24th February 1976].

NOTE 3.—The advances mentioned in this Rule are treated as final charges not as advance recoverable, and are to be drawn and accounted for as travelling expenses of establishments.

NOTE 4.—The Expression "personal travelling expenses" occurring in the above rule includes the road mileage, the fares and incidentals for the journey both ways and the daily allowance for the likely period of halt at an out station, not exceeding 30 days in cases covered by sub-clause (i) and six weeks in cases covered by sub-clause (ii).

NOTE 5.—Ministries are competent to sanction advances of travelling allowance to non-official members of committees and commissions appointed by the Government of India. These advances should not, however, be granted as a matter of course. In exceptional cases where it will be hard for members to meet the expenses of long and expensive journeys, advances may be allowed on receipt of a written undertaking in the form VIII given below on condition that second advance is not allowed until the first one is adjusted and that the amount of advance is accounted for and adjusted on return from tour or on 31st March, whichever is earlier.

FORM VIII

Form of agreement for adjustment or refund of advance of Travelling Allowance given to non-official members of Committees and Commissions appointed by the Government of India.

I..... member of the.....Committee/Commission appointed by the Government of India, having received a sum of Rs..... (Rupees..... in words) an advance from the President of India for performing certain journeys connected with my duties as member of the aforesaid Committee/Commission, hereby agree that the amount shall be adjusted against my travelling allowance bill immediately after the completion of the specified journeys and that I shall forthwith refund to the President any portion of the advance not so adjusted. If for any reason the specified journeys are not performed I hereby agree to refund forthwith to the President the entire sum of the advance on demand.

Revenue Stamp.
Signature of Member.

DIRECTOR-GENERAL'S ORDERS

(1) Provisions of Rule 410 to be strictly followed- I am directed to say that the following irregularities in connection with adjustments of TA advance and submission of TA bills have come to the notice of this Directorate-

- (i) Considerable delay in the submission of tour TA bills by the concerned officials after completion of tour and return journeys, though these bills are required to be submitted immediately after the completion of tour as per Rule 410 of FHB volume-1.
- (ii) Further delay by concerned offices in scrutiny of these bills and their submission to the controlling authorities. Normally, these should be cleared within a month.
- (iii) Non-review of the Advances Registers (Retrenchment Registers) in order to keep a watch on the adjustment of the TA advances,
- (iv) Grant of irregular permission for effecting recovery of unadjusted balance in easy installments.
- (v) Grant of fresh advance of the same kind before adjustment of the earlier advance (except in cases in which there is a special provision for this purpose).

2. In this context attention is invited to the provisions contained in the Rule 227 of FHB Volume – I, which enjoins that an advance of travelling allowance granted to a Government's servant may be adjusted immediately within 15 days after the completion of the tour or the date on which the Government servant returns duty after completion of tour. However, a generally wrong impression appears to prevail that the submission of tour TA bills and the scrutiny thereof can be

delayed upto one year, because SR 194-A allows one year's time-limit during which the TA bill may be submitted. However, generally wrong impression appears to prevail that the submission of tour TA bills and scrutiny thereof can be delayed upto one year, because SR- 194-A allows one year's time limit during which TA bill will be submitted. However, the tour provisions are distinct and for separate issues. Whereas, the former is for adjustment of TA advance, the latter is for the submission of the TA claims. It, therefore, follows that if the Government servant, who has drawn TA advance, does not submit the TA claim immediately after completion of tour (i.e. within a reasonable period of 15 days), the TA advance should be recovered in one installment from the next payment of salary, irrespective of the fact whether the TA bill has been submitted or not. If he fails to present his TA bill within one year of the completion of the tour journeys, he would forfeit his TA claim entirely as per the provisions of SR 194-A. However, if he submits his TA claim within one year but after recovery of TA advance as stated above, there would be no bar for entertaining the claim.

3. In order to keep a watch on the adjustment of advances on TA etc. the Retrenchment Register or Advance Registers should be systematically reviewed every month and proper watch kept on every item. If after the completion of the journey, the TA bill of the concerned Officer is not forthcoming within a month, the advance should be recovered in one lumpsum from next payment of his salary. If the amount to be recovered is more than the net amount payable to him, the recovery of the balance amount maybe made from the next payment of salary of the official. No irregular permission for effecting recovery of unadjusted balance in each installment should be given.

4. Whenever a TA bill is submitted by the official/Officer, it should be scrutinized and got countersigned within one month of its submission and excess drawn advance, if any, adjusted from the next pay of salary as stated above.

5. No fresh advance should be granted to a Government servant so long as the first advance has not been fully adjusted except in cases where there is specific provisions for the second advance.

6. The provisions of charging penal interest on the outstanding advances as incorporated at GID (1) below Rule 2 of Compendium of Rules on Advances [GID (1) and (2) below Rule 394 in this Handbook] should also be insisted upon in cases of delayed admission of TA bills where the amount of advance has somehow not been recovered.

7. In future, the provisions of Rule 311 of FHB Volume 1 discussed above may be strictly observed, as far as adjustment of advance on travelling allowance is concerned. Every effort should be made to avoid the irregularities discussed above while disposing the tour TA bills.

[DG P&T ND no. 17-4-80-PAP dtd. the 7th May 1980]

(2) Claim for LTC to be preferred within three months of completion of return journey- 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.

[Rule 14 CCS (LTC) Rules 1988]

Where an advance has been drawn by a Government servant, the claim for reimbursement of the expenditure incurred on the journey shall be submitted within one month of the completion of the return journey. On a Government Servant's failure to do so, he shall be required to refund the entire amount of advance forthwith in one lumpsum. No request for recovery of the advance in installments shall be entertained.

If the Government servant does not refund the amount of advance in one lumpsum within one month of the completion of the return journey, forthwith the authority which sanctioned the advance should enforce lumpsum recovery of the advance forthwith and once such recovery is made, it should be taken as if no advance had been drawn and the claim allowed to be preferred within a period of three month after the completion of the return journey.

(Rule 15, CCS (LTC) Rules, 1988 read with GI Dept of Per &Trg. OM NO. 31011/28/86-Estt (A)_ dated the 26th March 1987)

(3). Relaxation of LTC Rules- Delegation of powers to Ministries/Departments regarding time-limit for the submission of the claim-Rules 14 & 15 of LTC Rules provide that a claim for reimbursement of expenditure incurred is to be submitted within three months after the completion of the return journey, If no advance had been drawn and within one month after the completion of the return journey if advance had been drawn. It has now been decided to delegate the powers to relax these provisions to the Ministries / Departments, where a Government servant is not in a position to submit the claim within the prescribed time-limit and the Ministry/Department is satisfied that he was not able to do so due to compelling circumstances beyond his control. The Ministry/Department concerned with the concurrence of Financial Advisor can admit the claim in such cases in relaxation of the provisions subject to the following time without reference to DoP&T –

(a) Where no LTC advance is taken, LTC bill submitted within a period not exceeding six months.

(b) Where LTC advance has been drawn, the LTC claim for reimbursement submitted within a period of three months after the completion of return journey (provided the Government servant refunds the Entire advance within 45 days after the completion of the return journey).

2. Ministries / Departments are requested to keep these instructions in view while processing belated LTC claims.

[GI Dept of Per. & Trg. OM No 31011/5/2007-Estt (A), dated the 27th September, 2007].

(4) Advance of Travelling Allowance is admissible to members of Joint consultative Machinery. It has been decided that in order to enable the members of the Staff Side to attend to their work satisfactorily on the Joint councils of National/ Departmental / Regional/Office levels, they would be entitled to the following facilities:-

1 * * * *

2 * * * *

3 * * * *

4. *Advance of travelling allowance-* Advance of travelling as admissible under the normal rules applicable to the member, and payment from imprest, if any, of the rail/road fare both ways may also be granted. The grant of T.A. advance will be subject to the condition prescribed in Compendium of Rules on Advances to Government Servants.

Retired/Ex-employees of the Government who are members of the Joint Councils may be granted an advance of T.A. / D.A. to the extent of 75% of the amount admissible to them subject to the condition they sign an undertaking as in the form annexed.

(GI MHA OM. No. F 8/1/64-JCA, dated the 18th October, 1966 & 3/26/67-TCA dated the 14th May, 1968.]

Form of Agreement for adjustment or refund of advance of travelling allowance given to non-official member of the National Departmental/Regional/Office Council of the

To

The President of India

I,.....Member of the National Council / Regional Council, of the Ministry / Department of.....having received a sum of Rs..... [Rupees (in words).....].

From the President of India for performing journeys connected with my duties as member of the aforesaid Council hereby agree that the amount shall be adjusted against my travelling allowance bill immediately after the completion of these journeys and that I shall forthwith refund to the President any portion of the advance not so adjusted. If for any reason the specified journeys are not performed, I hereby agree to refund forthwith to the President the entire sum of the advance on demand.

The stamp duty, if any, payable on this agreement shall be borne by the Central Government.

Revenue Stamp
Signature of Member.

Rule 312. Superintendents of Post Offices and first class Post masters may sanction the grant of advances for the payment of motor bus fares to cash overseers for daily journeys whenever this is necessary in the interest of the public service subject to the condition that the motor bus fare does not exceed the railway fare admissible under Rule 64 of the Supplementary Rules.

Rule 313. The powers of Competent Authority under Rule 317 and 318 may be exercised by Heads of Local Administrative Departments of the Central Government and Heads of Departments in the case of Officers serving under them.

Rule 314. An advance for the purchase of a Personal computer shall not be granted to a Government servant who is under suspension and, if an advance had already been sanctioned to him before he was placed under suspension, he shall not be permitted to draw such advance during the period of his suspension.

Rule 314-A. The recovery of the amount of an advance shall commence with the first issue of pay, leave salary or subsistence allowance, as the case may be, after the advance is drawn.

Rule 314-B. Recovery of interest- The amount of interest calculated under **Rule 315** shall be recovered in the minimum number of monthly installments; the amount of each such installment being not greater than the amount of the installment fixed for repayment for the principal amount of advance.

Rule 314-C. The recovery of the amount of interest shall commence from the month immediately following that in which the repayment of the advance for the purchase of a motor car is completed.

Rule 314-D. Charging penal interest when purchase not effected within the period - Where the amount of advance is retained beyond one month in contravention of **Rule 316** only the normal rate of interest leviable under **Rule 315** or notified by the Government from time to time should be charged for the first month and that for the period in excess of one month penal rate of compound interest should be charged in the manner indicated below:

- (i) the period of one month, laid down in **Rule 316**, should be a calendar month from the date of drawal of the advance.
- (ii) the penal rate of interest should be calculated on the balances outstanding for the actual period in excess of one month (including fraction of a month) and not on the monthly balances as in the case of recovery of advance under **Rule 315**.

(iii) the penal rate of interest should be levied on the day following the day on which the period of one month prescribed in **Rule 316** expires, but it will not be levied on the day of repayment of advance. The penal interest for any shorter period than complete half-year will be calculated as:

$$\frac{\text{No of days * Rate of interest}}{366}$$

unless any other method or calculation is prescribed in any particular case or class of cases.

(iv) When the period of one month prescribed in Rule 425 is extended by a Competent Authority, the penal rate of interest should be charged with effect from the date following that on which the extended period expires.

NOTE 1-If a penal rate of interest is enforced, it shall not except under special orders of Government, be less than 2.5% per annum above the rate at the advance has been sanctioned.

NOTE 2. In all sanctions granting advances for the purchase of motor car. A provision shall be included for the levy of the penal interest referred to in Government of India's Decision (4) above.

[GoI, Mo.F, O.M. No. F. 16 (1)-E. II (A)/62, dated the 3rd April, 1962 read with Rules 25 and 26 of Compendium of Rules on Advances].

Advance for the purchase of Personal Computer
[See GID (4) below Rule 300]

Rule 315.- *Recovery of Advance*

1. The advance sanctioned for the purchase of a Personal Computer shall be recovered in such number of equal monthly installments as the Government servant may elect, but not exceeding 150.
2. Total recoveries on account of all advances including computer advance, taken by a Government servant shall not exceed 50% of the total emoluments.

Interest

3. Simple interest at such rates as may be fixed by Government from time to time for the motor car advance shall be charged on advances granted to Government servants for the purchase of a Personal Computer.
4. All other conditions laid down in compendium of Rules on Advances regulating the sanctioning of motor car advance will apply to the advance which may be sanctioned for the purchase of a Personal Computer.

GOVERNMENT OF INDIA'S ORDERS

(1). Instructions for the purchase of laptops / notebooks and similar for eligible Officers Revised guidelines- In supersession to this Ministry's OM No F No 8(64) 2016-E-II(A) dated 27th September 2016 regarding purchase of Note Book /Laptop computers by Ministries/Departments and delegation of powers thereof. It has been decided that laptop, tablet, notepad, ultrabook; notebook, net-book or devices of similar categories may be issued to Officers of the rank of Deputy Secretary and above to discharge of official work. These powers shall continue to be exercised in consultation with the Financial Adviser by the Secretary of the Ministry Department or any other authority who is specifically delegated these powers by this requirements and budgetary provisions.

2. This would, however, be subject to the following conditions:-

(i) Cost of device: The Cost of device including Standard software* shall not exceed Rs.80,000.

*Standard Software: Any software (Operating System, Antivirus software or MS-Office, etc.) that is essential for the running of device towards discharge of official functions/duties.

(ii)Purchase Procedures: As prescribed under GFRs/CVC guidelines may be followed.

(iii) Safety, Security and Maintenance of Device: The Officer, who given the device, shall be personally responsible for its safety and security as well as security of data/information, though the devices shall continue to remain Government property. The Officer concerned will be at liberty to get the device insured at his personal cost.

(iv) Retention/Replacement of device:

(a) No new device may be sanctioned to an Officer, who has already been allotted a device, in a Ministry / Department up to five years. Any further issue of laptop in case of loss damage beyond repairs within the prescribed period should be considered only after the cost is recovered from the Officer based on the Book value after deducting the depreciation.

(b) For the purpose of calculation of the book value a depreciation of 25% per year, on straight line method, be adopted.

(c) Post the completion of five years of usage, the Officer shall retain the issued device.

(V) Conditions at the time of transfer, superannuation, etc.

(a) In case where, at the time of purchase of device, if the residual service of the Officer is less than 5 years or in case the Officer is transferred/deputed to State Government but with residual service of less than 5 years or the Officer leaves the Government service within 5 years of purchase of such device, the Officer concerned will have the option of retaining the device by paying the amount after deducting the depreciation.

(b) Upon transfer/deputation of the Officer of the Officer to other Ministry/Department/Attached/Subordinate offices of the Government of India or to the State Government in case of officers of the All India services, the officer will have the option of retaining the existing device and in case of such retention this fact should be specifically mentioned in the last pay certificate.

3. Instructions for Ministries/Departments

(i) For the officials who are currently holding laptops,/ notebooks and similar devices in accordance with the provisions in OM dated 27.09.2016, the terms and conditions of retention/ disposal of the device shall continue to be governed under the existing instructions of the said OM.

(ii) The applicability of the provisions of this order to the officers of Armed Forces/Paramilitary Forces, Officers of MoD and similar establishments would be subject to restrictions imposed by the concerned departments/ organizations duly taking into the consideration the security of information. In all such cases the security of the information shall be the responsibility of concerned department.

4. This is issued with the approval of Secretary (Expenditure).

[GoI, MoF., OM No. F. 8(34)/2017-E. (II)(A) dated 20.02.2018.]

(2). Delegation of Financial Powers to Heads of Circles in the Department of Posts for procurement of Laptop/Notebook-The financial powers For procurement of Laptop / Notebook through GeM are delegated to the Heads of the Circles as indicated below:

Sl. No. of Schedule II	Item of expenditure	Extent of Financial powers	Rules/ orders/ Authority/ Restrictions or scale subject to which the expenditure shall be incurred.
(1).	(2).	(3).	(4).
11 (d)	Procurement of laptop/ notebook through GeM by HoC only.	Upto Rs. 80,000(exclusive of taxes). In each case, subject to limit fixed at Sl. No. 11(a) to 11(c) of schedule II.	(i)As per instructions and conditions contained in MoF, DoE, OM No. 08(34)/2007-E.II(A), dated 20.02.2018 and any other orders issued from time to time. (ii)To be procured through GeM only. (iii)Subject to functional requirement and availability of fund.

2. It may be noted that the above delegation of financial powers has been given to Heads of the Circles for above mentioned purpose who will ensure that all conditions including eligibility will be governed as per order under (i) of Column 4 above.
3. All procedures prescribed in GFRs, 2017 and Government of India instructions issued from time to time should be followed.
4. All the conditions stipulated in the O.M. No. 6-14/87-Fin. Co-ord. (V), dated 26-3-2001 and 6-1/2005-FC (Posts), dated 29-7-2005 as well as those mentioned in Column (4) of above table shall also hold good for the present delegation.
5. Consultation with Circle Internal Financial Advisor shall be necessary while exercising this financial power.
6. The above financial powers may not be further authorized.
7. This order will have immediate effect.
8. This issues with the approval of Competent Authority.

[Department of Posts, O.M. No. 6-1/2019-FC (Posts), dated the 05.04.2019].

Execution of Mortgage

Rule 316. A Government servant who draws an advance in India for the purchase of a motor-car or personal computer is expected to complete his negotiations, and to pay finally, for the car, or personal computer within one month from the date on which he draws the advance; failing such completion and payment, the full amount of the advance drawn with interest thereon for one month, must be refunded to Government. A Government servant shall on the date on which he draws an advance for the purchase of a motor-car/computer execute an agreement in Form II or in Form III. On completing the purchase of the motor car/computer, he shall also execute or mortgage bond in Form IV and/or V as the case may be, hypothecating the motor car/computer to the President as security for the advance.

Note 1 – The Head of Department may, in exceptional cases, extend the period of one month prescribed in this rule upto two months. When a Government Servant refunds the full amount of the advances before the end of the month in which it was drawn for the purchase of a motor car, the interest may be recovered for the actual period the advance was retained by the Government servant.

Note 2- Where only one advance is sanctioned i.e. for the purchase of the motor car or for the payment of customs duty or where only one advance is sanctioned for both the purchase of a motor car and the payment of customs duty, the mortgage bond should be executed in Form IV

with the necessary changes. Where an advance for the payment of customs duty is sanctioned after the motor car has been purchased with an earlier advance, a bond in Form V should be executed. The mortgage bond should be executed by the authority who has sanctioned the advances to Government servant for the purchase of conveyance.

Government of India's Decisions

(1) Cash receipt should be produced within the prescribed period for scrutiny- The sanctioning authority should ask the Government servant submit the cash receipt within the prescribed time for scrutiny to ensure that the advance has been utilized for the purchase of conveyance/computer within the prescribed period and that the "actual price" as defined in Notes 1 to 3 below Rule 21 (3) of Compendium of rules on Advances to Government servants is not less than the amount of advance. A certificate to this effect that the cash receipt has been received and after scrutiny it has been verified that the amount of advance has been fully utilized for the purchase of the conveyance/Computer within the prescribed period and the "actual price" as defined in Notes 1 to 3 Rule 21 (3) of Compendium of rules on Advances to Government servants is not less than the amount of the advance, should invariably be furnished to the Accounts Officer concerned. Thereafter the cash receipt may be returned to the borrower.

[GID (5)(issued vide MoF.O.M. No. F. 23 (4)-E. II (A)/89, dated the 8th June, 1989 reproduced below Rule 28 of Compendium of Rules on Advances)

(2).When mortgage bond is not executed in time-The failure to execute a mortgage bond in time will render the Government servant drawing the advance liable to refund forthwith the whole of the amount of advance with interest accrued unless good and sufficient reason is shown to the contrary and the Competent Authority waives the condition prescribed in this regard. (GI MF OM No. F 16(4)-E II (A)/64 dated the 4th January 1965)

Rule 317.When an advance for the purchase of a motor-car is drawn, the sanctioning authority will furnish to the Account Officer concerned a certificate that the agreement in Form II or III as the case may be has been signed by the Government servant drawing the advance and that it has been examined and found to be in order. The sanctioning authority should see that the motor-car/computer is purchased, within one month from the date on which the advance is drawn and should submit every mortgage bond promptly to the Account Officer concerned for examination before final record.

The mortgage bonds should be kept in the safe custody of the sanctioning authority. When the advance has been fully repaid, the bond should be returned to the Government servant

concerned, duly cancelled, after obtaining a certificate from the Accounts Officer as to the complete repayment of the advance and interest.

Rule 318. A Government servant shall not sell or transfer motor car /personal computer for so long as the amount of the advance together with the interest on such amount is not completely repaid, except with the permission of the Competent Authority.

Note – The authority sanctioning the advance and with whom the mortgage bond has been kept, would be the Competent Authority to accord permission for the sale or transfer of the vehicle/computer even when the Government servant has been transferred to another Administration.

In all cases in which such conveyance/computer is sold before the amount of advance and interest thereon is fully repaid, the sale proceeds must be applied so far as may be necessary, towards the repayment of such outstanding balance. Provided that when the conveyance/computer is sold only in order that another conveyance/computer may be purchased, the authority competent to sanction the advance may permit a Government servant to apply the sale proceeds towards such purchase, subject to the following conditions;-

- a)The entire sale proceeds of the old conveyance/computer should be applied towards the purchase of a new purchased conveyance/computer.
- b)The amount of advance outstanding should not be permitted to exceed the cost of the newly purchased conveyance/computer.
- c)The amount outstanding should continue to be repaid at the rate previously fixed.
- d)A fresh mortgage bond in Form V-A, should be executed in favour of the President for the amount then due and not for the amount originally advanced.
- e)If the sale proceeds are not sufficient to purchase another conveyance/computer, the amount of second advance shall be restricted to the excess of the price of the newly purchased conveyance/computer over the sale proceeds of the old one, provided that the advance so granted together with the balance outstanding in respect of the original advance previously granted should not exceed the price of the newly purchased conveyance/computer.
- f)The newly purchased conveyance/computer should be mortgaged to the Government.

Government of India's Decisions

Conditional transfer to another Government servant- If a Government servant seeks permission to transfer a motor car to another Government servant who should use a motor car in the discharge of his duties, he may be permitted to transfer the liability attaching to the car to the latter, provided that the transfer records a declaration that he is aware that the motor car

transferred to him remains subject to the mortgage bond and that he is bound by the terms and provisions.

(GID (1) below Rule 27 of Compendium of Rules on Advances)

Note:-There will be no change in the procedure of recovery and adjustment against the advances sanctioned prior to 07.10.2016.(i.e. the date of effect of issue of GoI, Ministry of Finance, Department Of Expenditure OM No. 12(1)/E.II (A)/2016 dated 07.10.2016).

Acknowledgment of Balance

Rule 319. The following procedure is to be followed for facilitating prompt acceptance of balances outstanding as on 31st March every year in respect of Loans and Advances granted to Government servants:-

i) In respect of long-term advance referred to in Rule 307, the Circle Postal Accounts Office will verify the outstanding balance shown in the schedules of recovery that are available in HR module. This will be verified with the information submitted by the drawing and Disbursing Officers either in the form of schedule or in a statement. The CPAO will verify this information and if any discrepancy is noticed the same may be communicated to the office concerned and get the error rectified.

ii) In respect of short-term advances, each Drawing Officer will record a certificate on the monthly abstract for the month of April each year that “This total (namely Rs...) on the amounts outstanding on 31st March 20.....(excluding recoveries from pay bill for March) against employees on the rolls of the office on that date and accepted by them individually as correct, is equal to the closing balance indicated in the abstract for February, plus payments made minus repayments received in cash during March of that year”.

Note:- However advances other than Computer Advance have been discontinued/abolished vide GoI,DoE OM No. 12(1)/E-II/(A)/2016 dated 07.10.2016.

CHAPTER XIII
Sanctions
GENERAL

I.—Powers of sanction

Rule 320. The financial powers delegated by the President to the various Officers of the Department of Posts are given in the "Schedule of Financial Powers of Officers of the Department of Posts".

Unless otherwise provided by any special rule or order of Government, a higher authority may exercise the powers delegated to an authority subordinate to it.

Indication of the source of Appropriations in the sanction to expenditure

Rule 321. In all applications for sanction to expenditure it should be distinctly stated whether provision for the proposed charge has, or has not, been made in the budget estimates of the year, and, if it has not been made, whether the funds can be found by valid re-appropriation. Authorities which sanction the expenditure shall verify the provision for the data in the Budget module to see that the provision for the charge exists and considered for valid appropriation.

Rule 322. Authorities which sanction new expenditure after funds have been communicated, should be careful to indicate the source of appropriation.

Where it is desired to sanction expenditure before funds have been communicated, as may be necessary in order to avoid delay in starting work at the beginning of a new financial year, or to prevent duplication of orders, the authority which does so should be careful to add the words "subject to funds being communicated in the budget of the year."

Note :- Vague expressions such as, "Subject to budget provision" should be carefully avoided in conveying sanction to expenditure.

Date of effect of sanction

Rule 323. Statutory Rules made by the President and sanctions or orders issued by the President or the Central Government or any other authority, shall have effect from the date of issue of the resolution promulgating the rules, or of the letter or memorandum conveying the sanction or orders, subject to any special provisions as to the date of effect in the rules or resolutions or sanction of order themselves.

Subject to fulfillment of the provisions as contained in the Delegation of Financial Powers Rules, all rules, sanctions or orders shall come into force from the date of issue unless any other date from which they shall come into force is specified therein.

Date of creation to be indicated in sanctions for temporary posts: Orders sanctioning the creation of a temporary post should, in addition to the sanctioned duration, invariably specify the date from which it is to be created.

Retrospective sanctions: Retrospective effect shall not be given by competent authorities to sanctions relating to revision of pay or grant of concessions to Government servants, except in very special circumstances with the previous consent of the Finance Ministry.

Instruction for retrospective creation of posts:- The Authorities competent to create posts should ordinarily not resort to their creation retrospectively. The appointing Authorities should also avoid making appointments against posts in anticipation of their creation since such a course of action will lead to administrative difficulties in the event of the posts not being sanctioned ultimately. It should be ensured that all proposals for creation of posts are sponsored by the concerned authorities well in advance of the making of appointments against posts yet to be created. It is only in very exceptional circumstances (which should be recorded in writing by the Competent Authority) that creation of posts with retrospective effect and/or making of appointments against posts in anticipation of their creation might to be resorted to. Where retrospective effect for a period exceeding three months is to be given while creating a post, the proposal should be referred, with full justification therefore, to the Ministry of Finance for prior concurrence. This decision does not, however, apply to the orders of extension/continuance of the existing posts created by the competent authorities.

[Extract from Rule 27(2) and Rule 267 of GFR 2017 and MoF OM no. F.I(34)-E.II(A)/66 dated 03.08.1967.]

Lapse of sanction

Rule 324. A sanction for any fresh charge which has not been acted on for a year must be held to have lapsed unless it is specially renewed.

Exception:-A sanction for a Provident Fund advance will remain operative for a period of three months and should be deemed to have lapsed after this period unless it is specifically renewed.

NOTE 1.—This order does not apply to a case where an allowance sanctioned for a post or a class of Government servants has not been drawn by a particular incumbent or incumbents nor does it apply to additions made gradually from year to year to a permanent establishment under a general scheme which has been sanctioned by Competent Authority.

NOTE 2.—Special rules for regulating administrative approvals and sanctions to expenditure on works are contained in the Postal Manual, Volume X (Provisional Issue).

NOTE 3.— When there is a specific provision in a sanction for any fresh charge that the expenditure would be met from the budget provision of a specified financial year, such sanction will lapse on the expiry of the specified financial year.

NOTE 4.—In the case of purchase of stores, a sanction shall be deemed to have been acted upon if tenders have been accepted (in the case of local or direct purchase of stores) or the indent has been placed (in the case of central purchases on the Central Purchase Organization) within the prescribed period of one year of the date of issue of that sanction even if the actual payment in whole or in part has not been made during the said period.

NOTE 5 - Notwithstanding anything contained in Rule 324, a sanction in respect of an addition to a permanent establishment, made from year to year under a general scheme by a Competent Authority, or in respect of an allowance sanctioned for a post or for a class of Government servants, but not drawn by the Officer(s) concerned, shall not lapse.

[Extract from Rule 31 of GFR 2017.]

Reduction or discontinuance of sanction

Rule 325. If a sanction for a particular expenditure has originally been duly accorded by a Competent Authority (viz. the Director General or the Government as the case may be) and has not been worded as for a definite amount but for an amount not exceeding a definite sum, fresh sanction of the Competent Authority will not be required if the expenditure is subsequently reduced or discontinued but it will suffice if the Head of a Circle or any of the Officers mentioned below, as the case may be, Gives timely intimation of such reduction or discontinuance of the expenditure to the Accounts Office concerned. This procedure will apply to such expenditure as payment of subsidies to contractors, of rents to house owners for accommodations supplied to the Postal Department or on account of recurring contingencies, but not in regard to expenditure relating to posts for the reduction or abolition of which the formal orders of Competent Authority should be obtained in each case. Sanction of the Competent Authority to the renewal of an expenditure once discontinued by a Head of a Circle or other Officer as mentioned below should, however, be obtained afresh :—

1. Director in the Department of Posts.
2. The Superintendent, Postal Seals, Aligarh.
3. The Director, Postal Training Centre.

NOTE 1.—The procedure laid down in this rule will apply not only to sanctions which may be issued hereafter by the Government or the Director General but also to sanctions, issued before provided they conform to the conditions mentioned in the rule.

Rule 326. If a sanction for an estimated amount of expenditure viz., not exceeding a definite sum has originally been accorded by a Competent Authority, a further sanction for the actual expenditure will not be necessary so long the actual expenditure remains within the sanctioned amount. A revised sanction will however, be necessary in case the actual expenditure exceeds the sanctioned amount. This will apply to all expenditure sanctions except sanctions relating to posts.

II.—Communication of Sanction

General Rules

Rule 327. As a general rule, every sanctioning authority is responsible that all sanctions and orders against which audit of receipts and disbursements is to be conducted in the Circle Postal Accounts Office are communicated to it.

NOTE.—Sanctions and orders accorded by the President and the Central Government are communicated to the Postal Accounts Office concerned, and where necessary also direct to the Audit Office concerned.

Rule 328. Orders affecting the personal emoluments, postings, leave, etc., of Gazetted Government servants should also be forwarded to the Accounts Officer concerned, this being e-data available as e-data in application.

Rule 329. All orders revising sanctioned scales or sanctioning the creation or abolition of permanent or temporary including experimental posts should at once be communicated by letter to the Circle Postal Accounts Office/P&T Audit office.

Rule 330. In the following cases, copies of sanctions should also be sent to the Circle Postal Accounts Office:—

(1) Orders affecting the personal emoluments, postings, leave, etc. of the following classes of Officers:—

(a) Deputy Directors General, Postmasters-General and General Managers.

(b) Training Reserves for Indian Postal Service, Class I.

(2) Orders regarding delegation of powers.

(3) Orders regarding allotment of funds issued by the Director General.

(4) Sanctions to payments from the grant placed at the disposal of the Director General for the benefit of employees of the Department.

(5) General orders issued by the Director-General which are likely to affect the accounts procedure.

(6) General sanction and Orders of financial character issued by the Director-General affecting more than one branch of Accounts Office.

Rule 331. All orders conveying sanction to the grant of additions to pay, such as special pay and compensatory allowance, should contain a brief but clear summary of the reasons for the grant of the addition so as to enable the Audit/Accounts Office to see that it is correctly classified as special pay or compensatory allowance, as the case may be. In cases in which an official record in an open letter is considered undesirable, the reason for the grant of such additions to pay should be communicated confidentially to the Audit/Accounts Office. A similar procedure should also be followed in all other cases in which the rules require that reasons for the grant of special concessions or allowances should be recorded.

Sanctions of write-off

Rule 332. All sanctions for writing off of the irrecoverable value of stores or public money lost by fraud, etc., or like stock, or of losses of revenue or of irrecoverable advances shall be communicated to the Accounts Officer with such particulars as would enable that Officer to bring to notice any defect of system which may require attention.

Sanctions of Remission

Rule 333. All sanctions for waiving recovery of amounts disallowed by an Audit/Accounts Officer or otherwise found to have been overpaid to a Government servant shall be dealt in accordance with the provisions of the Delegation of Financial Powers Rules, and instructions issued there under and should be communicated to the Accounts Officer. The reason for the remission shall invariably be recorded in the Sanctions. Copies of sanctions shall also be forwarded to the Audit/ Accounts Officer concerned.

Procedure of Communication

Rule 334. The powers of the Central Government which are not delegated to any Ministry of that Government vest in the Ministry of Finance of that Government, and orders issued under such powers are communicated to the Controller General of Accounts (CGA), by the Ministry of Finance. If an order sanctioning expenditure be sent to the CGA direct from a Ministry, other than the Ministry of Finance, and that Ministry is not empowered to sanction the expenditure, the CGA will not refuse obedience but will report to the Ministry of Finance that such an order has been issued and request that it may be communicated to him by the Ministry of Finance in ordinary course.

NOTE 1.—The decisions of the Postal Board is to be promulgated as orders emanating from the President and are to be issued over the signature of an Officer authorized to authenticate the orders issued in the name of the President. The financial sanctions issued in the exercise of the powers delegated to the Postal Board should be endorsed to Audit over the signature of a similar Officer, viz., an Officer of the Postal Directorate—who is competent to authenticate orders issued in the name of the President.

NOTE 2.—Orders and other instruments made and executed in the name of the President shall be authenticated by the signature of a Secretary, special Secretary, Additional Secretary, Joint Secretary, Deputy Secretary, Under Secretary to the Government of India, or in the case of orders and other instruments relating to the Postal Department, by the Secretary Posts, Chief Engineer (Civil/ Electrical), DoP, a Deputy Director-General, a Director in the Postal Directorate, and an Assistant Director-General.

Rule 335. (a) All financial sanctions and orders issued by a Ministry within its own financial powers as a Ministry of the Central Government will be communicated direct to the Postal Accounts Office concerned. All financial sanctions issued with the concurrence of the Ministry of Finance are sent by the Ministries/Departments of the Central Government direct to the Accounts Officer of the PAO concerned indicating in such sanctions the number and date of the U. O./O. M./letter of the Ministry of Finance (Department of Expenditure) conveying their concurrence. One extra copy of such sanctions should be sent to the Head of the Accounts office by the administrative Ministry/Department concerned. This extra copy will not be signed by the Officer of the Ministry/Department issuing the sanction and will be marked prominently 'Duplicate—not for payment'. It will be sent to the Head of Accounts Office concerned by designation and enclosed in the same cover along with the signed copy of the sanction meant for payment by the Accounts Office. An extra copy is to be sent only in the case of a sanction issued with the concurrence of the Ministry of Finance and not in the case of a sanction issued by a subordinate authority within its own financial powers.

NOTE.—The Director General or any other Gazetted Officer in the Directorate on his behalf has been authorized by the President to communicate to Audit orders or other proceedings, other than financial sanctions, issued by the Communications, Ministry of the Government of India.

(b) Sanctions and orders of any other authority to which the power of sanction has been delegated will be communicated to the Head of the Postal Accounts Office that authority.

NOTE.—All sanctions issued by the Head of a Department may be signed and conveyed to Audit office/Accounts office by an authorized Gazetted Officer of his office.

(c) In all orders conveying sanctions to expenditure of a definite amount or upto a specified limit, the amount of sanction should always be expressed both in words and in figures.

(d) In cases where a sanction involving authorization of payment by an Accounts Officer is communicated to more than one such Officer with a view to avoiding the risk of payment by more than one Accounts Office on the same, the particular Accounts Office, who should arrange for the payment should be specified in the text of the sanction.

(e) All financial sanctions and orders involving payments from Government funds should be signed by the Officers concerned and should not be conveyed over cyclostyled signatures. They should be communicated to the Audit Officer /Accounts Officer duly signed by an authorized Gazetted Officer. There is, however, no objection to the making out of extra copies of sanctions including signatures by cyclostyled process. This procedure applies to expenditure sanctions only and not to all financial sanctions in general. Sanctions relating to delegation of powers to subordinate authorities, may, however, continue to be issued under cyclostyled signatures.

NOTE - in cases in which the documents relating to any sanction or order are deemed secret, a statement of fact signed by the President in lieu of those documents will be accepted by the Head of the Postal Accounts Office.

Rule 336. If any orders have been issued by any Ministry of the Government with the concurrence of the Comptroller and Auditor General, it will be mentioned in the endorsement to the Audit office/Accounts office that the orders have been issued with the concurrence of the Comptroller and Auditor General.

Extract of procedure to be followed for communication of financial sanctions and orders as per Rule 29 of GFR 2017 is reproduced as below:-

Rule 29 of GFR 2017

All financial sanctions and orders issued by a Competent Authority shall be communicated to the Audit Officer / Accounts Officer. The procedure to be followed for communication of financial sanctions and orders will be as under:-

(i) All financial sanctions issued by a Department of the Central Government which relate to a matter concerning the Department proper and on the basis of which payment is to be made or authorized by the Accounts Officer, should be addressed to him.

(ii) All other sanctions should be accorded in the form of an Order, which need not be addressed to any authority, but a copy thereof should be endorsed to the Accounts Officer concerned.

(iii) In the case of non-recurring contingent and miscellaneous expenditure, the sanctioning authority may, where required, accord sanction by signing or countersigning the bill or voucher, whether before or after the money is drawn, instead of by a separate sanction.

(iv) All financial sanctions and orders issued by a Department of the Central Government with the concurrence of the Internal Finance Wing or Ministry of Finance, as applicable, should be communicated to the Accounts Officer in accordance with the procedure laid down in Rule 25 of the Delegation of Financial Powers Rules, 1978, and orders issued there under from time to time.

(v) All financial sanctions and orders issued by a department with the concurrence of the Ministry of Home Affairs or Comptroller and Auditor General of India or Department of Personnel should specify that the sanction or orders are issued with the concurrence of that Department along with the number and date of relevant communication of that Department wherein the concurrence was conveyed.

(vi) All orders conveying sanctions to expenditure of a definite amount or up to a specific limit should express both in words and figures the amount of expenditure sanctioned.

(vii) Sanctions accorded by a Head of Department may be communicated to the Accounts Officer by an authorized Gazetted Officer of his Office duly signed by him for the Head of Department or conveyed in the name of the Head of the Department.

(viii) All orders conveying sanctions to the grant of additions to pay such as Special Allowance, Personal Pay, etc., should contain a brief summary of the reasons for the grant of such additions to pay so as to enable the Accounts Officer to see that it is correctly termed as Special Allowance, Personal Pay, etc., as the case may be.

(ix) Orders issued by a Department of a Union Territory Government where Audit and Accounts (a) have not been separated shall be communicated direct to the Audit authority; (b) have been separated, copies shall be endorsed to the Audit authorities.

In case of sanctions in respect of matters, where reference was made to the Central Government under the Rules of Business framed under Section 46 of the Government of Union Territory Act, 1963, the following clause shall be added in the sanction endorsed to Audit:- " A reference had been made in this case to the Central Government and the above order/letter conforms to the decision of the Central Government vide Government of India, Ministry / Department ofletter numberdated.....".

(x) Copies of all General Financial Orders issued by a Department of the Central Government with the concurrence of the Comptroller and Auditor General of India shall be supplied to the Comptroller and Auditor General of India.

(xi) Copies of all sanctions or orders other than the following types should be endorsed to the Audit Officers:-

(a) Sanctions relating to grant to advances to Central Government employees.

- (b) Sanctions relating to appointment or promotion or transfer of Gazetted and non-Gazetted Officers.
 - (c) All sanctions relating to creation or continuation or abolition of posts.
 - (d) Sanctions for handing over charge and taking overcharge, etc.
 - (e) Sanctions relating to payment or withdrawal of General Provident Fund advances to Government servants.
 - (f) Sanctions of contingent expenditure incurred under the powers of Head of Offices.
 - (g) Other sanctions of routine nature issued by Heads of Subordinate Officers (other than those issued by Ministries or Departments proper and under powers of a Head of Department).
- (xii) Sanctions accorded by Competent Authority to grants of land and alienation of land revenue, other than those in which assignments of land revenue are treated as cash payment, shall be communicated to the Audit and/ or the Accounts Officer, as the case may be, in a consolidated monthly return giving the necessary details.

CHAPTER XIV

Deposits

I.— GENERAL

Rule 337. The treatment of the following items as deposits is prohibited:—

(i) No pay, pension or other allowances should be placed in deposit on the ground of the absence of the payee or for any other reason.

NOTE.—When a pension is granted to several persons jointly, it may not be drawn on the appearance of one claimant only and payment of his computed share made, the balance being placed in deposit.

(ii) As provided in Rule 282 no refunds, whether of stamps or of other receipts, can be drawn to be lodged in deposit pending demand by the payee.

Rule 338. No moneys shall be received for deposit in the Public Account, unless they are such as by virtue of any statutory provision or of any general or special orders of the Government are required or authorized to be held in the custody of the Government.

II.—Security Deposits

Introductory

Rule 339. The classes of employees of the Department who are required to furnish securities, and the amount of such securities, and the conditions under which the securities are held by Officers of the Department have been set out in Chapter 5 of the Postal Manual, Volume II. Also, a detailed procedure has been laid down in Rule 306 of GFR 2017. All security deposits of employees and contractors should be covered by a bond or agreement setting forth the conditions under which the security is held and may ultimately be refunded or appropriated.

Recovery of Cash Deposits from Employees.

Rule 340. Though a detailed procedure for furnishing of security by Government servants handling cash has been defined under Rule 306 (3) of GFR 2017 yet the same is reproduced for the further clarity of users of this Hand Book:-

Rule 306 (3) -Security should be furnished in the form of a Fidelity Bond in GFR 17, the security bond should be executed in Form GFR 14. The Administration shall see that the government servant pays the premia necessary to keep the Bond alive, for which the government servant shall submit premium receipt in time. If the government servant fails to submit the premium receipt he shall not be allowed to perform the duties of his post and he shall be dealt with in accordance with the terms of his appointment.

Deposits of Government Promissory Notes

Rule 341. Government Promissory Notes and Post Office certificates tendered by private persons or bodies for deposit under the Deposit Account system shall be subject to the same procedure as is applicable to them when tendered as security deposits by Government servants.

Rule 342. Government paper tendered as security should be taken at 5 per cent, below the current market rate or at the face value whichever is less, at the time of deposit. In the event of such security appreciating or depreciating no readjustment of the value of Government paper should be made unless the rise or fall of the market value is such as to render it necessary to call upon the depositor to produce further Government paper to the extent of at least Rs. 100 or to return to the depositor Government paper to the same extent. Even then no such adjustment should be made unless after such adjustment there is still a reasonable margin between the market value of the Government paper tendered and the amount of the security necessary.

Rule 343. It is of great importance that a Government Officer should not in his official capacity receive or in any way deal with promissory notes if the title of the presenter, depositor or other person from whom they are received is not absolutely clear or is in any way defective. Before, therefore, accepting such a note he should carefully scrutinize the endorsement on it in the light of the instructions given in Chapter 5 of the Government Securities Manual. If he has reason to think that any of the endorsements (i.e., not only the last endorsement) is irregular, or if, for any other reason he is not satisfied as to the title of the person presenting a note, he should refuse to accept it and should instruct the presenter to get it renewed by the Public Debt Office.

Rule 344. When the Government promissory notes are to be deposited with a Government Officer for a period of more than twelve months and it is the wish of the depositor to draw interest on them during the period of deposit, the latter should be required to draw all interest due upon them at the time and to endorse them as follows:—

"Pay to the Director General, Department of Posts"

Rule 345. When a Government Officer receives Government promissory notes to be deposited with him for more than 12 months which have been endorsed as prescribed above, he will forward them uncut insured on Postal Service for custody to the General Manager (PA&F), Postal Accounts Office, Kolkata, together with a covering list in duplicate in Form ACG -82

NOTE 1.—The General Manager (PA&F), Postal Accounts Office, Kolkata, will, after examination, return the duplicate copy to the forwarding Officer with an acknowledgement of receipt.

Rule 346. (a) Government Promissory Notes forwarded to the General Manager (PA&F), Postal Accounts Office, Kolkata in accordance with Rule 345 will merge into and form part of the total holdings of Government securities held by the Director General, Posts. The interest falling due

on the total holdings of the Government securities will be drawn by the General Manager (PA&F), Postal Accounts Office, Kolkata and distributed by him periodically (after deducting the proper Income-tax and Commission) by payment orders among the depositors.

NOTE.—The interest may be paid by a Post Office either in cash or if the full amount of Security has not been reached, by credit to the Security Deposit Account of the pledger provided that the limit of the Security Deposit account is not thereby exceeded. In either case the amount shall be charged in the schedule of unclassified payments..

(b) The currency of these orders of payments is limited to six months. If any are presented for payment after that period the presenter should be referred to the Officer who issued the order.

(c) On application to the General Manager (PA&F), Postal Accounts Office, Kolkata, by the Officer who forwarded them, notes so deposited will be returned or sold. General Manager (PA&F), Postal Accounts Office Kolkata save where he has received orders from the Government that the securities pertaining to any endowment are not to be sold or given without orders of Government, acts purely as the agent of the Officers from whom he received the notes; and the latter are responsible for the sale, realisation or return of notes in accordance with the conditions of the endorsement.

NOTE 1.—It should be observed that when a note is delivered up under this rule, it will not be the identical note which was sent for custody, but only another note of the same loan or of the loan to which the original note was transferred.

NOTE 2.—An Officer applying for delivery of a note should always specify at what Treasury he wishes it to be enforced for payment of interest.

NOTE 3.—Stock certificates will be sent in lieu of promissory notes, if so desired.

Rule 347. When promissory notes are to be deposited with a Government Officer for 12 months or less or when they are deposited for more than 12 months but a depositor does not desire to draw any interest during the period they will remain in the name of the depositor and shall not be endorsed by him to any Government Officer. The Government Officer receiving the deposit will see that the notes stand in the name of the depositor and that the contract or other document executed by the depositor conveys authority to Government to appropriate or cancel the notes if the contract is not fulfilled. After satisfying himself on these points the Government Officer receiving the deposit will lodge the notes for custody with the General Manager (PA&F), Postal Accounts Office Kolkata. In exceptional circumstances only the depositor may draw interest on these notes by tendering receipts in the usual form countersigned by the Government Officer with whom he deposited them.

Rule 348. (a) Government promissory notes received for safe custody under the preceding Rules must at once be entered in a register in Form Section 19 but no record need be made in it of any interest payments.

(b) A receipt should be given for all notes so deposited in the same form as the register, the column giving particulars of the return being omitted. The receipt should be reclaimed when the notes are returned.

(c) The return of the note should be noted at once in the register in the column provided for the purpose.

Rule 349. (a) If it is desired to sell a promissory note held in custody, application should be made to the General Manager (PA&F), Postal Accounts Office, Kolkata who will arrange for the sale and will remit the proceeds.

(b) When a Government Officer desires to purchase a Government Promissory note on account of any fund which he holds in fiduciary capacity, he should forward to the General Manager (PA&F), Postal Accounts Office, Kolkata, a Government draft, along with an application for the purchase, for a sum equivalent to the market value of the note he wishes to purchase plus 5 per cent, to cover any payment that may be necessary on account of the interest due on the note and other incidental charges. On receipt of the remittance and the application, the General Manager (PA&F), Postal Accounts Office, Kolkata will effect the transaction and furnish to the Government Officer on account thereof an order for the refund of the balance if any, and either a safe custody receipt in respect of the note or the note itself according as it is desired to be retained or returned to the Government Officer.

NOTE 1.—An Officer applying for the purchase of a promissory note should always specify the loan to which the note desired to be purchased will appertain.

NOTE 2.—When a security deposit is held in the Post Office Savings Bank, the Officer to whom the Savings Bank Pass Book is pledged may, if the depositor so desires invest the amount of the deposit in Government securities through the General Manager (PA&F), Postal Accounts Office, Kolkata. If desired, the notes after purchase may also be kept in the custody of the General Manager (PA&F), Postal Accounts Office, Kolkata, in the name of the pledgee and interest on them credited to the depositor's Saving Bank Account.

Rule 350. In addition to any actual outlay on brokerage, a commission or one-eighth per cent, is charged by the General Manager (PA&F), Postal Accounts Office, Kolkata for the purchase and sale of promissory notes. A commission as notified by the Government from time to time is charged by the GM (PAF), PAO, Kolkata for the purchase and sale of promissory notes.

NOTE —Such exemption will also apply to investments made through the Post Office Savings Bank referred to in Note 2 to Rule 349.

Rule 351.The General Manager (PA&F), Postal Accounts Office, Kolkata is required to publish at the end of each calendar year a list of the notes in his custody. Every Government officer, with whom a note has been deposited ex-officio should watch for this publication and bring to notice any omission or error with which he is concerned. The list is despatched to the Government of India Press on or before the 5th February every year for publication in the Gazette of India.

Deposits of Post Office Certificates

Rule 352. (a) Post Office certificates may be accepted by a Government officer as Security at their Surrender value at the time of tender, provided that the holder formally transfers the certificates, with the permission of the Postmaster to the pledgee. The Certificates may with the sanction of the Postmaster, be retransferred by the pledgee to the original holder when they are no longer required as security.

(b) When a certificate to be pledged is purchased through a security deposit account and the account stands in the name of the pledgee, the application for the purchase of the certificate should be signed by the pledgee. The certificate should be issued in the name of the pledgee, who will, [or the General Manager (PA&F) if the certificate is kept in his custody] on release of the pledge, formally transfer the certificate acknowledgement to the pledger with the permission of the Postmaster.

(c) If the account has been opened by the pledger, the applications for purchase should be signed by the pledger, he being the real depositor, but he must produce the pledgee's authority sanctioning the investment. The pledger should, in his application for purchase, authorize the issue of the certificate in favour of the pledgee, who will, on release of the pledge, effect the formal transfer to the pledger as described in clause (b). The pledgee's authority should be kept attached to the application. If security is furnished by the purchase of certificates on the instalment plan and the certificate-, are delivered to the pledgee, his authority should be filed with the original application and a note should be made on the succeeding applications of the serial number of the application with which the authority to pledge the deposit is to be found.

(d) In order to avoid frequent transfers which would be involved in consequence of change of incumbents, pledgees may be allowed to hold the certificates as security in their official capacities only.

(e) When, however, the whole or part of the security deposit of the certificates has to be credited to Government in recovery of departmental claims or is forfeited by order of the officer to whom they are pledged the latter may encash the certificates and credit to Government the whole or part, as the case may be of the proceeds.

Security Deposits of Contractors

Rule 353. The details are available in *Annexure* to this statement-

ANNEXURE

Security accompanied by a bond should be taken except as provided in Rule 430 of Postal Manual, Volume-II, for due fulfilment of a contract, unless any other form of security has been specifically approved by Government in any particular case. The security should be in one of the following forms subject to the conditions noted against each or partly in one and partly in another of those forms when this is specially permitted by the authority authorized to accept the security:

Forms	Conditions
(i) Cash	Government will not pay any interest on any deposit held in the form of cash.
(ii) Promissory Notes and stock certificates of Central Govt. or State Government, Municipal Debentures. Port Trust Bonds and/or debentures issued by the State Financial Corporations.	The Security deposit should be opened in accordance with the Post Office Savings Bank Rules and pledged to the Head of the Circle or the other authority concerned.
(iii) A Security Deposit of cash made in the Post Office Saving Bank.(Post Office Savings Bank Pass Books)	The Security deposit account should be opened in accordance with the Post Office Savings Bank Rules and pledged to the Head of the Circle or the other authority concerned. The Pass book should be delivered to the authority authorised to accept the security.
(iv) Post Office Cash Certificates	The procedure prescribed in Rule 352 Should be followed
(v) Deduction of 10 percent from the monthly payment to be made on account of work done.	This kind of security should not be converted into any other form of security unless there is a special rule or order for such conversion.
(vi) Personal securities of two persons of known probity and substance.	Security by means of a special bond should not be accepted where the sureties have no property or business in India to cover the amount of security.
(vii) Treasury Savings Deposit Certificates	They can be transferred by endorsement, to a Gazetted Govt. Officer in his official capacity. No second endorsement is, however, permissible In respect of Postal contracts these certificates should be got endorsed by the contractor to the Director General, Department of Posts direct and sent to the., Director of Postal Accounts, G.S. Section, ,Kolkata for safe custody and recovery of interest.
(viii) Deposits receipts of all Scheduled Banks	(1)The deposit receipts shall be made out in the name of the pledgee, or, if it is made out in the name of the pledger, the Bank shall certify on

	<p>that the deposit can be withdrawn only on the with demand or with the sanction of the pledgee. The Bank shall agree that on receiving a signed treasury challan and a withdrawal order from the pledgee in respect of the deposit, or any part thereof, it will at once remit the amount specified into the nearest Treasury along with the challan and send the treasury receipt to the pledgee.</p> <p>(2) The depositor shall agree in writing to undertake any risks involved in the investment and make good the depreciation, if any.</p> <p>(3) The depositor shall receive the interest when due, direct from the Bank on a letter from the pledgee, authorizing the Bank to pay it to him</p> <p>(4) The responsibility of the pledgee in connection with the deposit and the interest on it will cease when he issues a final withdrawal order to the depositor and sends intimation to the Bank that he has done so.</p>
<p>(ix) Fidelity Bond from any one of the following four subsidiaries of General Insurance Corporation of India:-</p> <p>(a) National Insurance Company Limited:</p> <p>(b) New India Assurance Company</p> <p>(c) Oriental Fire and General Insurance Company Limited</p> <p>(d) United India Fire and General Insurance Company Limited</p>	<p>Fidelity Bond in Form GFR-34 may be accepted as security from a Government servant but not from a private party. When a Government servant has furnished security in Form GFR-34 the departmental authority authorized to accept security under Rule 202 shall see that the Government servant pays the premia necessary to keep it alive on the due dates and continues to do so until he vacates his office. If the Government servant fails to submit the premium receipts in time, he shall not be allowed to perform the duties of his post and dealt with in accordance with the terms of his appointment.</p>
<p>(x) Any other form of security approved by Government for acceptance in any particular departments such as, mortgages on real property and personal security</p>	<p>These securities may be accepted only in accordance with the rules and conditions laid down in the relevant departmental regulations or by special orders of Government.</p>
<p>(xi) Cheques/Drafts issued by Scheduled Banks/ Co Operative Banks</p>	<p>Cheques/Drafts may be accepted as security from private contractors/suppliers. When a contractor/supplier has furnished a cheque/draft, the authorities concerned shall ensure that the</p>

	cheque/draft is encashed immediately and the contract is allotted only after the encashment of Cheque/draft.
<i>[GoI.MoF. OM No. F8(1)-E.II (A) /77, dated 12th September, 1977.</i>	
(xii)10 year Social Security Certificate.	Pledging of 10-years Social Security Certificates should be in accordance with the procedure laid down in the Rules governing these certificates.
<i>[GoI. MoF. OM No. F.23 (1)-E.II (A)/83 date 4th the 7th January, 1984</i>	

NOTE 1.—When entrusted with the execution of Departmental building works, the contractors shall pay—

(a) Security deposits (including earnest money) varying from 1 percent to 10 per cent, of the estimated cost of the work according to the requirements of the case; and

(b) The prescribed percentage, if any, by deducting from their bills, the percentage, where no security deposit is taken, will vary from five per cent to ten per cent, according to the requirements of the case. Where a security deposit is taken, the percentage (not exceeding ten per cent) will be fixed to suit the requirements of each case. e.g., if it is fixed at eight per cent and the security deposit only amounts to five per cent of the estimated cost of the work, then three per cent should be deducted from every payment. If percentage is fixed at ten per cent and security deposit only amounts to six per cent, then four per cent should be deducted and so on.

(c) Final payment to the contractors entrusted with Departmental building works shall not be made until the work has been completed to the satisfaction of controlling officer.

NOTE 2.—See also the note below Rule 444 (3) of the Postal Manual, Volume II, in regard to the forms of security permissible in the case of contracts for conveyance of mails.

Rule 354. Deposits made by contractors as security for due performance of their contracts will, if received in money be treated exactly in the same way as ordinary deposits, the amount being paid into the treasury in full without undue delay as provided in Rule 4(1). Application for refund of such deposits must be to the Head of the Circle, by the local officer, and must show the exact date and place of each deposit and by whom received.

Security furnished in cash by a contractor may be converted, at the cost of the depositor, into any of the interest-bearing forms of security mentioned in items (ii) to (iv) of the preceding Rule, provided:

- (i) that the depositor has expressly requested in writing that this be done, and
- (ii) that the acceptance of the new form or forms of security is permissible under the rules and under the terms of the agreement or bond.

NOTE.—Cash actually received or recovered may be converted into an interest-bearing form of security even when it forms part of a deposit which is being paid in installments and has not yet been realised in full.

Rule 355. The Head of a Circle or the Divisional Engineer, as the case may be, must not apply for the return or sale of the Government Securities tendered by a contractor, nor refund the contractor's cash deposits, unless the contract has been duly and satisfactorily performed and until any amount forfeited by the contractor under his contract has been duly realised.

Rule 356. The Executive Engineer of Postal Civil Division/Postal Electrical Division may defer refund of a contractor's security pending settlement of any dispute with the same contractor regarding another contract. When Government Securities are returned to the contractor, the fact shall be noted against the original entry made in the register in Form Sec. 19 at the time of deposit, besides the usual entry in the contractor's ledger. The receipt granted by the contractor on return of the Securities shall also be recorded in the register.

III.—Earnest Money Deposits

Rule 357. In cases where earnest money is to be deposited, the intending tenderer shall deposit amount fixed for the contract concerned in any Post Office or disbursing office to which the tender relates or where the tender is for the work to be performed for the offices in its disbursing jurisdiction. The receipt obtained in Form ACG-67 shall be attached to the tender. The Post office or disbursing office accepting the deposit shall give full particulars of the depositor and the contract in the schedule of unclassified receipts or deposit, as the case may be.

Refunds

Rule 358. Refunds of deposits can be made only on the receipt of the person entitled to them after production of due authority.

Rule 359. When a contractor is selected, the competent authority shall order refund of the deposits of earnest money to the unsuccessful tenderers through the Post office or the disbursing office where the earnest money was originally deposited. The Post Office shall give full particulars of the refund (together with the particulars of the original credit) in the schedule of unclassified payments.

NOTE.—This procedure shall also be followed when selected contractor take up the work by the specified date and the prescribed security is furnished by him.

Rule 360. In case a selected contractor fails to take up the work by the specified date, the earnest money deposited by him will be forfeited. Necessary intimation shall be furnished to the Circle Postal Accounts Office for making suitable adjustment in the accounts.

IV.—Lapsed and Confiscated Deposits

Rule 361. Deposits not exceeding Twenty five rupee unclaimed for one whole account year, balances not exceeding Twenty five rupees of deposits partly repaid during the year then closing, and all balances in excess of the aforesaid amount un-claimed for more than three complete

account years shall, at the close of March in each year, be credited to Government by means of transfer entries in the Circle Postal Accounts Office.

NOTE 1.—For the purpose of this rule, the age of a repayable item or of a balance of it, is to be reckoned as dating from the time when the item or the balance, as the case may be, was initially deposited. If, however, a repayable item deposited by the party in connection with a contract or supply order is on request, decided to a reckoned as deposit against a subsequent contract or supply order awarded to the same party, the age of the item will be calculated with reference to the date of the latter.

NOTE 2.—With a view to enable the Circle Accounts Office to make necessary adjustment by transfer entries, a register in form ACG-107 should be maintained for the purpose of furnishing information to the Circle Accounts Office at the end of the year regarding the items to be taken to Revenue under this rule. On receipt of information from Circle Accounts Office that such items have been adjusted to Revenue, a suitable note of the adjustment should be made in the register.

Rule 362. (1) Deposits, the detailed accounts of which are not kept at the Circle Postal Accounts Office and which are credited to Government under Rule 361 cannot be repaid without the sanction of the Circle Accounts Officer who will authorise the payment on ascertaining that the item was really received and was carried to the credit of the Government as lapsed by the Circle Accounts Office and that the claimants identity and title to the money are certified by the Head of the Office signing the application for refund.

(2) Deposits, the detailed accounts of which are kept at the Postal Accounting Units and which are credited to the Government, under Rule 361, maybe refunded without the sanction of the Circle Accounts Officer. The Officer shall, before authorizing refund in such cases, ascertain that the item was really received and is traceable in his records, was carried to the credit of the Government as lapsed by the Circle Accounts Office and was not paid previously, and that the claimant's identity and title to the money are certified by the Head of the Office signing the application for refund.

NOTE.—The sanction/payment authority issued by the Circle Accounts Officer, in cases covered by the provision of sub-rule (1) above will be valid for three months from the date on which it was issued, after which no payment can be made on its authority unless it is revalidated.

Rule 363. The application for sanction shall be made in Form GAR-46(TR-62). There must be a separate application for deposit repayable to each person and it shall be used as the bill on which the payment is to be made at the disbursing office.

The repayment of lapsed deposit shall be recorded in the appropriate deposit register of receipts so as to guard a second payment. If the payment is made after the register of receipts has been

destroyed, the responsibility for verifying the claimant's title to refund shall devolve on the authority who signs the application in Form GAR-46 (TR-62).

Rule 364. The amount refunded should be charged in the accounts as a refund and not debited to deposits.

V.—Deposits of Fees

Rule 365. Fees received from non-Government bodies or private persons for work done for them by Government servants shall be dealt with as follows:—

(i) In cases where a Government servant is permitted to retain the whole of a fee, he should collect it himself and the Government will not be concerned with the transaction.

(ii) In cases where the fees are divisible between the Government and the Government servant concerned—

(a) If the exact amount of the fees and the distribution of shares between the Government and the Government servant are known beforehand, the share due to the Government should be credited as a miscellaneous receipt of the Department to which the Government servant belongs (the credit being afforded to the head "other receipts" – other items under "Major Head 1201", as the case may be) and the rest should be collected by the Government servant himself. The Government shares should be paid into the Post Offices, as far as possible, by the body or person paying the fee.

(b) If the amount of the fees or the shares are known only approximately beforehand all the fees should in the first instance be paid into the Post Office/Head of Office to the credit of Government (as far as possible by the body or person paying the fee). The receipts should be credited to the head "Deposits of fees received by Government servants for work done for private bodies", pending final settlement, when the share due to the Government should be credited, as a miscellaneous receipt of the Department, to which the Government servant belongs and the rest should remain under the deposit head for disbursement to the Government servant by the Head of Office who will draw the amount on a bill in ordinary pay bill form specifying therein the authority sanctioning the payment of fees and forward the bill to the Accounts Officer through the Disbursing Officer concerned who will furnish necessary details of the credit in the accounts. The Accounts Officer will, after verifying the bill, authorize the payment and return the bill to the Disbursing Officer who will pay it by debit to the Deposit Head concerned.

NOTE.—These rules are intended to be applied to cases in which the whole or a share of the fees as such is payable to the Government servant doing work for non-government bodies or persons. They are not applicable to cases, e.g., fees levied for overtime work in departments

where it is in existence, where a Government servant undertakes the work as a part of his official duties although in view of the extra work involved and in consideration of the fees realized, he is remunerated by a share out of these receipts. In the latter case the fees realised are adjustable as departmental receipts and the disbursements to the Government servant as department expenditure.

CHAPTER XV
Buildings and Railway Mail Services Vans
Register of Lands and Buildings

Rule 366. A Register of lands and buildings (Electric Installations) belonging to Postal Department is maintained by the Heads of Circles in the form of Loose Leaf Ledgers, Form ACG-69. All the expenditure relating to any construction, acquisition of land or building and additions etc., irrespective of the fact that the amount has to be debited to Capital or Revenue should be recorded in this register. The register is kept Region wise based on the number of Regional Offices under the Circle. In each register a separate folio is allotted to each building (including Electric Installations) or vacant plot of land and the folios for each region of the whole Circle are numbered serially and collected in a binder of Loose Leaf Ledgers in (Form ACG - 69). The register for each Circle is also maintained by Circle Accounts Office concerned. At the end of December, each year, additions and alterations to the cost of lands and buildings (including Electric Installations) during the previous year, will be communicated to the Heads of Circles in the form of correction slips for each folio. In the Circle Offices these correction slips will be pasted on the folios concerned in the Register after comparison with the completion reports received from the Departmental Offices, Postal Civil Division / Electrical Divisions. Any Discrepancies found in the correction slips may be settled in correspondence with the Circle Accounts Office and correction made, if necessary, in the next year's correction slips.

Note 1:- Whenever any building is sold, abandoned or completely dismantled, a note to the effect should be made by the Head of Circle in the register of lands and buildings maintained by him.

Note 2:- In the case of exchange of a departmental building for a building not belonging to the department, a similar note should be made in the Register.

Note 3:- When the ownership of a departmental building is transferred from one region to another the folio concerned should be taken out from the binder of the transferring region and kept in the binder of the region to which the building has been transferred.

Note 4:- In all cases of purchase or acquisition of land and building the necessary particulars should be recorded in the fresh folio which should be placed in the binder of the branch to which the building belongs.

Note 5:- An Index in alphabetical order should also be maintained for the Loose Leaf Ledger prescribed in this rule.

Rule 367. In order to keep a systematic and complete record of the buildings including subsequent alterations, additions and extra cost of restoration or specific repairs resulting in an increase in the accommodation or replacement of the existing type of work by work of a more expensive character, which are debitable to working expenses/capital, a subsidiary register will

be maintained in Form ACG-69(a) in the Circle. The register will consist of loose sheets- a page being used for each individual building. Two copies of the register will be prepared, one of which will remain as office record in the Circle Office and the other sent to the officers responsible for the control of the building.

Inventories of Electric fittings in Buildings

Rule 368.Postal Executive Engineers, who are responsible for the construction and repair to electric installations in buildings belonging to the Department will each maintain an inventory of electrical fittings in Form Gen-19. An extract from the Register of Land and Buildings showing particulars of the outlay incurred every year on electric fittings in each building will be received by each Postal Executive Engineer, from the Head of the Circle for agreement with the postings made in the inventory.

(a) Postal Executive Engineers will each maintain an inventory of electrical fittings in rental buildings in Form Gen-19 as in the case of Departmental buildings. For this purpose, he will obtain the particulars of the electric installations in such buildings from the relevant estimates sanctioned by the Competent Authority.

Note—In cases where the work of electrical installation is entrusted to any other agency, a copy of the sanction should be endorsed to the Postal Executive Engineers. The fact that the work has been completed should also be reported by the Head of Office to the Executive Engineer accompanied with a detailed inventory of the electrical installations that have been provided. The Executive Engineer would verify the particulars of the installation by deputing an Assistant Engineer and make necessary entries in the inventory.

(b) Heads of offices will enter the details of electric installations and fittings of each such rented building in a separate register to be opened for the purpose.

(c) When a rented building is proposed to be vacated, prior intimation thereof should be given to The Executive Engineer to enable him to arrange for the removal of the electrical fittings, etc., installed by the department before handing over the building to the owner. Necessary entries should also be made in the register maintained by the Head of office and Assistant Engineer, concerned.

Assessment of Rent

Rule 369.The responsibility for proper assessment of licence fees (rents) or residential and non-residential buildings belonging to the department and for communication of the licence fees (rents) thus assessed to the Officer-in-charge of buildings devolves on the Head of the Circle. In every case in which a new residential or non-residential building is constructed or additions made to an existing building or extra cost has been incurred in the restoration or special repairs to a building resulting in an increase in the accommodation or replacement of the existing type of

work by work of a more expensive nature or other causes which necessitate the licence fee(rent) to be raised, a licence fee(rent) revision statement in Form ACG-71(a) shall be forwarded by the Head of the Circle to the Circle Accounts Office concerned for verification of the capital cost entered therein and return.

The Head of a Circle should forward to the Accounts Office concerned the statement not later than the 20th May of each year, the annual certificate that standard licence fees (rents) have been revised during the year wherever necessary, under the supplementary Rules 324 and 333 or due to causes such as a change in the rules regarding the rates of recovery, etc.

Note 1: If a building is actually occupied prior to closing the accounts of the expenditure on its construction, acquisition or equipment, licence fee (rent) is nevertheless chargeable from the date of occupancy and should, therefore be fixed provisionally, with the sanction of Competent Authority. Licence fee (rent) should also be fixed provisionally, when final assessment cannot be made due to delay in final verification of the data statements or for any other reason. In all such cases, the occupant should be informed that the licence fee (rent) so fixed is provisional and is liable to readjustment on final assessment.

Note 2: The above procedure applies mutatis mutandis to assessment of licence fee (rent) on electric fittings.

Licence Fee ***Recovery of Licence Fee***

Rule 370. Flat rate licence fee should be fixed for residential accommodation with effect from 01.07.1987. --- See Government of India's Order 1(a) below FR-45A under FR and SR Part I.

A. Residential Buildings

The recovery of licence fee from officers occupying residential buildings will be made by deduction from their pays through the Disbursing Officers concerned.

Note- Amounts due on account of the licence fee of furniture and water supply, sanitary, heating and electric installation, if any and on account of the value of articles of furniture and other Government property lost or damaged by an occupant as well as any other dues (e.g. share of rates and taxes, where under existing orders such share is recoverable from the occupant) for which an Officer may be liable to Government in respect of the residence allotted to him, may also be recovered by deduction from the pay. The taxes and other dues on licence fee-free quarters unless they are specially exempted under the orders of Competent Authority. Disbursing Officers will pay to the local authorities i.e. Municipalities, Cantonment Committees, etc., the rates and taxes assessed and due to such authorities.

Rule 371.The Officer-in-charge of buildings is required to maintain a register in Form ACG-71(c) in order to see that recoveries of licence fee and other charges in respect of each building are being affected regularly and that there are no outstandings. The licence fee recovery return in Form ACG-71 should be prepared with the help of this register.

Note- The register in Form ACG-71 (C) should be maintained up-to-date and made available to the Inspection Officer at the time of Local Audit Inspection/Internal Check Inspection.

Rule 372. (a) A monthly return of licence fee of residential buildings in the prescribed Form (ACG-71) will be prepared in triplicate by the Officer-in-charge of the buildings who must fill in Columns 4 to 8 as well as the heading of the Form. One copy will be sent by the Officer-in-charge to the Drawing Officer and two copies to the Disbursing Officer. For all Government servants, in an office, there should be single consolidated return. The Officer-in-charge shall see that one copy of the licence fee return is sent back to him by the Disbursing Officer with a certificate of recovery.

Exception -Postmasters of second class Head Offices will prepare the return of licence fee in respect of residential buildings in triplicate and send one copy to the Divisional Superintendent concerned for check by him as Officer in charge of each building.

NOTE 1- For the definition of the expression “Officer-in charge of the buildings” see Rule159 of Postal Manual Volume- II.

NOTE 2- As licence fee realized from buildings owned by Department are creditable under each region, under the Circle. It is necessary that separate returns of licence fee are prepared by each of the Postal Divisions Superintendent under the Regions. In the case of a building belonging to one division but occupied by an Officer of another division of the Department, separate returns shall be prepared and forwarded to the Drawing and Disbursing Officers of the occupant of the building.

NOTE 3- The two copies meant for the Disbursing Officer must reach that Officer by the 25th of the month for which the licence fee is recoverable, short or excess credit, if any being adjusted in a subsequent month.

(b) The Disbursing Officer will after effecting recovery, fill in columns 9 to 10 in each copy of the licence fee statement. One copy will be sent to the Circle Accounts Office in support of recoveries shown in the bills and the other copy returned to the Officer-in-charge with a note as to the actual recoveries made.

Rule 373.Disbursing Officers shall recover the amounts specified in the return without prior reference to the tenants and note in the return the particulars of emoluments, and of changes

therein in respect of Government servants whose licence fee is limited to a percentage of such emoluments.

Rule 374.The Officer-in-charge of the building will be held entirely responsible for seeing that the full amount of the licence fee recoverable under the rules is duly realized in each case.

Rule 375.If the licence fee recoverable from a Government servant is limited to a certain percentage of his emoluments and if such emoluments are changed retrospectively, the rate at which licence fee is recovered shall also be changed retrospectively.

Rule 376.If the Head of an Office or a Disbursing Officer becomes aware that the emoluments of a Government servant has been changed in respect of a period during which he occupied a departmental building at some other station or stations, he shall see that the intimation of the change of emoluments is given to the Officers in charge for the building concerned to enable them to recover the arrears of licence fee where necessary

Rule 377. When accommodation in excess of the sanctioned free scale is occupied by an Officer of the Department, the licence fee on the excess accommodation will be assessed by the Executive Engineer, in accordance with the rate prescribed in Rule 591 of the Postal Manual, Volume-II and a letter of assessment will be sent by him to the Head of the Circle for inclusion in his register of licence fees. The Head of the Circle will forward a copy of the letter of assessment to the Officer-in-charge of the building, who will see that the demand is duly included in his return of licence fee.

Rule 378.In the case of vacation of quarters by a Government servant before the last day of a month, owing to his departure on transfer, leave or retirement, the demand for the licence fee for the broken period shall be made at once so that the amount due may be recovered before his departure in case his pay for the period is disbursed to him by that date. If however the pay is disbursed to the Officer at the same office at the beginning of the next month or is noted in his Last Pay Certificate for payment at another disbursing office, the demand shall be noted for recovery from the next pay or entered in the Last Pay Certificate, as the case may be. In the latter case, the Disbursing Officer will forward both copies of the rent return or extracts thereof, as the case may be to the new Disbursing Officer and send intimation to this effect to the Officer in charge of the building.

Note—See Note 2 below Rule 183

Rule 379.Pending orders on a representation against the assessment of licence fee the amount assessed must be paid by tenants on demands. Should the representation prove successful the excess amount charged will be adjusted as soon as orders are issued by a reduction in the next month's demand or if this is not practicable by an actual payment.

Rule 380.The Officer-in charge of the buildings will also realize all other revenues of the department in respect of lands and buildings e.g. licence fee of vacant plots and buildings, sale proceeds of compound produce etc., and duly inform the Accounts Office to enable the latter to watch the credit.

B. Buildings used partly as Residences

Rule 381.Licence fee due from officers not entitled to licence fee-free quarters and using as residences portion of buildings belonging to, or hired by the Department for official purposes, will be realized in the same way as licence fee of residential buildings belonging to the Department. In every such case Head of the Circle will forward to the Officer-in- charge of the building and to the Accounts Office, a copy of the letter of assessment from the Executive Engineer, for the portion of the building used as a residence.

Rule 382.In every case in which a portion of a residential building belonging to the department is used for office accommodation, the Head of the Circle will forward to the Officer-in-charge of the building and to the Accounts Office a copy of the letter of assessment from the Executive Engineer, for the portion of the building used as a residence to enable the Officer-in-charge to make necessary deduction, if any, in realizing the licence fee from the occupant.

Rule 383.In every case in which an office is accommodation in a private building hired by an Officer for purpose of residence, the licence fee for the portion used for office accommodation will be assessed by the Executive Engineer, and will be sanctioned by the Competent Authority as an establishment charge.

C. Buildings partly occupied by the Postal/Telecommunication Co-operative Credit Societies or Mutual Benefit Funds or other Private Persons or Bodies

Rule 384.In every case in which a portion of a building belonging to or hired by the department is occupied by a Postal Co-operative Credit Society or a private person or body, the Head of the Circle concerned will forward to the Officer-in-charge of the building and to the Accounts Office, a copy of the letter of assessment from the Executive Engineer, for the portion of the building used by Society, or person or body to enable the Officer-in-charge to realize the licence fee from such Society or person or body. Recoveries are also to be made on account of a proportionate share of licence fee for electric installation in the building and for the consumption of electric energy. These recoveries will be made in the same way as those of licence fee of residential buildings belonging to or hired by the Department

A certificate to the effect that the amount charged to Government is correct .should be furnished to the Accounts Officer by the Competent Authority in respect of charges which are partly recoverable from private persons and partly borne by Government.

Note 1—In all cases in which a portion of building belonging to or hired by Department is let out to private persons a Lease Deed in Form Gen-8(A) should be executed and the tenant should be asked to deposit six months licence fee as security for prompt payment of Government dues.

Note 2—In the case of a building let out to a private person if the rate of licence fee prevailing in the locality for similar purpose is higher than the standard licence fee calculated under FR 45-B, the higher local licence fee should be charged.

D. Recoveries from Postal Recreation Clubs

Rule 385. Postal Recreation Clubs, Libraries and Reading Rooms whether located in Government owned buildings or buildings leased or rented by Government for locating offices are exempted for payment of-

- (i) Licence fee for accommodation or open space provided to them by competent administrative authority;
- (ii) Licence fee for electric, water and sanitary installations;
- (iii) Water and electricity charges; and
- (iv) Municipal Taxes which are in the nature of Property Tax, House Tax, Occupier's share of Tax and Corporation Tax, etc.

The expenditure on electric and water consumption, which is to be borne by the department, should be kept as low as possible by regulating the supply of light and fan points and water supply to meet reasonable needs.

These concessions will apply to Recreation Clubs with effect from 01.02.1956 and Libraries and Reading Rooms with effect from 28.05.1965.

Heads of Circle and other Administrative Authorities should keep themselves satisfied that the facilities extended are not misused by the Recreation Clubs and / Libraries and Reading Rooms.

Note-In the case of departmental residential colonies for staff, similar facilities may be provided if the number of staff members and their families in the same colonies justify provision of these amenities as per standards prescribed under Rule 610(d) of Postal Manual, Volume-II.

E. Recoveries from Co-operative Stores/Societies

Rule 386. Recovery of fee and service charges from the Co-operative Societies/Stores run departmentally or by the Employees' Associations will be made at the following rates regardless of whether these Stores/Societies are located in portions of buildings belonging to Government

or leased by the Department. The management of these Societies/ Stores should enter into an agreement in the prescribed Licence Deed with the Department.

(a) Licence fee at Rs.1 per month subject to the following conditions: -

- (i) Large profits are not made or if any profits are made, they are utilized as much as possible for improving the facilities or amenities provided, viz., keeping a variety of goods and items in short supply.
- (ii) Reduction in cost of supplies to consumers.
- (iii) The Co-operative Stores/ Societies should be registered with the Registrar of Co-operative Societies.
- (iv) The Accounts are audited by the prescribed authority or by the Registrar of Co-operative Societies of the State.
- (v) The working of the Co-operative Stores/ Society should be satisfactory.
- (vi) The management of Co-operative Stores/Society should submit unaudited Balance Sheet within 30days after the closure of accounts of a particular year and thereafter audited report within one month from the date of completion of audit.

(b) Electric and water charges will be recovered as per the rates fixed and notified by the department from time to time in cases where no separate meters exist.

The charges at (a) and (b) above shall be recovered on the basis of the actual number of light and fan points in working order, irrespective of whether they are used or not.

These Co-operative Stores/Societies will be exempt from payment of rent on the capital cost of electric, water and sanitary installations.

F. Occupation by Postal Officials of Accommodation provided free of rent by the President's Estates.

Rule 387.No Licence fee is to be recovered from the Clerks and Postmen attached in the Rashtrapati Bhawan Post Office at New Delhi for licence fee-free accommodation supplied to them.

Licence fee is also not payable by the Postal Department for such accommodation.

Joint Buildings

NOTE.—For definition of the term "Joint buildings" see Chapter X the Postal Manual Volume II.

Rule 388. Any expenditure on account of additions, renewals and replacements and repairs pertaining to a joint building is debitable to the owning Branch.

The incidental charges in connection with buildings in joint use shall not be allocated separately, but the Branch which is mainly concerned with such charges shall budget for and disburse the amounts.

Rule 389. The licence fee, which is payable to the owning branch for the accommodation occupied by other branches shall include interest on capital outlay, contribution for depreciation and maintenance and repairs. It shall also include incidental charges such as pay, allowances, etc., of caretakers, chowkidars Municipal taxes, etc., but it will not include charges for electric current which shall be borne by the consuming branch concerned.

In order to determine the rent payable to the owning Branch by other branches occupying the building, the Heads of Circles, shall collect the statistics and send them to the Accounts Office concerned for necessary action and return. On receipt of the same from the Accounts Office the licence fee shall be determined by the Head of the Circle and intimated to the Director General, the total charge being apportioned on a floor area basis i.e., the area occupied by the various branches, the areas of verandahs being neglected.

Before the end of the month of July every year, the Director General shall communicate to the GM (F)/Director of Accounts (Postal), PAOs, the figures for rents payable by one branch to another to enable the latter to effect the necessary inter-branch adjustments.

Note 1. —The procedure described in the above Rule does not apply to Departmental or rented buildings occupied by combined Posts and Telegraphs Offices in respect of which a separate adjustment is made in the Postal Accounts Office concerned. The share of rent payable by the Telecommunication Branch in respect of combined Posts and Telegraph office departmental buildings in which Telephone Exchanges are located is, however, calculated on the floor area basis.

Note 2. —The adjustment in respect of rented buildings occupied by Posts and Telecom or Telephone exchange jointly, shall be made by the respective Circle Accounts Offices in accordance with sanctions issued by the Head of the Circle concerned showing the apportionment of rent payable by one branch to another.

Sales and Purchases or Acquisitions of Land and Buildings

Rule 390. On completion of the purchase or acquisitions of land or plot or a building, the fact shall be reported by the sanctioning authority to the GM (F)/Director of Accounts (Postal), PAOs concerned. This report shall contain full information in regard to the date of occupation, purchase price (including incidental charges, e.g., payments to the Public Works Department are Military

Engineer Services, land acquisition fees, etc., etc.) – The various plans and estimates that may have been prepared by the Public Works Department or the Military Engineer Services or received from the revenue authorities and the title deeds shall be recorded in the Circle Office

Rule 391. In the case of sale, an estimate shall be prepared by the Head of the Circle after consideration of the values recorded in the Register of Land and Buildings and proper sanction shall be accorded by him unless it is beyond his power of sanction in which case the sanction of the Competent Authority shall be obtained and forwarded to the Postal Accounts Office. The Head of the Circle shall also submit a report to the Circle Postal Accounts Office concerned which shall contain information in regard to the sale price of the land and buildings, the party to which the property is sold, etc.

Inter-Branch Transfers of Buildings

Rule 392. In cases of transfers of buildings from one branch to another within the Department, the Head of the Circle shall obtain the sanction of the Director-General and submit to the GM (F)/Director of Accounts (Postal), PAOs, a report containing the necessary information. In order to avoid complications in the accounts, the actual transfer of the assets shall take effect from the beginning of the next financial year, i.e., from 1st April. In the case where a building is occupied by the new branch before that date, that branch will pay rent to the owning branch till the end of the financial year.

Dismantlement of Buildings

Rule 393. In the case of dismantlement of the whole or any portion of a departmental building affecting its recorded value, an estimate shall be prepared by the Head of the Circle and proper sanction accorded by him unless it is beyond his power of sanction in which case he shall obtain the sanction of the Competent Authority. He shall also submit to the GM (F)/Director of Accounts (Postal), PAO concerned, a report containing the necessary information.

Note.—The capital value of the portion of the building dismantled when it is not separately ascertainable from the Register of Lands and Buildings shall be determined on the basis of Plinth or floor area according as the building is one or more than one storied.

Charges for Examination of soil and preparation of Plans and Estimates

Rule 394. Expenses attendant upon the preparation of plans and Estimates, examination of soil of plots of land and collection of site data for Postal buildings shall be treated as outlay on works and charged to “3201-05-101-01-Petty Works-Buildings”. A separate estimate for such charges shall be prepared and got sanctioned in each case before the expenditure is incurred. The Officer executing the work shall keep a note of all cases where the actual expenditure has exceeded Rs.100 in a manuscript register. He should review all such cases periodically and take appropriate action for the transfer of the entire expenditure from “3201-05-101-01-Petty Works

Buildings” to the head of account to which the final estimate on account of the building work is debited when the work fructifies. In other cases no transfer of expenditure from “3201-05-101-01-Petty Works/s Buildings” is necessary.

Classification of Works

Rule 395.Detailed rules regarding classification of works connected with Postal buildings will be found in Chapter X of the Postal Manual, Volume II.

Agencies

Rule 396.Rules regarding the employment of agencies for works connected with the construction, reconstruction, and repairs of departmental buildings and of electric installations will be found in Chapter X of the Postal Manual, Volume II.

Allotment of Funds

Rule 397.At the beginning of each year, and at the other times as occasion arises, the Director General/Secretary (Posts) allots funds to Heads of Circles and other units in respect of all building and electrical installation works, major, minor, petty and repairs to be executed whether departmentally (or by Civil Wing) or through the agency of the Central Public Works Department, a State Public Works Department, or the Military Engineering Services. A copy of each letter allotting funds is furnished to the Postal Accounts Office concerned.

Every sanctioning authority at whose disposal funds for works and repairs, etc., are placed, shall maintain a Register of Allotments for each head under which allotment is made.

Note—detailed rules regarding provision and allotment of funds will be found in Chapter X of the Postal Manual, Volume II.

Rule 398.Funds are allotted to Regional Post Master Generals, Sr. Superintendents/ Superintendents of Post Offices by the Heads of Circles out of the amount placed at their disposal by the Director General and a copy of the orders, in every case, sent to the Circle Postal Accounts Office concerned.

Pre-Audit of Estimates

Rule 399.(a) The allocation of expenditure on estimates for works relating to all branches of Department of Posts whether executed through the agency of the PWD, MES or through the Departmental Agency, sanctioned by the Director-General or a higher authority is required to be verified by the Accounts Office. Accordingly, after according sanction to an estimate, the sanctioning authority shall forward to the GM (F)/Director of Accounts (Postal), PAO concerned a duplicate copy of the estimate for scrutiny of allocation. In respect of such estimates, a provisional allotment of funds shall be made by the sanctioning authority, when according

sanction and this shall follow the unaudited allocation shown in the estimate. If necessary, the allotment shall be suitably modified on receipt of the estimate with the correct allocation as certified by the GM (F)/Director of Accounts (Postal), PAO. Both the provisional and final allotments shall distribute the amount under major, minor and sub-heads separately.

(b) To enable the respective Circle Postal Accounts Office to check the allocation of estimates, necessary information shall be supplied in form ACG.-72 which shall accompany the estimate. A note of allocation should also be made in the form in the space provided for the purpose.

Note 1-- The following instructions shall be followed in filling up the form:

- (i) Part I of the form shall be completed when there is an identifiable addition or new construction and no attempt need be made to allocate to this part the extra cost of replacement over original cost.
- (ii) Part II shall contain intimation not only in cases of purely replacement works, but also in cases of works which involve the demolition of existing structures.

Note 2.—For purposes of allocation, the original cost of replaced structures shall be determined by a reference to the Register of Lands and Buildings (Form ACG-69) maintained by Heads of Circles, but in case the information is not available in the Register. An estimate of the original cost shall be obtained from the Engineers of the Central Public Works Department.

(c) The allocation certified by the Circle Postal Accounts Office in the estimates shall be communicated to the Executive Engineers or to the Departmental Officers, as the case may be, in order to enable them to classify the charges correctly in their accounts.

(d) CPWD preliminary estimate for building works costing 5 lakhs and above should be furnished to the Accounts Office concerned by the sanctioning authority, along with the copy of sanction.

Accounts Classification of Works

Rule 400.The accounts classification of works and repairs to Postal buildings and of electric installations is given as Appendix 5 to the Postal Accounts Manual which is printed separately.

Note-The initial cost in laying out a garden in a departmental building and also all expenditure (recurring or non-recurring) on gardens should be treated as Revenue Expenditure (vide para. 545-A and 545-B of the Postal Manual, Volume II), except that the cost of planting shade trees in the compounds of residential buildings and of transplanting soil in a portion of the compound meant for garden, if the nature of the existing soil renders such transplantation necessary in order to form a garden, will be chargeable as capital expenditure on the property.

Payment to contractors

Rule 401.The circumstances in which the employment of private contractors may be sanctioned by departmental officers for works connected with buildings have been prescribed in Chapter X of the Postal Manual, Volume II.

Rule 402.In the case of works to be executed by the departmental agency, the full amount sanctioned shall not be drawn in advance. Only amounts, required for immediate disbursement shall be drawn and accounted for in the same month. If, however, circumstances so require, the full amount shall be drawn in advance and treated in the accounts as an "Advance" and the local officer shall be held personally responsible for seeing that the amount is adjusted as soon as possible and that the unexpended balance is credited forthwith. The drawal of such advances shall be subject to the general conditions of the drawal of emergent advances under Rule 296 and 297.

Rule 403.In cases where the Post Office branch is entrusted with a particular work, the amount required for immediate disbursement by the Supervising Officers, shall be advanced by the Head Office on a simple receipt form (No. e-ACG-17) and shall be charged in the schedule of unclassified payments supported by the receipt. A schedule docket in Form ACE.-58 shall be prepared for such works and submitted to Accounts Office along with the respective schedules of unclassified payments in which the advance is charged. Claims for payments on account, if the work is not completed or those for final payments on completion of the work shall be preferred in form No. ACE-18 and submitted through the supervising officers to the Head Post Office which advanced the amounts, for payment. The amount of advance made previously shall be shown separately in the bill as a deduct entry, the number of item in the particular month's schedule of unclassified payments in which it was accounted for being specified. After payment, the gross and the net amounts as shown in the bill in respect of each work shall be entered in the monthly schedule docket in Form No. ACE-58. The total amount paid on each day shall be charged in the Treasurers' Cash Book, Head Office Summary and the Head Office Cash Book against a separate head "Works charges". At the close of the month the schedule dockets, contractors' bills, etc., shall be forwarded to the Accounts Office along with the Cash Accounts for the month.

Rule 404.In the case of repairs to buildings executed by the Executive Engineer Postal, the following procedure shall be observed in making payments to contractors employed for the purpose:-

On receipt of a certificate of completion of the work from the officer authorized to supervise the work, Executive Engineer or any officer authorized by him shall make full payment and obtain a receipt in duplicate. When payment in full is likely to be delayed, payment on account not exceeding 75 per cent of the estimate may be made, the balance being paid on

receipt of the supervising Officer's certificate, care must be taken not to pay on account more than the value of the work done.

Rule 405.The amount of contractor's bills paid by the Executive Engineer shall be debited against the allotments noted in the Allotment Register. The receipt given by the contractor together with a copy of the approved estimate and the completion certificate will be filed in the Postal Civil Division, the original receipt being submitted to the Postal Accounts Office in the usual way.

Rule 406.In the case of works costing Rs.1000/- and more executed either departmentally or through a contractor, a measurement book shall be maintained by the officer under whose supervision the work is to be carried out to record the measurement of each stage of the work done. The record of measurements shall be attached to the bills costing Rs.3000 and more. In respect of bills less than Rs.3000, the Assistant Engineer shall compare the measurement shown therein with those recorded in the measurement books by calling for the books for the purpose and shall record a certificate on the bills to the effect that the measurements shown therein have been compared with those recorded in the measurement books and found to agree before submission of the bills to the Accounts Office. Where the official entrusted with the immediate supervision of the work is unable to maintain the measurement book for want of technical knowledge, it shall be done by the building overseer.

Note- In recording detailed measurement; the following general instructions should be carefully observed:—

(a) Each set of measurements should commence with entries stating—

(i) In the case of bills for work done—

(a) full name of work as given in estimate,

(b) situation of work,

(c) name of contractor,

(d) number and date of his agreement.

(e) date of written order to commence work,

(f) date of actual completion of work and

(g) date of measurement.

Note-As an exception, the recording of entries (e) and (f) is not required in the case of work done under a piece work agreement.

(ii) In the case of bills for supply of materials—

- (a) name of supplier,
- (b) number and date of his agreement or order,
- (c) purpose of supply in one of the following forms applicable to the case:—
 - (i) "Stock" (for all supplies for Stock purposes).
 - (ii) "Purchase" for direct issue to (here enter full name of work as given in estimate)
 - (iii) "Purchase" for (here enter full name of work as given in estimate)-----For issue to contractor -----,
- (d) date of written order to commence supplies,
- (e) date of actual completion of supplies, and
- (f) date of measurement and should end with the dated initials of person making the measurements. A suitable abstract should then be prepared which should collect, in the case of measurements for work done, the total quantities of each distinct item of work relating to each sanctioned sub-head.

Note-As an exception, the recording of entries (d) and (e) is not required in the case of supplies made against a piece work agreement.

- (b) As all payments for work of supplies are based on the quantities recorded in the measurement book, it is incumbent upon the person taking the measurements to record the quantities clearly and accurately. He will also work out and enter in the measurement book the figures for the "contents or area" column. If the measurements are taken in connection with a running contract account on which work has been previously measured, he is further responsible (1) that reference to the last set of measurements is recorded and (2) that if the entire job or contract has been completed, date of completion is duly noted in the prescribed place, vide clause (a) above. If the measurements taken are the first set measurements on a running account or the first and final measurements, this fact should be suitably noted against the entries in the measurement book and in the latter case, the actual date of completion noted in the prescribed place.
- (c) The pages of the book should be machine numbered. Entries should be recorded continuously and no blank pages left or page torn out. Any pages left blank inadvertently should be cancelled by diagonal lines, the cancellation being attested and dated.
- (d) The entries should, if possible, be made in ink; when this is not possible and entries have to be made in pencil, the pencil entries should be recorded in indelible or special copying pencil so as to render it difficult to tamper with or to make unauthorized additions to or alterations in entries once made. The pencil entries should not be inked over, but should be

left untouched. The entries in the "contents or area" column should however, be made in ink in the first instance. No entry may be erased. If a mistake is made, it should be corrected by crossing out the incorrect words or figures and inserting the corrections, the correction thus made being initialed and dated by the responsible officer. When any measurements are cancelled, the cancellation must be supported by the dated initials of the officer ordering the cancellation or by a reference to his orders initialed by the officer who made the measurements, the reasons for cancellation being also recorded. A reliable record is the object to be aimed at, as it may have to be produced as evidence in a Court of Law.

(e) Each measurement book should be provided with an index which should be kept up to date.

Completion Report

Rule 407.(a) When a work is executed through the agency of the Central Public Works Department or the Military Engineer Services for which an estimate is required to be prepared, the Heads of the Circles, shall submit to the Circle Accounts Office a Completion Report in Form ACG-73, after compiling the same from information obtained from the Engineers of the Central Public Works Department or the Military Engineer Services, as the case may be.

(b) When a work executed through the Departmental agency for which an estimate is required to be prepared is completed, a Completion Report in Form ACG-73 shall be forwarded by the Departmental Officer direct to the Head of the Circle, who in his turn shall forward it to the Circle Accounts Office. Completion Reports for Electric installations works should however be prepared in Form ACE-26.

Railway Mail Service Vans

Rule 408.All estimates for constructions or renewal and replacement of Railway Mail Service Vans sanctioned by the Director General or a higher authority shall be submitted to the Circle Postal Account Office concerned for scrutiny of allocation. The original allocation shall be furnished by the sanctioning authority on the estimates and they shall be returned by the GM (F)/Director of Accounts (Postal), with the correct allocation endorsed thereon.

Rule 409.A register of Railway Mail Service Vans shall be maintained in the Circle Office in Form ACG-69. At the end of December each year, total booked expenditure in respect of the previous year will be communicated by the Circle Postal Account Office concerned in the form of correction slips which shall be pasted in the respective folios of the Register and comparison made as prescribed in Rule 366.

Note- A register in Form ACG-69 will also be maintained in the Office of the Director General, Department of Posts, in respect of each Mail Van under construction. As and when a Mail Van is

completed and allotted to a particular Circle, an extract from the register will be furnished to the Head of Circle.

Rule 410. If a Completion Report is received From the Railway Authorities, the Head of the Circle shall transit the documents to the Circle Accounts Office concerned.

Rule 411. If a van owned by the Department is sold or abandoned as useless or otherwise disposed of, the fact shall be intimated to the Circle Postal Accounts Office concerned with full particulars of the case in order that an adjustment may be made to relieve the Capital Account. A note shall also be made in the Register of Vans maintained by the Head of the Circle.

Note- The year of original construction of the Railway Mail Service Vans should be furnished to Circle Accounts Office for making block adjustment to relieve the Capital.

CHAPTER XVI

GENERAL PROVIDENT FUND

General Rules

Rule 412. The rules for the General Provident Funds are given in the General Provident Fund (Central Services) Rules 1960 issued by the Government of India.

Rule 413. With a view to deliver the processed accounting inputs at the point of origin and improving the timelines, accuracy, completeness and other qualitative aspects of maintenance of GPF subscriber accounts, has been computerized under major initiative of computerization. While major portion have been under computerized platform only few works are to be done manually by maintenance of such statements and registers.

Rule 414.* Applications for admission to a provident fund shall be made in the prescribed form in duplicate by the Government Servants who had joined the service under Central Government on or prior to 31.12.2003, and forwarded through the Head of the Office to the Postal Accounts Office together with a nomination form duly filled in.

Note 1- The G.P.F account number, as soon as, it is intimated by the Accounts Officer, should be noted on the inner side of the back cover of the Service Book of the official and in the register referred to above.

Note 2- The Head of the Office before forwarding the application of the prospective subscriber to PAO should also refer to the Service Book and satisfy that no account has already been opened in favour of the subscriber.

Note 3- Recovery of subscription should not be put off but started at once except for special reasons which should be recorded in the register.

GOVERNMENT OF INDIA'S DECISION-(1)

I.*Revised procedure consequent on dispensing with the submission of application for admission to General Provident Fund.-It has been decided to dispense with the requirement of submission of formal applications for admission to the General Provident Fund by both Gazetted and non-Gazetted Government servants who are required compulsorily to subscribe to the General Provident Fund. Consequent on the requirement of formal applications for admission to the GPF being dispensed with, the following procedure is to be allowed by each Head of Office:-

- (i) Each Head of Office should send a statement (in duplicate) to the Circle Postal Accounts Office concerned in the form given below on the 15th of every month. This statement should show the particulars of such of the Government servants (both Gazetted and non- Gazetted) working in each office as will be required to compulsorily subscribe to the Provident Fund 3 months hence, i.e. the statement to be sent on the 15th April, may include particulars of Government servants who

will be required to subscribe compulsorily to the Provident Fund from 1st July (deduction of Provident Fund subscription to be made from the salary for June payable on the last working day of that month). Detailed instructions for filling in statement contained in the Form are self-explanatory.

- (ii) In case, a Government servant, whether Gazetted or non-Gazetted, is appointed initially on a permanent basis and thus has to subscribe to the Provident Fund from the date of such appointment, particulars of such Government servants may be included in the statement to be sent to the Accounts Officer either in the same month or in the following month if he is appointed on or after 15th of that month.
- (iii) The Accounts Officer will return one copy of the statement indicating the Account Numbers allotted to each of the Government servants included in that statement.
- (iv) If, in any month, there are no particular to be intimated to the Accounts Officer, the statement need not be sent to the Accounts Officer in that month.
- (v) In the case of optional subscribers (temporary Government servants who have not completed one year's continuous service) the existing procedure of Government servant s submitting applications for admission to the Fund may be continued. Deductions should, however, be made only after allotment of Account Numbers.

2. The above procedure may be adopted *mutatis mutandis* for subscriber under Contributory Provident Fund Rules (India), 1962

3. The above procedure may also be adopted *mutatis mutandis* for members of Group 'D' services whose Provident Fund accounts are kept by Heads of Offices themselves.

4. The Head of Office while forwarding the statement to the Accounts Officer concerned should give the following certificate in the place above "signature of Head of Office".

"Certified that all the employees whose names are shown above, are eligible to subscribe to the General Provident Fund in accordance with the relevant rules."

Note:- Relevant form is available in the compilation of GPF Rules.

[GoI, MoF, OM No. 20(4) E.V (B)/74, dated the 31st May, 1974 and No. 29(\$) E V(B)/74, dated the 10th August, 1976]

II. Eligibility of persons transferred to Government from Corporate Bodies: In the case of persons transferred to temporary posts under Government from service under a Corporate Body owned or controlled by the Government, the service under the Corporate Body should be treated as service under Government for the purpose of this order and the person concerned should be permitted to subscribe to the Fund immediately on his joining Government service, if he has already completed one year's service under that body.

[GoI, MoF, OM No. F.8 (12)-E. V/B/63-II, dated the 19th September, 1963]

III. Further, one year service not necessary in case of Government servant transferred from State Government or from another Department:- The service under the State Government or in the previous department of the Central Government, as the case may be should be treated as continued service for eligibility to subscribe to the GPF in terms of Rule 4 of the General Provident Fund(Central Services) Rules, 1960 and the person concerned should be permitted to subscribe to the GPF immediately on his joining the new post, if the amount standing to his credit is transferred to the new post in terms of Rule 35 of GPF Rules, 1960. The past cases decided otherwise should not be reopened.

Recovery of Subscription, etc.

Rule 415.(a).Subscriptions to General Provident Fund of the Government can be received from such Government servants as are either required or permitted by the rules of the Fund to subscribe to it, the recoveries being made ordinarily by deduction from pay bills of the Government servant concerned. GPF subscription is recovered from those Government servants who had joined service under the Central Government on or prior to 31.12.2003.

(b) When a subscription is paid for the first time or a revised rate is adopted, it should be seen that the amount of subscription is within the minimum and maximum rate prescribed the rules of the Fund. In the case of subscriptions paid subsequently, it should be seen that the amount paid agrees with the rate adopted in the first month of the year except when a variation of rate is allowed during the course of the year, under the rules of the Fund. For all months it should also be seen that subscriptions are paid except when an exemption or a lower rate is allowed. Whenever a subscription is discontinued by a subscriber it should be seen that the discontinuance is permissible.

(c) Upon computerization of GPF in the Department of Posts, the platform provides the details of payment by subscribers (cash payments also) which can be accessed by the DDO or by the Circle Accounts Office independently, as such, information of pay drawal and recoveries thereon, are not required to be submitted to the Circle PAO by the DDO concerned.

(d) The monthly returns to the Circle Postal Accounts office should also have the schedules pertaining to GPF recoveries including refunds and withdrawals. The recoveries and withdrawals schedule should have the data that is taken from the computerized platform as stated in (c) above. These should be duly tallied with the figures available on the platform, are duly verified and certified by Head of Office.

Provision also exists for obtaining all these schedules relating to General Provident Fund on the computerized platform at Circle Postal Accounts Office also.

(e) Any over payment or short payment of subscription to the Fund in any month may be adjusted by deduction from or addition to the subscriptions in the subsequent months wherever possible. The subscriber, if desires, may be allowed to pay such recovery in cash also.

(f) The subscriber himself is responsible for seeing that proper deduction is made from his bills, though, for his convenience, it has been provided in Rule 171 that the responsibility for making the necessary deduction regularly and correctly devolves upon the drawers of the bills.

Note-1. Second and subsequent nomination, when desired, may be made in Form GPF-9B or 9C or 9D or 9E as the case may be. The acknowledgement in token of having registered the nomination in the relevant GPF Account at PAO will be sent by the Accounts Officer in Form GPF-3-D.

Note-2. Head of Office should ensure that the nomination from each subscriber is mandatorily obtained and sent to the concerned PAO.

Rule 416.The following instructions should be carefully observed by Heads of Offices with a view to the correct preparation of the Fund Schedules:-

(i) A complete list of subscriber to the fund should be maintained in each disbursing office in the form of the Schedule also available on technology platform in computerized environment.

(ii) Each new subscriber should be brought on this list and any subsequent changes resulting from his transfer or in the rate of subscription, etc., clearly indicated.

(iii) When a subscriber dies, quits the service or is transferred to another office, full particulars should be duly recorded in the list.

(iv) In the case of the transfer of a subscriber to another office, the necessary note of transfer should be made in the list of both the offices.

NOTE.—In case where there are no transfers in a particular month Nil statement should be furnished by the Disbursing Officers to the PAO concerned.

Note: The provisioning of the instructions as specified above have also been computerized on technology platform in the Department.

GOVERNMENT OF INDIA'S DECISION

Recovery of subscription to GPF to be compulsorily discontinued during the last three months of service on superannuation. -A Government servant due to retire on superannuation shall be exempted from making any subscription to the GPF during the last three months of his service. The discontinuance would be compulsory and not optional.

[GoI, DoPT OM No. 13(3)/84-PU, dated the 12th June ,1985-Para 2(ii)]

Rule 417. When a subscriber to Fund whose subscriptions are realised by Deduction from pay bill/Pay sheet is transferred to another establishment, the fact that he is subscribing to the Fund shall be certified on the Last Pay Certificate by noting there on the amount of his monthly subscription and the number of his account or policy.

Withdrawals

Rule 418. (a)The GPF subscriber on being eligible for final withdrawal, the sanctioning authority authorize, the DDO will process the payment on the computerized platform.

(b) Upon completion of process as stated above, the final withdrawal amount will be credited to the identified Bank account of the subscriber, the details of which have already been created in the data available in the master data in computerized environment.

(c) Disbursing Officers may make payments on account of advances or temporary withdrawals from the General Provident Fund to the subscribers while in service on the authority and responsibility of the officer sanctioning the advance without pre-audit or reference to the Account Office on form GAR-42 (TR-58-A). In such cases the office copy of the bill in which the payee's acquittance have been taken may be filed in the Disbursing Office and duplicate copies of the bills with the certificate printed on the bills duly filled in and signed by the Disbursing officers need alone be sent to the Accounts Office in support of the schedule of Bills paid. This rule applies only while the subscriber is in service and no payment can, therefore, be sanctioned to a member of the fund after or immediately before he ceases to be in service except on the authority of the Postal Accounts Office concerned.

NOTE 1- Save as provided in this rule, no payment on account of any Provident Fund, whether as a refund of subscription overpaid, or as a repayment of the whole or a part of the amount accumulated to the credit of the subscriber, will be made without the express authority of the Accounts Officer.

NOTE 2—The refund amount of GPF Balances in respect of subscribers which were transferred to the head "Deposits—unclaimed GPF Deposits" will be authorized by the Account Office concerned after ascertaining that the amount was originally received and credited to "Deposits" and that the claimant's identity and title to the money has been certified by the Departmental Officer who maintained the GPF Account of the subscribers concerned.

Rule 419. The following procedure shall be observed for the drawal and disbursement of temporary advances from a Fund Account:—

Applications for Advance/ final withdrawal for higher education, house building purpose or marriage expenses from Provident Fund shall also be submitted through the process on the technology driven computerized platform. Upon verification of the eligibility criterion as required under the relevant rules of GPF (Central Services) Rules, 1960 and sanction of the

competent authority through this process the amount may be credited into the subscriber's Bank/POSB account.

Rule 420. (i) When a subscriber to a Provident Fund is about to retire and under the rules of the Fund the money lying at his credit becomes payable to him, Head of Office will forward the last deduction certificate to the Accounts Officer by whom his fund account is maintained.

(ii) The Accounts Officer being satisfied of the correctness of the claim and on ascertaining the date upto which the subscription has been paid, will arrange for payment of the amount at credit of the subscriber in the account of the fund. Based on the sanction for authorizing of the amount by Accounts Officer (GPF), the sanction payable and not payable copy of one each will be forwarded to the Head of Office. The Head of Office shall then send these copies to the DDO for effecting payment through technology driven computerized process. The procedure prescribed in this rule shall apply *mutatis mutandis* to all other bases in which the amount lying at credit of a subscriber in his Provident Fund account becomes payable to him on finally quitting the service.

NOTE 1.—The death, retirement, dismissal, return to duty from leave preparatory to retirement or reinstatement of a subscriber to a Provident Fund must be immediately reported to the Account Office by the Head of the Office.

CHAPTER XVII
Miscellaneous Rules
Co-operative Credit Societies Dues

Rule 421. Recoveries from the salary of Government servants on account of dues of Co-operative Societies, registered under the various Co-operative Societies Acts, where such Acts impose a statutory obligation on the Government to make such deductions, shall be made by the Drawing and Disbursing Officer in accordance with such procedure as may be laid down by the Government from time to time.

NOTE 1. – The detailed procedure is laid down in Appendix 29-I of this Handbook.

NOTE 2. – Procedure for recovery of membership subscriptions of Service Associations from salary bills – See *Appendix 29* to this Handbook

Extract from Central Treasury Rules

CTR 229-A. Recoveries from the salaries of Government servants, on account of profession tax levied under an Act of a State Government, and dues of Co-operative Societies registered under the various Co-operative Societies Acts, where such Acts impose a statutory obligation on the Government to effect such recoveries, shall be made by the Drawing and Disbursing Officer in accordance with such procedure as may be laid down by Government from time to time.

A Drawing and Disbursing Officer, even when not located within the territorial limits to which any of the above mentioned Acts applies, may effect recoveries on account of profession tax or dues of a Co-operative Society from the salary payable to a Government servant, provided that such Government servant, in the case of dues of Co-operative Societies, authorizes in writing the Disbursing Officer to effect such recoveries and the Disbursing Officer ensures, before effecting the recoveries, that the authorization given to him by the Government servant is clear, unambiguous and has not been revoked.

Club Dues

Rule 422. All bonafide dues of Recreation Clubs recognized by the Department, on account of subscriptions, cost of club stores supplied, etc., or of an authorized coffee-shop or of any other such departmental institution of a quasi-public nature may be recovered from the officials (members of such institutions) by the Departmental Disbursing Officers at the time of disbursement of the pay of the officials concerned and accounted for and disposed of in the same manner as the recoveries of dues of the Co-operative Credit Societies (vide Rule 449).

Recoveries of Premia due on Fidelity Bonds of Insurance Companies or Co-operative Societies furnished as Security by the Officials of Department of Posts

Rule 423. Premia due to Fidelity Bonds of Insurance Companies or Co-operative Societies furnished as security by the Departmental Officials (vide Rule 196 of the Postal Manual, Volume-II) may be recovered from the pay or leave salary of the officials concerned, provided that the written consent of such officials is obtained to this course of action at the time the security is offered by them. The total amount so recovered shall be paid to company or the society concerned by means of direct credit into the accounts of the company or society concerned through the process recognized for online credit.

NOTE 1:- These recoveries should not appear either in the pay or leave salary bills or in the acquittance rolls, Pay sheet, in any other books or accounts which form part of Government Accounts. The amount recovered should also be kept in a cash box quite separate from the Government money till its remittance to the company or the society concerned. For the purpose of accounting of such recoveries, a separate register dividing it into separate parts for each company or the society and showing full particulars of the recoveries made, i.e., name and designation of the officials concerned, amount of premia recovered, amount of Money Order commission (if any) recovered, date of recovery, date of remittance to the company or the society, amount remitted, etc., shall be maintained by the Disbursing Officer.

Note 2:-The Branch Office will send the amount of the premia to its Accounts Office, which if it is Sub Office, will, in turn send it alongwith such premia recovered from the official in the Sub Office and kept out of accounts separately invoiced in the daily account to the Head Office concerned. The Head Office will likewise keep the amount out of account and then remit it without undue delay to the insurance company in one lumpsum.

Note 3:-The premia on Fidelity Bonds, to be realized from Railway Mail Service officials whose pay is disbursed through an office other than the Head Record Office, should be deducted by the Head Record Office from the salary bill of the officials concerned before it is remitted to the office concerned for disbursement. A statement showing the particulars of the premia so deducted should be sent with the acquittance roll for the information of the officials concerned. The amount thus collected by deduction from salaries should be remitted by the Head Record Office to the Society or the Insurance Company concerned.

General Principles Applicable to Contracts

Rule 424. The general principles which have been laid down by the President for the guidance of the authorities who have to enter into contracts or agreements involving expenditure from central revenues are given in the Postal Manual, Volume-II.

Payment for Purchase of Stores

Rule 425. Subject to such general or special rules or instructions as may be issued by the Government for the guidance of Officers who are required to make purchase of stores on Government account, the payments for acquisition of Stores required for the public service, shall be regulated in accordance with the provisions of the following rules:

Local purchases of petty articles or consumable stores out of office contingent grant are not subject to those rules, but to the rules regulating contingent expenditure.

Extract from General Financial Rules, 2017

Rule 149. Government e-Marketplace (GeM). – Government of India has established the Government e-Market place (GeM) for common use Goods and Services. GeM SPV will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for the prospective suppliers. The procurement of Goods and Services by Ministries or Departments will be mandatory for Goods or Services available on GeM. The credentials of suppliers on GeM shall be certified by GeM SPV. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct online purchases as under:

- (i) Up to Rs. 25,000 through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.
- (ii) Above Rs.25,000 and up to Rs. 5,00,000 through GeM seller having lowest price amongst the available sellers (excluding Automobiles where current limit of Rs. 30 lakh will continue), of at least three different manufacturers, on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the Buyers even for procurements less than Rs. 5,00,000
- (iii) Above Rs. 5 lakhs through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (excluding Automobiles where current limit of Rs. 30 lakhs will continue).
- (iv) The invitation for the online e-bidding/ reverse auction will be available to all the existing Sellers or other Sellers registered on the portal and who have offered their goods / services under the particular product / service category, as per terms and conditions of GeM.
- (v) The above mentioned monetary ceiling applicable only for purchases made through GeM. For purchases, if any, outside GeM, relevant GFR Rules shall apply.
- (vi) The Ministries / Departments shall work out their procurement requirements of Goods and Services on either “OPEX” model or “CAPEX” model as per their requirement / suitability at the time of preparation of Budget Estimates (BE) and shall

project their Annual Procurement Plan of goods and services on GeM portal within 30 days of Budget approval.

- (vii) The Government Buyers may ascertain the reasonableness of prices before placement of order using the Business Analytics (BA) tools available on GeM including the Last Purchase price on GeM, Department's own Last purchase Price, etc.
- (viii) A demand for goods shall not be divided into small quantities to make piecemeal purchases to avoid procurement through L-I Buying/bidding/ reverse auction on GeM or the necessity of obtaining the sanction of higher authorities required with reference to the estimated value of the total demand.

Rule 154, Purchase of goods without quotation – Purchase of goods up to the value of Rs. 25,000 (Rupees Twenty-five Thousand only) on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the Competent Authority in the following format.

“I,, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price.”

Rule 155. Purchase of goods by purchase committee. – In case a certain Item is not available on the GeM portal, purchase of goods costing above Rs 25,000 (Rupees twenty-five thousand only) and up to Rs. 2,50,000 (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under :-

“Certified that we, members of the Purchase Committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/Department concerned.”

Government of India's Decision

Procurement through e-Marketplace (GeM):-It is directed to refer to Ministry of Science and Technology (MST) O.M. no. MST/ERA0/Estt./22-38/2017-18/1952, dated 12th January 2018 forwarding the minutes of the Standing Committee of MST on GeM wherein it was pointed out that there is divergence between Rule 149 and Rule 154 and 155 of General Financial Rules 2017. In this regard, it is clarified that Rule 149 of GFR provides for the mandatory procurement of common use Good and Services by Ministries/Departments for Good or Services available on GeM. Hence, only in case of goods and services (of required specifications or within required delivery period, etc.) are not available on GeM, the procuring entity can resort to Rules 154

&155 of GFRs i.e. procurement without quotation or procurement on the recommendations of duly constituted Local Purchase Committee.

[GoI., MoF,O.M. No. 6/1/2018-PPD, dated 19th January 2018]

Rule 156 (1) Purchase of goods directly under Rate Contract. In case a Ministry or Department directly procures Central Purchase Organisation (e.g. DGS&D) rate contracted goods from suppliers, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the Rate Contract. The Ministry or Department shall make its own arrangement for inspection and testing of such goods where ever required.

Rule 156 (2)The Central Purchase Organisation (e.g. DGS&D) should host the specifications, prices and other salient details of different rate contracted items, appropriately updated, on the web site for use by the procuring Ministry or Department.

Rule 157.A demand for goods should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.

Rule 426.As a general rule, payment for supplies is not permissible unless the stores have been received and surveyed. Payments prior to verification of quality and quantity of the materials may be permitted in exceptional cases only, provided that adequate safeguards exist to secure the Government against all losses in the event of the materials being found short or defective. In all such cases, the amount required for payment shall be drawn on an Abstract Bill (TR-31) giving full description of the charges and number and date of the sanction permitting advance payment (wherever necessary). As soon as the supplies are received and the payment made, a Detailed Bill (TR-30) prepared on the basis of the actual verification/measurement of the supplies along with the required sub-voucher(s) must be submitted to the Circle Accounts Officer of Postal Accounts Office concerned, in adjustment of the advance drawn earlier quoting voucher number and date of the relevant abstract bill.

GOVERNMENT OF INDIA'S DECISION

Advance payment to private firms for supply of stores/service and maintenance of machines, etc., [See GID (2) below Rule 390]. -Extract from GFR-2017 is reproduced below:

Rule 172 (1) Advance payment to supplier ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments for example in the following types of cases :- (i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipment, etc.

(ii) Advance payment demanded by firms against fabrication contracts, turn-key contracts etc. Such advance payments should not exceed the following limits :

- (a) Thirty per cent. of the contract value to private firms;
- (b) Forty per cent. of the contract value to a State or Central Government agency or a Public Sector Undertaking; or
- (c) in case of maintenance contract, the amount should not exceed the amount payable for six months under the contract. Ministries or Departments of the Central Government may relax, in consultation with their Financial Advisers concerned, the ceilings (including percentage laid down for advance payment for private firms) mentioned above. While making any advance payment as above, adequate safeguards in the form of Bank guarantee etc. should be obtained from the firm.

Rule 172 (2)-Part payment to suppliers: Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it dispatches the goods from its premises in terms of the contract.

Rule 427. Unless otherwise provided, bills presented in support of payments or purchases of stores shall be accompanied by a certificate that the articles detailed in the vouchers have been actually received and entered in the stock Register, that their quantities are correct and their quality good, that the rates paid are not in excess of accepted or market rates and that suitable notes of payment have been made in the indents and invoices concerned to prevent double payment. The authority, unless it is a general one under which the purchase is made, shall also be quoted.

Rule 428. The provisions of Rule 262 apply also to supplies of stores by one department of the Government to another.

NOTE – The following instructions should be printed on all forms of invoices for the supply of stores, etc., and the Officer receiving the supply should comply with them before the invoice is countersigned. It is essential for purposes of accounting and audit that the entries below should be filled in. Failure to do so may result in unnecessary delay and return of the invoice for compliance:-

- (1) Head of Account (Major, Minor, Sub-head and Detailed head).
- (2) Month and year to which the charge relates.
- (3) Accounts Officer by whom the amount is adjustable.
- (4) Department to which the charge is debit.

Rule 429. A list of account forms mentioned in this Handbook is given in ‘Book of Postal Accounts Forms, Part-I and Part-II available on the official website of the Department ‘India Post’

Government Drafts

Rule 430. The conditions governing the issue of Government drafts are given in Appendix-9 to this Volume.

Security Deposits made by Central Government Departments

Rule 431. (1) In case where the Department of Posts is required to make security deposits in cash with State Governments/ Statutory Organizations like state Electricity Boards, Corporations, Municipalities, etc., as a safeguard against delay/default in payment of their dues, a Competent Authority may sanction drawl of a special departmental advance in terms of Rule 75 (1) of Compendium of Rules on Advances, for making such deposits, subject to the condition that the advance shall be sanctioned only when the Competent Authority is satisfied that a letter of guarantee, in lieu of deposit in cash, will not be acceptable to the authority requiring the deposit as a sufficient safeguard. A proper receipt for the deposit made shall always be obtained from the authority concerned.

(2) The particulars of drawal of such advance and payment shall be entered in a Register of Security Deposits to State Government/ State Electricity Boards/ Corporations/ Municipalities in Form ACG-43-A, bound in a volume to be maintained for the purpose of watching recovery at the appropriate time.

(3) The Competent Authority shall also see that interest, if due, is received from the authority with which the deposit is made at prescribed intervals. Such interest shall be credited under the Head “0049-Interest Receipts-60-Other Interest Receipts of Central Government”.

(4) It should also be ensured that adequate safeguards exist to effect refund of security Deposit, when it is necessary to do so.

(5) A statement showing year-wise analysis of Deposits at the end of each year standing with each State Government / State Electricity Board / Corporation, Municipality, etc., will be prepared by each office in the form ACG-43-B and submitted to the Circle Postal Accounts Office / Audit Office by 10th of April each year.

(6) In case of transfer of a deposit from one office to the other for any reason, statements in Form ACG-43-(A), after filling up Columns 1 to 12, thereof, will be furnished to the office to which the deposit is transferred as well as to the Circle Postal Accounts Office/Audit Office of that office. Such transfer shall be immediately recorded in the Register of Security Deposits (ACG-43-A).

APPENDICES TO POSTAL FHB-Vol. I

APPENDIX-1

[See Rule 49]

Different Classes of Receipts exempt from Stamp Duty

NOTE- The contents of this appendix have no validity except in so far as they reproduce the exact wording or represent correctly the meaning of the relevant Act, Rule or Order by which the exemptions have been granted. No doubtful case should be decided except by reference to the appropriate Act, Rule or Order, as the case may be, and if necessary, to the Government.

The following items are exempt from stamp duty:

(1) Receipt given by or on behalf of or in favour of the Government.

NOTE -"Receipt in payment of fixed stationery charges made to Postal Officials falls within this category".

(2) Receipt on cheques or bills of exchange payable on demand.

NOTE-Receipts on refund orders in respect of Income Tax, Estate Duty, Wealth Tax, Expenditure Tax or Government Tax fall within this category.

(3) Receipt given for payment of interest on Government Promissory Notes.

(4) Receipt for pensions or allowances by persons receiving such pensions or allowances in respect of their service as non-commissioned or petty officers, soldiers, sailors or airmen, and not serving the Government in any other capacity.

NOTE.-The expression soldiers/airmen used in this Appendix includes persons below the rank of non-commissioned officers who are enrolled under the Indian Army Act, 1911/Indian Air Force Act, 1932.

(5) Receipt given by, or on behalf of a depositor in a Post Office Savings Bank for a sum of money withdrawn from any such Bank.

(6) Receipt endorsed by the payee on a Postal e-Money Order or given by the payee to the Post Office for a sum paid to him in adjustment of a short or wrong payment of such an Order.

(7) "Receipt obtained in respect of payment of amount due on a Post Office Cash Certificate whether endorsed on the back of the certificate at the time of its discharge or taken separately. (This shall be deemed to have taken effect from the 14th August, 1937.)"

(8) Receipt given by an officer of the Postal Department in respect of a sum paid to him by the Government as an advance for the purchase of Railway or Steamer tickets.

(9) Receipt or Bill of Lading issued by a Railway Company, or Administration or an Inland Steamer Company or an Air Transport Company for the fare for the conveyance of passengers or goods or both or animals or for any charges incidental to the conveyance thereof or given to such Company or Administration or Inland Steamer Company for the refund of an overcharge made in respect of such fare or charges.

(10) Receipt given by a Railway, or Administration or an Inland Steamer Company for money received by it from another Railway Company or Administration or Inland Steamer Company or from a Tramway Company or other Carrying Company on account of its share of fares or freight for the conveyance in through traffic of passengers or goods or both or of animals.

(11) Receipt or Bill of Landing issued by the Commercial Carrying Limited for the fare for the conveyance of passengers or goods or both or receipt given by the said company for the refund of an overcharge made in respect of such fare.

(12) Receipts given by holders of family certificates in cases where the person from whose pay or allowances the sum comprised in the receipt has been assigned is a non-commissioned, or petty officer, soldier, sailor or air men of any of the said forces and serving in such capacity.

(13) Receipt given for pension or allowances paid by the Central Government to an heir of a deceased non-commissioned officer or petty officer, soldier, sailor or airman of Indian military, naval or air forces.

(14) Receipts for any payment of money without consideration, e.g., grants-in-aid; scholarships, etc., etc.

NOTE -"The receipts for fees paid to Advocates through a briefing or instructing Government Solicitor or Advocate need not also be stamped."

(15) Receipt for any payment of rent by a cultivator on account of land assessed to Government revenue.

(16) Receipt endorsed on instruments executed by or on behalf of any Society for the time being registered or deemed to be registered under the Co-operative Societies Act, 1912, or instruments executed by any officer or member of any such society relating to the business of the society.

(17) Receipt for payments made by or on behalf of Government in Indian States.

(18) Such other receipts or class of receipts as may be legally exempt from stamp duty.

(19) Receipt for their pay executed by prisoners-of-war confined in India.

NOTE 1.-Cash memorandum issued by tradesmen for sales against cash payment are not treated as receipts within the meaning of Section 2 (23) of the Indian Stamp Act (Act II of 1899) and need not be stamped even if the amount exceeds 5,000 rupees unless they contain an

acknowledgement of the receipt of money from the purchasers as named therein of the price of the articles sold.

NOTE 2.-The following documents do not come under the exemption but are chargeable with stamp duty under the general rules:

- (a) Receipts signed by a Government Officer as Chairman of a Municipality.
- (b) Receipts other than those mentioned in item (14) above drawn on account of Cantonment and other Local Funds.
- (c) Receipts for advances taken by Government servants other than those of the Department of Posts in respect of sums paid to them by the Government as advance for the purchase of Railway tickets.
- (d) Receipts for refund or repayment of deposits, other than covered by item (16) above.
- (e) Receipts on acquittance rolls of establishment.

NOTE 3.- The Stamp Act (Act II of 1899) does not extend to tribal areas outside India.

APPENDIX 2
(Rule 58)

Instructions for regulating the enforcement of responsibility for losses, etc.

1. The cardinal principle governing the assessment of responsibility is that, every Government officer should exert the same vigilance in respect of public expenditure and public fund generally as a person of ordinary prudence would exercise in respect of the expenditure and the custody of his own money. While therefore, the competent authority may, in special cases, condone an officer's honest errors of judgement involving financial loss if the officer can show that he has acted in good faith and done his best up to the limits of his ability and experience, personal liability must be strictly enforced against all officers who are dishonest, careless or negligent in the duties entrusted to them.

2. It is of the greatest importance to avoid delay in the investigation of any loss due to fraud, negligence, financial irregularity, etc. Should the administrative authority require the assistance of the Audit Officer and/or the Accounts Officer, as the case may be, in pursuing the investigation, he may call on that officer for all vouchers and other documents that may be relevant to the investigation; and if the investigation is complex and he needs the assistance of an expert Audit Officer/ Accounts Officer to unravel it, he should apply forthwith for that assistance to Government which will then negotiate with Audit Officer and/or the Accounts Officer concerned for the services of an investigating staff. Thereafter, the administrative authority and the Audit /Accounts authority shall be personally responsible within their respective spheres, for the expeditious conduct of the enquiry. In any case in which it appears that recourse to judicial proceedings is likely, the Special Police Establishment or the State Police should be associated with the investigation.

3. In any case in which it appear that recourse to judicial proceeding is likely to be involved, competent legal advice should be taken as soon as the possibility emerges. In the case of losses, involving a reasonable suspicion of fraud or other criminal offence, the prosecution should be attempted unless the legal advisor considered that the evidence available is not such as will secure a conviction. The reason for not attempting a prosecution should be placed on record in all such cases.

4. In cases where loss is due to delinquencies of subordinate officials and where it appears that this has been facilitated by laxity of supervision on the part of a superior officer, the latter shall also be called strictly to account and his personal liability in the matter carefully assessed.

5. (i) The question of enforcing pecuniary liability shall always be considered as well as the question of other forms of disciplinary action. In deciding the degree of an officer's pecuniary liability, it will be necessary to look not only to the circumstances of the case but also to the financial circumstances of the officer, since it should be recognized that the penalty should not be such as to impair his future efficiency.

(ii) In particular if the loss has occurred through fraud, every endeavor should be made to recover the whole amount lost from the guilty persons and if laxity of supervision has facilitated the fraud, the supervising officer at fault may properly be penalized either directly by requiring him to make good in money a sufficient proportion of the loss or indirectly by reduction or stoppage of his increments of pay.

(iii) It should always be considered whether the depreciated value of the Government property or equipment lost, damaged or destroyed by the carelessness of individuals entrusted with their care should be recovered from the delinquent official. The depreciated value of the stores may be calculated by applying the appropriate percentage of depreciation as applicable from time to time in accordance with the provisions of Income Tax Act as well as Companies Act in the case of vehicles, including cycles, and 15% in the case of calculating machines, on the reduced balance every year. The amount to be recovered may be limited to the Government servant's capacity to pay

6. When a pensionable Government servant is concerned in any irregularity or loss, the authority investigating the case shall bear in mind the provisions contained in Central Civil Services (Pension) Rules 1972 as amended from time to time and immediately inform the Audit Officer and/or the Accounts Officer, as the case may be, responsible for reporting on his title to Pension or Death-Cum-Retirement Gratuity, and the authority competent to sanction Pension or Death-Cum-Retirement Gratuity and it will be the duty of the latter to make a note of the information and see that the Gratuity or Death-Cum-Retirement Gratuity is not paid before a conclusion is arrived at as regards the Government servant's culpability and final orders are issued thereon.

(Correction number 26 of the first list of Amendments and G.I.,M.F.,O.M. No. I(4)-E.II (A)/82,dated 23rd December 1983)

7. The fact that Government servants who were guilty of frauds or irregularities have been demobilized or have retired and have thus escaped punishment, should not be made a justification for absolving those who are also guilty but who still remain in service.

8. Depending upon the results of the inquiry, departmental proceedings and/or prosecution shall be instituted at the earliest moment against the delinquent officials concerned and conducted with strict adherence to the Central Civil Services (Classification, Control and Appeal) Rules, 1965, and other instructions prescribed in this regard by the Government.

[See Rule 37 and corresponding APPENDIX– 1 thereto of GFR 2017]

APPENDIX-3

(Referred to in Rule 69)

Rules regarding the destruction of account records appertaining to the accounts audited by the Indian Audit Department

The destruction of records (including correspondence) connected with the accounts is governed by the following rules and such others subsidiary rules consistent therewith as may be prescribed by the Government with the concurrence of CGA: -

(a) The following shall on no account be destroyed: -

- (i) Records connected with expenditure which is within the period of limitation fixed by the Law.
- (ii) Records connected with the expenditures on projects, schemes, or works not completed, although beyond the period of limitation.
- (iii) Records connected with claims to service and personal matter affecting persons in the service.
- (iv) Orders and sanctions of a permanent character, until revised.

(b) The following shall be preserved for not less than the period specified against them: -

(Part I of Annexure 'A' of Appendix 5 of Postal FHB Volume I and Appendix 9 of General Financial Rules-2017)		
	Description of Records	Number of complete calendar years for which to be preserved)
1.	Annual Establishment Return (Book of Establishment)	35years
2.	Expenditure sanctions not covered by paragraph (a) (i) above including sanctions relating to grants in-aid	3 years or one year after completion of audit, whichever is later
3.	Arrear claims (including sanction for investigation, where necessary)	3 years or one year after completion of audit, whichever is later.
4.	Records relating to contingent expenditure	3 years or one year after completion of audit whichever is later.
5.	Budget estimates/revised estimates of an office	3years
6.	Travelling allowance bills and Acquittance Rolls relating thereto	3years

7.	Service Book (including Leave Account)	3 years after death /retirement or date of final sanction of pension, whichever is later.
8.	Invalid Pension	Till the youngest son /daughter attains the majority or five years, whichever is later
9.	Family Pension	Till the youngest son/ daughter attains the age of majority or five years, whichever is later
10.	Other Pension cases	Till youngest son /daughter attains the majority or five years, whichever is later
11.	Life Certificate and Certificate of unemployment obtained from pensioners who are paid their pensions by money orders	5years
12.	Money order receipts and acknowledgements of pension	5years
13.	Statement of monthly progressive expenditure and correspondence relating to discrepancy in figures.	2years
14.	Pay Bill Register	35years
15.	Office copies of establishment pay bills and related schedules (in cases where pay bill register is not maintained	35years
16.	Schedules to establishment pay bills for the period for which Pay Bill Register is maintained	3 years or one year after completion of audit, whichever is later
17.	Acquittance Rolls of pay and allowances (other than travelling allowances)	3 years or one year after completion of audit, whichever is later
18.	Bill Register maintained in Form TR.28-A	5years
19.	Bill of charges for conveyance of mails, etc., and payees' receipts for money paid (other than those filed with establishment pay bills.)	6years
20.	Muster rolls and Register of Muster Rolls	5years
21.	Cash Books maintained by the Drawing and Disbursing officers	10 Years
22.	Personal files	3 years after death /retirement or date

		of final sanction of pension, whichever is later
<p>Note 1: Before any pay bills are destroyed the periods of temporary and officiating services, as recorded in the service books of the Government servant concerned should be verified by the Head of the Office from the pay bills and the fact of such verification should be recorded under proper attestation in the Service Books .</p>		
<p>Note 2: The acquittance rolls of Gramin Dak Sevaks should be preserved for 45 years of the purpose of verification of their services.</p>		

Annexure 'A'

List showing period after which certain classes of records of the Department of Posts may be destroyed

I-GENERAL

Sl. No.	Description of Records	Number of complete account years for which to be preserved
1.	Objection statements and retrenchment memoranda	3 years
2.	Receipts for money paid (other than those filed with the acquittance rolls)	3 years
3.	Register of losses, recoverable advances and retrenchments	4 years
4.	Letter of authority for payment to another person or agent	35 years
5.	Inspection reports from the Audit Office/Accounts Office	1 year after the next inspection provided all the items have been settled
6.	Correspondence relating to sanctions and revision of establishments, etc.	3 years (in the case of Post Offices and Railway Mail Service Offices to be destroyed as soon as a new revision is sanctioned)
7.	Register of Security Deposits or Bonds	10 years

8.	Correspondence relating to losses, defalcations, etc.	18 months after final orders have been passed (one year in the case of Post Offices and Railway Mail Service Offices)
9.	Papers relating to grant of advances of pay, travelling allowances, purchase of motor cars etc.	3 years
10.	Last pay certificates (Office copies)	3 years
11.	Renewal of sanctions to temporary establishments	3 years
12.	Register of Budget grants	5 years
13.	Stock Book	10 years after the year in which it is replaced by a fresh stock
14.	Correspondence relating to fund deduction, etc.	1 year
15.	Receipts and invoices with the exception of those under dispute	3 years
16.	Demands for Licence Fee, etc. on departmental buildings	3 years
17.	Gazetted Officer's Pay slips	1 year
18.	Charge Reports (office copies)	1 year
19.	Register showing the name, designation, pay etc of Gazetted Officers drawing pay from a disbursing office	5 years
20.	General Provident Fund record	1 year
(i)	General Provident Fund record relating to nomination	*1 year subject to (a) Original nomination being placed in Volume II of the Service Book of MTS Government servant and (b) Nomination in original or an authenticated copy thereof being placed in Volume II of the Service Book/Personal File in case of other Government servant
(ii)	Records relating to adjustment of missing credits in GPF accounts	*1 year

(iii)	Records relating to financing of insurance policies from GPF accounts	*1 year subject to an authenticated copy of the sanction being placed on the personal file
(iv)	Records relating to final withdrawal from GPF, e.g. for house building, higher technical education of children etc.	*1 year
(v)	GPF annual statements	*1 year
*(Compendium of preservation and disposal of records published in the year 2016,by Rafi Ahmed Kidwai National Postal Academy, Government of India)		
21.	Service Rolls	5 years after death, resignation, discharge or retirement, whichever is earlier
22.	Register of Sanctioned Establishment	At the end of one year after new one has been prepared
23.	Register for maintaining particulars of accounts records destroyed	Permanently
24.	Contingent Sub Vouchers	3 years
25.	Bills for reimbursement of medical charges	6 years
26.	Cash Books (TR-4)	10 Years
27.	Register of Cheques received and cleared (Form ACG-28)	5 years from the date of last entry in the register
28.	Register of cheque/receipt books	5 years from the date of last entry in the register
29.	Counterfoils of used Cheque Books, Receipt Books	5 years from the date of last cheque drawn/receipt issued from the Book
30.	Register of Destruction of records	Permanent
31.	Loan Register	10 Years
32.	Register of Files/Vouchers/Registers a) Transferred to Departmental recording Wing i.e. old	25 years

	records room of the Department/Office	
	b) Transferred to National Archives	Permanent
33.	File Index Register	10 years

II- POST OFFICES

Accounts and Sub Accounts

S.No.	Description of Records	Period of Preservation(Complete Account years)
1.	Head Office Summary	3years
2.	Sub Office daily accounts	18months
3.	Branch Office daily accounts	2years
4.	Sub Office summaries	18months
5.	Branch Office summaries	18months
6.	Sub Office slips	18months
7.	Branch Office slips	2years
8.	Sub Office Accounts	3years
9.	Branch Office Accounts	3years
10.	Treasurers Cash Book	10years
<i>Accounts</i>		
1.	Head Office Cash Book	3years
2.	Head Office Summary	3years
3.	Treasurer's Cash Book	10 years
4.	Contingent Bills (copies)	3years
5.	Schedule of receipts and payment (copies)	3years
6.	Treasury Pass Book	10 years
7.	Memo of disbursement of pay and allowances with receipts for money paid by the Postmaster	3 years or 1 year after the completion of audit whichever is later (i.e. maximum 3 to 6 years) (DG62-37/86dt.25/06/87)
8.	Runner's appointment certificates <i>(*These record should be destroyed only with the special sanction of the Heads of Circles)</i>	Permanent*
9.	Treasury Vouchers	3 years
10.	Treasury Receipts	3 years
11.	Sub Office Daily Accounts	18months
12.	Branch Office Daily Accounts	2years
13.	Sub and Branch Office summaries	18months

14.	Sub Office slips	18months
15.	Branch Office slips	2years
16.	Sub and Branch Office Accounts	3years
17.	Remittance Advice and Acknowledgements	18 months
18.	Daily list of Telephone Revenue collections	2 years
19.	Monthly statement of fluctuating charges in Form A	1 year
20.	Counterfoil of Pay Order	3 years from the date of issue of last Pay order
21.	Register of Refunds	ACG 5 years

<i>Savings Bank Department</i>		
1.	Savings Bank Journals with Savings Bank memos	18 months
2.	Sub office Savings Bank Journal <i>(*These records should be destroyed only with the special sanction of the Heads of Circles)</i>	Permanently*
3.	Annual Statement of Interest	3 years
4.	Specimen Signature Book <i>(#These records should not be destroyed so long as the accounts to which they relate are in existence)</i>	Permanently#
5.	Register of Government securities	Permanently
6.	Guard Books containing depositors applications for duplicate pass books	10 years
7.	Guard Books containing letters pledging depositors in Post Office Saving Bank as security	Permanently
8.	Savings Bank Ledger	Permanently
9.	Alphabetical Index Register	Permanent like ledgers
10.	Stock Register of Pass Books	18 months
11.	Interest payments orders received from the Director of Accounts (Postal), Kolkata	3 years
12.	Register of Savings Bank Acknowledgment	5 years
13.	Receipts of Savings Bank Pass Books delivered at a sub office	18 months
14.	Register of undeliverable Pass books with pass books <i>(*These records should be destroyed only with the special sanction of the Heads of Circles)</i>	Permanently*
15.	Government Security Holder's Rolls	So long as the securities remain in custody
16.	List of dead account received from the Audit Office	6 years
<i>Money Order Department</i>		

1.	Journals (lists) of money orders issued (Head Office and Sub Office (MO.2)	18months
2.	Register of Money Orders received for payment (MO.3)	18months
3.	List of Money Orders Paid (Head Office and Sub Office (MO.4)	18months
4.	Compilation of Money Orders paid (MO.23)	18months
5.	Books of money order receipts (Head and Sub Offices)(MO.1)	2years
6.	Compilation of daily totals of money orders issue in Sub Offices	18months
7.	Postman's money orders paidbooks(MS.27)	18months
8.	Files of cases containing paid money orders received from Postal Accounts Office	Files for 1 year and paidordersfor2years
9.	Records relating to inward/outward foreign money order in exchange offices	3years
10.	Counterfoils of used RMO cheque books	5 years from the date of last cheque drawn in the book
11.	Counterfoils of pay orders	3yearsfrom the date of last pay order issued
<i>Indian Postal Orders</i>		
1.	List and Journals of Indian Postal Orders sold	18months
2.	List of Indian Postal Order Paid	18months
3.	Register of Indian Postal Orders in stock	18months
<i>Post Office Certificates</i>		
1.	Journals of Post office certificates issued and discharged	18 Months
2.	Weekly summaries of Post office certificates issued and discharged	18 Months
3.	Register of Post office certificates issued and discharged	Permanently
4.	Ledger of Post office certificates <i>(*These records should be destroyed only with the special sanction of the Heads of Circles)</i>	Permanently*
5.	Stock Register of Post office certificates	Permanently
6.	Invoice for Post Office certificates	3 years
7.	Register of certificates for payment by India office	Permanently
8.	Sub-Office combined Register or receipts, issues and discharges of Post Office Certificates	Permanently
9.	Applications for purchase or transfer of Post Office Certificates	Permanently
10.	Applications for purchase or transfer of Post Office Certificates in lieu of which duplicate certificates have not been issued.	For a period of six years plus the prescribed period of maturity (if the

		certificates are allowed to be retained beyond maturity)from the date of discharge of the certificate.
11.	Alphabetical Register of Post Office Certificates purchasers	Permanently like ledgers
12.	Sub-office and HO journals of Post Office Certificates issued through Authorized Agents (NC-47 & NC-48)	18 Months*
13.	Ledger for payment of commission to Authorized Agents (NC-49)	3 years from the date of payment of commission*
14.	Authorized Agents Bill for commission earned (NC-50)	3 years from the date of payment of commission*
15.	Schedule of commission paid to Authorized Agents.	3 years
16.	Partially used Authorized Agents commission Book	5 Years
(*In case however, where the commission has not been claimed the relevant general should not be destroyed)		
<i>Delivery Department</i>		
1.	Deposit account	18months
2.	Letter postage account	18months
<i>MISCELLANEOUS</i>		
1.	Register of Post Box holders	3 years
2.	Inspection Reports and verification Reports by executive	1 year after the next inspection provided all the items have been settled
3.	Cases regarding claims in respect of Savings Bank Accounts and Post Office Certificates standing in the names of the Deceased person decided by the Post Master.	3 years from the date of payment of the amount of the claim
4.	Invoices for article received from Stock Depot	3 Years
5.	Carbonic Copies of Invoices returned to Stock Depot	3 years
<i>III. RailwayMail Service</i>		
<i>(a) Head Record Office</i>		
1.	Cash books	3years
2.	Cash abstracts	3years
3.	Copies of contingent bills and bills for double duty and outstation allowances	3years
4.	Loss case register	Permanent
5.	Statements and correspondence relating to reserved accommodation supplied to Railway Mail Service Sections half yearly and weighment of bags despatchedunder weighment system half yearly.	1year
6.	Stock book of bags	3years

7.	Memo of disbursement of pay and allowances with receipts	3 years or 1 year after issuing by audit whichever is later
8.	Invoices of articles received from Stock Depot	3years
9.	Carbonic copies of invoices returned to the Stock Depot	3years
<i>RailwayMail Service</i> (b) Circle Office		
1.	Sanctions issued by the DG and Head of the Circles to the revision of half yearly interest charges payable to railways	3 years. (A list of the sanctions should, however, be recorded in a register which should be preserved permanently).
2.	Sanctions issued from time to time for revision of annual haulage charges payable to the railways	2 years, (Full particulars of the sanctions should be recorded in the register to be preserved permanently)
3.	Register of regular accommodation supplied to the Railway Mail Service sections	1 year (this register should be destroyed at the end of every year after a new register has been prepared)
4.	Register of railway bills	3years
5.	Correspondence regarding acceptance of railway bills and duplicate copies of the bills accepted	3 years after acceptance of the bills
6.	Cases relating to the construction of mail vans	Permanent
7.	Cases relating to the supply of regular accommodation to the Railway Mail Service section	3years

NOTE:- Compendium of preservation and disposal of records published in the year 2016, by Rafi Ahmed Kidwai National Postal Academy, Government of India has replaced the aspects pertaining to Postal Seals Office, Aligarh.

<i>IV. ANCILLARY SERVICES</i>		
POSTAL STORES DEPOT		
1.	Estimates books	3years
2.	Correspondence relating to	
	a) revision of estimates	3years
	b) examination of workshop accounts	10years

	c) buildings	3years
	d) annual reports	10years
3.	Workshop warrants with their vouchers	3years
4.	Cashbook	3years
5.	Receipt books	6years
6.	Tender	3years
7.	Personal ledgers of contractors	3years
8.	Book debit ledgers	3years
9.	Cash sale ledgers	3years
10.	Stores ledgers	3years
11.	Invoice books	1year
12.	Supply order books	1year
13.	Detailed statement of stamps and seals	1year
14.	Office copies of	
	a) Account Current (Other than Stores)	10years
	b) Store Account Current	10years
	c) Manufacture Account Current	10years
	d) List of Payment Vouchers	10years
	e) Schedule showing particulars of miscellaneous receipts paid into local Post office during the month	3years
	f) General balance sheet	10years
	g) Profit and loss account	10years

APPENDIX-4

[Referred to in Note 1 below Rule 180)

Rules regulating the preparation of Last Pay Certificate in case of transfer on duty, or of return from leave:-

(1) Transfers on duty may be of two kinds-

(i) A Government servant may proceed on duty from one Circle of Accounts to another.

(ii) A Government servant may proceed on duty from one place to another in the same Circle of Accounts.

(2) In the former case the certificate should be given as follows:-

(a) If the Government servant is employed at the station of the Accounts Officer of his Circle of Accounts and the system of payment after pre-check is followed in his office the certificate should be given by that officer, and a duplicate of it should be forwarded to the Accounts Officer of the transferred Government servant's new Circle of Accounts; otherwise the procedure laid down in Clause (b) below should be adopted.

(b) If he has to pass through that station on his way to new Circle of Accounts, the certificate should be given in duplicate by the Disbursing Officer from whom he last drew pay and both copies countersigned by the Accounts Officer; one copy of the counter signed certificate should be forwarded by the latter to the Accounts Officer of the transferred Government servant's new Circle of Accounts.

(c) If he is not employed at and has not to pass through the Accounts Officer's station, the certificate should be given by the Disbursing Officer and a duplicate of it should be forwarded by the Disbursing Officer to the Accounts Officer for countersignature and transmission to the Accounts Officer of the transferred Government servant's new Circle of Accounts.

EXCEPTION.- As an exception to the preceding rules the Last Pay Certificates of non-Gazetted Government servants transferred from one Circle of Account to another may be given by the Head of the Office and need not be countersigned by the Circle Accounts Officer concerned, but in the case of transfer out of India, the Last Pay Certificate should be signed by the Accounts Officer.

(3) In the second case of transfer, the Government servant should obtain a Last pay certificate from the officer-in-charge of the disbursing Office from which he last drew pay, or if he is a non-Gazetted Government servant, from the head of the Office under whom he was last employed.

(4) A Government servant who has drawn his leave salary in India should, before returning to duty, obtain a Last Pay Certificate from the Accounts Officer by whom or within whose jurisdiction his leave salary was last paid.

(5) Consequent upon roll out of application based system in the Department; computerized Last Pay Certificate (LPC) shall be generated as per the SOP issued by the Department of Posts on this matter.

(6) This form provides for details of the fund deductions although the officer preparing the bills is responsible for their correctness; but the officer preparing the Last Pay Certificate is responsible not only for entering in the certificate all demands against the departing Government servant, including any made under an order of attachment of his pay by a Court of Law of which he may have received notice before granting the certificate, but also for passing on any, of which he may afterwards receive notice, to the disbursing office from which the Government servant will in future draw pay.

(7) The officer preparing the Last Pay Certificate should also enter details in regard to any insurance policies being financed from a Provident Fund, indicating the names of Insurance Company, the policy number and the amount and the due date for the payment of premium.

(8) In all cases of transfers from one Division or Office to another within the same Accounts Circle the Last Pay Certificate should specify the last regular or monthly payment; and the entire pay for the month in which transfer has been made should be paid in the new Division or Office except where rules of the department provide to the contrary.

FORM

'LAST PAY CERTIFICATE'

Last Pay Certificate of Shri/ Shrimati/ Kumari _____
_____ of the office of _____
proceeding on to _____. 2. He/She has been paid up to
_____ at the following rates in the scale of pay matrix Rs.
_____ :-

Particulars

Basic Pay –

Special Pay –

Personal Pay –

Dearness Pay –

Leave Salary –

Allowances	Rate of Deductions
a) D. A./ A. D. A.	a) G. P. F.
b) H. R. A.	b) Income Tax
c) Medical Allowance	c) Professional Tax
d)	d) Group Insurance
	i) Insurance Fund
	ii) Savings Fund

3. His/Her General Provident Fund Account No. _____ is maintained by the Drawing and Disbursing Officer.....

4. He/She made over charge of the office of _____ on the forenoon/afternoon of _____.

5. Recoveries are to be made from the emoluments etc. of the Government employee as detailed below.

6. He/She is entitled to draw the following :

7. He/She has been sanctioned _____ leave proceeding joining time for _____ days.

8. He/She finances the insurance policies detailed below from the Provident Fund :

No. of Policy Amount of Premium Due Date for the payment of Premium

9. Details of P. L. I. Policy where premium deduction is done from pay bill.

10. The Details of the G.P.F./Income-Tax/Profession Tax deduction made from him/her upto the date from the beginning of current financial year are noted below:-

11. He resides at Government Rented House at _____
 _____ . House Rent recovered upto _____
 _____ . Dated _____ 20__ Signature _____
 Designation _____

(Details of Recoveries)

Name of advance involving recovery/	Total amount of advance sanctioned	Outstanding amount recoverable	Rate of installments

adjustment	with date of drawal	(Rs.)	(Rs.)

*Pay advance

T. A. advance

*Leave Salary advance

*Cycle/Motor Cycle/ Motor car advance

H. B. advance

G. P. F. advance

* These advances have been discontinued vide Ministry of Finance, DoE, OM No. 12(1)/E II(A)/2016 dated 07.10.2016.

Names of months	Pay-leave salary and allowances	Fee/Special allowance/Honorarium etc	Funds & other deductions	Amount of income tax recovered	Remarks
	Rs.	Rs.	Rs.	Rs.	
April, 20__					
May, 20__					
June, 20__					
July, 20__					
August, 20__					
September, 20__					
October, 20__					
November, 20__					
December, 20__					
January, 20__					
February, 20__					
March, 20__					

Signature of the D.D.O. _____

Designation _____

APPENDIX-5

[Referred to in Rule 244]

Miscellaneous rulings relating to office expenses

NOTE- This Appendix contains the financial and administrative instructions in respect of special items of contingent expenditure including stores. These instructions are supplementary to those contained in other connected rules and orders in Chapter XI of this Handbook. Any amendments to these instructions affecting accounts classification will require the concurrence of the D.G./Secretary (Posts) on behalf of the Controller-General of Accounts.

1. Advertising charges.-Alterations of Postal inland rates and conditions and charges in foreign postage rates etc., should not be published in newspapers except when intimation is received from the Director-General/ Secretary (Posts) that the notice is considered to be one requiring such publication.

The officers required to issue advertisements, may incur expenditure subject to the general limits specified in Rule 258 unless there be any special orders of Government to the contrary.

NOTE- The Director-General/Secretary (Posts) has been authorized to sanction expenditure on advertisement charges irrespective of the amount involved.

2. Bicycles.-(1) The Ministries of the Government of India and the Heads of Departments are authorized to sanction the purchase of bicycles for the use of messengers employed in their own offices or offices subordinate to them where supply is rendered clearly necessary by the requirements of public business, provided that-

- (i) The purchase of such bicycle be made through GeM only.
- (ii) Not more than three bicycles are provided for any one office without the general or special sanction of Government;
- (iii) Government bicycles shall not be used for private purposes;
- (iv) Before sanctioning any such purchase, the sanctioning authority should consider whether in view of the saving of time effected by the use of bicycles, a simultaneous reduction cannot be made in the MTS establishment of the office concerned;
- (v) Purchase should be made through GeM only as system for procurement through DGS&D has now been shifted to that of GeM (Government e Market place).
- (vi) All doubtful cases should be referred to the Director-General/Secretary (Posts) for orders,

(2) *Repairs.*-The Head of an Office may have an official bicycle repaired locally or at the nearest repairing centre. If the repairs required to the frame of a bicycle including transit charges would cost so much that in the opinion of the Head of the Office it would be true economy to purchase a new bicycle, the machine should be condemned and sold under the orders of the Head of Department concerned, the sale proceeds being credited to Government.

(3) *Renewals.*-Heads of Departments have full powers subject to proviso (i) to Para. (1) above for sanctioning the purchase of a new bicycle in the place of one condemned by them or under their orders in terms of Para. (2) above.

3. *Charges for conveyance of Cash.*-Petty charges, such as coolie hire, toll charges, etc., incurred in connection with the conveyance of cash should be treated as office expenses.

NOTE-Such charges should not be entered item by item in the Post Office monthly contingent bill, but the total charges incurred during the whole month should be entered in a lump sum and the entry should be supported by a monthly statement countersigned by the Divisional Superintendent.

4. *MTS paid from contingencies.*- Heads of Offices and other officers empowered to draw contingent bills may sanction the employment of non-pensionable MTS establishments whose pay is chargeable to contingencies under Rule 245 subject to the following conditions:

(i) that the rates of pay allowed should not exceed such pay or scale of pay as may be fixed by Government for any particular class or classes of such *MTS*; and

(ii) that where no pay or scale of pay has been fixed except with the special sanction of Government, *Group MTS* should not be granted higher rates of pay than those allowed to identical classes of *MTS* employed in the same station under the Government, of the State or under the Local Administration, as the case may be, in which the office is situated.

5. *Commission for remittance of money.*-Commission for the remittance of funds in ordinary inadmissible. Payment of commission for occasional remittances of public funds to or from Post Offices or Treasuries may be sanctioned by Heads of Circles.

6. *Conveyance hire.*- When a non-Gazetted or *MTS* Government servant is despatched on duty to a place at some distance from his office, or is summoned to his office outside the ordinary hours of duty by a special order of a Gazetted Officer, the expenditure involved may be reimbursed to the Government servant concerned with the sanction of the Head of the Office and charged to office expenses, provided-

(i) that the Head of the Office certifies that the expenditure was actually incurred, was unavoidable and is within the scheduled scale of charges for the conveyance used; and

(ii) that the Government servant concerned is not entitled to draw travelling allowance under the ordinary rules for the journey, and that he is not granted any compensatory leave and does not and will not otherwise receive any special remuneration for the performance of the duty which necessitated the journey.

NOTE-In cases of officials specifically called from their homes to work, without intimation having been given to them previously, conveyance hire should not be paid as a matter of course. It should be taken into consideration whether there is an element of urgency in dispatching or summoning a Government servant for special job outside the ordinary hours of duty and it would not be possible for him to wait for a particular type of conveyance when an alternative one is available in order to carry out the immediate call of duty.

As the officials, to whom information is, however, given in advance to attend office on Sunday or other holidays, have knowledge of their duty sufficiently in advance it should not be difficult for them to travel by the cheapest public conveyance available.

Each case regarding the grant of conveyance hire should, therefore, be decided by the competent authority on its merits.

7. Conveyance of Mails.- The Director-General may sanction-

- (i) the running of postal special trains;
- (ii) the construction of new vans and additions to, or alterations in, mail vans or other vehicles to meet the requirements of Post Offices;
- (iii) contract payments for the carriage of mails up to a limit of 1,00,000 a year in each case;
- (iv) payments for the carriage of airmails without any limit, provided the payment is due under the terms of an agreement entered into with the air carriers by the Government or the rates of air conveyance have been fixed by the Director-General/Secretary (Posts) in consultation with the Ministry of Finance (Communications) or the Air Transport Licensing Board under Rule 153 of the Indian Aircraft Rules, 1931, or, in the case of foreign carriers, the rates have been approved by the Administration of the country to which the carrier belongs; and
- (v) All other charges for the carriage of mails, except where any general or special directions of Government are infringed.

NOTE- The power conferred by sub-clause (iii) above does not cover contract payments for the carriage of mails by air.

7-A. *Delivery charges.*-(i) In exceptional cases when the delivery and *MTS* staff of an office are not available, express delivery articles should be delivered through Mazdoors. The financial powers of the officers of the Department of Posts to sanction such expenditure are given in *the Schedule of Financial Powers of Officers of the Department Of Posts*. An annual statement of such sanctions should be submitted to the Director-General/Secretary (Posts), New Delhi, by the sanctioning authorities concerned.

8. *Electric, gas and water charges.*-(1) Charges on account of electric energy and water consumed in a Government Office may be incurred under orders of the Head of Office without limit.

NOTE-The financial limits imposed on certain officers subordinate to the Director-General/Secretary (Posts), are given in the *Schedule of Financial Powers of Officers of the Department of Posts*.

(2) Charges on account of gas, electricity or water consumed in a Government Workshop will be governed by special orders of Government.

NOTE 1.-The tax on electricity consumed by the Postal Offices should not be levied or paid as under the provisions of Article 287 of the Constitution of India, no law of a State shall impose, or authorize the imposition of, a tax on the consumption or sale of electricity (whether produced by a Government or other persons) which is consumed by the Government of India, or sold to the Government of India for consumption by that Government. Surcharges wherever levied by a State Government over and above the tariff rates should, however, be borne by the Department of Posts as these are usually levied to balance the cost of production and are not expected to be a source of revenue to the State concerned that the charges in question is not in the nature of the text and does not, either taken as a whole or any part thereof, form part of Revenue of the State. This has effect from the 1st April, 1937.

The term "Consumers of a substantial quantity of electricity" occurring in Article 287 of the Constitution of India is not the same thing as of the purchaser of bulk supply.

NOTE 2-Charges for electricity consumed by the offices of the Department of Posts should be supported by a certificate to the effect that no State Tax or surcharge in the nature of State Tax forming part of the Revenue of the State has been paid in respect of the electric energy consumed by the offices of Department of Posts.

8-A. *Equipment (Operational and Minor) for Post Offices and RMS Offices*-A list of items treated as Operational and Minor Equipments for Post Offices and RMS Offices is given in Appendix-5A.

The expenditure on the purchase and repairs to these equipments is debitable to the Head 'Purchase and repairs of operational and minor equipment' under sub-head "Office Expenses"

under the Head of Account "3201-Postal Services-02-101-01 Post Offices or 02-102-01 Mail Sorting", as the case may be.

The Heads of Circles have been delegated financial powers to the extent of Rs. 2,500 per annum per office/establishment for purchase and repair of such articles except for the purchase of the machines mentioned at serials 26 to 35 of the list. The powers of the subordinate authorities are subject to the limits specified in the Schedule of Financial Powers of Officers of the Department of Posts.

9. *Escorts for Conveyance of Cash.*-The financial powers of sanction for the provision of escorts for conveyance of cash are given in the *Schedule of Financial Powers of Officers of the Department of Posts.*

NOTE 1.-Payments for Police guards, supplied to the offices, etc., will be borne by the Circle concerned and provision in respect of such guards being made in their estimates.

10. *Extra despatches of mail.*-(a) Charges for extra despatches of mails and for delivery of heavy parcels incurred in Post Offices and Railway Mail Service Offices should be paid, as they are incurred, and treated as office expenses. At the end of the month, a statement of such charges incurred by the Head Office and its subordinate offices should be submitted to the Divisional Superintendent with the attested copies of the mail lists or Postmaster's Certificate, and the payee's receipts. The statement should be countersigned by the Superintendent after check and returned to the Head Office concerned with the vouchers for each charge exceeding Rs. 25.

(b) The statement so received should be submitted to the Head of the Circle with the monthly Contingent bill.

NOTE- In the case of charges incurred by First Class Head Offices and their own offices, the statement is not submitted to the Superintendent.

11. *Extra expenditure incurred for delivery of heavy parcel mail articles.*-In special cases where it is necessary to incur extra expenditure in employing coolies or any other agency, in addition to the ordinary delivery staff, for the delivery of heavy parcel mail articles, the amount should be charged to contingent expenditure, and the items should be supported by a certificate signed by the Postmaster stating the aggregate number and weight of the articles. In Sub-Offices, the expenditure incurred should be treated as a contingent charge, and shown in the accounts against the Head "Bills Paid". The certificate and the payee's receipt should be sent to the Head Office attached to and entered in the place for remarks on the back of the daily account.

12. *Fire Protection.* Heads of Offices have full powers, within the limits prescribed in item 15 below, to incur necessary expenditure for taking suitable precautionary measures against accidents by fires in the buildings, etc., entrusted to their charge.

13. *Fixtures and furniture*-Every new building constructed by the Public Works Department is (if estimated for) provided by the department with fixture including, when necessary, record racks, shelves, fans, air conditioners etc., but the repairs of these fixtures, except the general repairs of the building, are not chargeable to the Public Works grants. Consequently such special repairs, together with the purchase and repair of furniture not comprehended in the preceding fixtures, should be paid for by the department concerned and charged in the contingent bill. The repair of furniture where supplied by the Public Works Department for new office building under the orders of Government, will be similarly charged.

The powers of subordinate authorities to sanction expenditure on the purchase and repair of furniture are subject to the limits specified in *the Schedule of Financial Powers of Officers of the Department of Posts*.

14. *Freight and Demurrage charges*-(1) The sanction of a competent authority for the purchase of any article carries with it sanction for incurring the necessary freight charges also, provided that the cost of the article including freight is within the sanctioning power of the authority that sanctions the purchase .

(2) Charges for demurrage should not ordinarily arise. If in any case the Head of a Department is satisfied that the amount payable is unavoidable, he may sanction payment up to the limit specified in the Schedule of Financial Powers in each case.

15. *Funeral Expenses*. Funeral expenses incidental to the death of employees of Department of Posts who die while in service, whether on duty leave/otherwise, but away from their home towns where their funeral cannot be attended to by friends or relatives, should be debited to the office expenses grant of the office concerned.

Heads of Offices are authorized to incur such expenditure wherever necessary, up to a limit of Rs. 500 in each case. In cases where the Heads of Offices are not empowered to draw the contingent bills, such expenditure should be regularized by issue of sanction of the competent authority *ex post facto*.

16. *Gratuities for conveyance of Postal articles*.- The rates at which gratuities are payable to masters of ships, not being mail ships, are laid down in Rule 215 of the Indian Post Office Rules which are reproduced in the Postal Manual, Volume-I.

17. *Hire of office furniture, electric fans, heaters, clocks, call bells, Air Conditioners etc.* -The power of subordinate authorities to sanction expenditure on the hire of office furniture, electric fans, heaters, *Air Conditioners* etc., shall be subject to the limits shown below-

<i>Authority</i>	<i>Limits of sanction per annum</i>
Ministries of the Central Governments and Heads of Departments	Full power

All other Gazetted Officers empowered to draw contingent bills Rs. 100

NOTE.- At places within an area in which the Central Public Works Department operates, that Department should be responsible for supplying electric fans, heaters, air conditioners required for use in any office / department either from its own stock or by hire from a reputable dealer.

18. Hot and cold weather establishment.- The controlling authority should make a specific allotment to each office under its control for hot and cold weather charges within which the Head of the Office may incur expenditure on temporary establishments, combustible stores and fittings, provided that except with the special sanction of the Head of the Department, the remuneration paid to the temporary establishment should not exceed the rates allowed by the State Government or the Local Administration for corresponding servants.

NOTE 1.-Heads of Circles have been authorized to sanction hot weather establishments.

19. Instruments, minor equipment and apparatus- The matter has been discussed in Rule 244 of this Volume.

20. Land.-(1) Subject to any general or special orders issued by Government in this behalf, the purchase of land for the use of any department quires the sanction of Government.

(2) Subject to such conditions and restrictions as Government may impose from time to time, the Director-Generals/ Secretary (Posts), have full powers to sanction the purchase or acquisition of land for constructing buildings for the Department.

21. Law charges.-I. General- (1).Subject to any general or special direction which Government may issue either generally or with reference to a particular case, the Head of a Department is authorized full powers to sanction expenditure in connection with suits instituted with the approval of the Administrative Department of Government concerned and incur other law charges. Fees to Barristers, Pleaders, etc., Civil and Criminal cases to which government is a party should be regulated by such scales as may be laid down Government from time to time.

NOTE- The Director-General has been authorized full powers to sanction expenditure on institution of a Civil Suit and other Law Charge without the approval of the Administrative Ministry of the Government.

II. Reimbursement of Legal expenses.- 'Head of Departments' as defined under Schedule-II have full power as per Schedule II-A 8 (viii) circulated vide Postal Directorate OM No. 6-1/2021-Fin. Coordination (IF Wing) dated 30.07.2021 to sanction the reimbursement to officers under his/her control of legal expenses incurred by such officers in cases arising out of their official duties.

22. Motor vehicles I. Purchase-(1) Purchase of motor cars and other motor vehicles for the use of any department or authority will be regulated by special orders of Government.

II. Maintenance and Upkeep-(2) Charges for the maintenance and up keep of a car supplied to a Government Officer, at public expense, will be borne by Government and by the officer respectively in the manner indicated below, the general principle being that the officer using the car shall bear those of its running expenses which are largely dependent as regards amount, on carefulness of management and which affect the continued efficiency of the car-

(i) The officer using the car shall pay the cost for petrol, tyre renewals, minor repairs and renewals, lubricants and illuminants as well as all occasional storage charges, insurance charges, if any, and all petty charges incurred otherwise than at the periodical overhauling and annual varnishing of the car.

NOTE- Minor repairs and renewals are those which cost less than Rs. 50 or are not connected with the prescribed periodical overhauling; provided that, if a new competent costing more than Rs.15 is used in connection with a minor repair or renewal, the officer will be entitled to charge to Government its actual cost but not any workshop charges on account of the examination of the defective car and the setting up of the new part.

(ii) All other charges will be paid by Government including wages of Chauffeur and Cleaner, the cost of uniform of the Chauffeur, and all charges incurred in connection with the annual varnishing and the periodical overhauling.

NOTE:-The upkeep and maintenance of motor cars for the use of Heads of Local Administrations will be regulated by special orders of Government.

(3) Heads of Departments may sanction expenditure on repairs of motor vehicles maintained for departmental purposes up to the limit specified from time to time for repairs carried out at a time to one or any number of such vehicles used in the same department, subject to the condition that the rules regarding the invitation of tenders for the execution of works are observed.

III. Hiring (4) Subject to such special orders as may be issued by Government to apply to particular departments, motor cars and other motor vehicles may not be hired for casual departmental use except under the special orders of the Head of the Department concerned.

23. Municipal Taxes. NOTE-All officers sanctioning payments of municipal taxes should satisfy themselves, before any claim for taxes on any property of the Central Government is paid for, that the claim is payable under the provisions of the Constitution of India.

(a) All municipal rates and taxes in respect of buildings owned and occupied by the Department should be paid direct by the Department to the Public Bodies concerned.

NOTE-No municipal taxes are payable on public buildings situated in cantonments.

(b) Taxes which are by local rule or custom, not leviable from tenants should be paid by the Department in administrative control of the building, the portion representing taxes in the nature of property or house tax being treated as part of the cost of maintenance of such building, and rest if any being recovered from the occupants concerned.

(c) Charges for municipal taxes in respect of departmental buildings should be supported by a certificate from the officer-in-charge of the building (as per Rules laid down in Postal Manual, Volume-II) in which he states either that he accepts the assessment or if he considers any assessment, be excessive, that all means have been or are being taken to secure its reduction. In respect of other Government buildings, the certificate should be given by the Departmental Officer concerned. A similar certificate as prescribed above should also be endorsed by the officers competent to draw contingent bills on all vouchers for payment of municipal taxes on motor vehicles and cycles, etc., owned by the department.

(d) If an assessment appears to be excessive, proceedings should to obtain redress under the ordinary municipal law.

Recourse to the special provision of Act XI of 1881, may however, be had when it has been found impossible to effect an amicable, though possibly arbitrary, settlement with the local authority of a case in which the property to be assessed is, from its nature, such as not to admit of the application of ordinary principles in assessing the payment thereon of any particular tax. An example would be a case in which, whereas the assessment should be on the letting value, the property is of such a nature, that it is difficult to conceive of its being let or impossible to form an estimate of the rent which would be obtained if Government offered to let it.

24. (1) The Government of India have decided that the payment of municipal taxes on Government buildings should be made by book adjustment or in cash according as the Municipalities concerned do or do not Bank with a Government Treasury.

(2) The following procedure will regulate the book adjustment of payment of Municipal Taxes-

(a) *Post Offices*-The Postmaster, on receipt of a bill from a Municipality or Local Board will enter the amount of the bill as a "drawing from treasury" in the Treasury Pass Book and send the Treasury Pass Book with the bill "and a receipt" to the Treasury Officer concerned. The Treasury Officer will attest the entry and credit the amount to the account of Municipality or Local Board as the case may be, "retaining the receipt as a voucher in support of the charge in his own account" The Postmaster on receipt of the Pass Book with the bill (in which a note will be made by the Treasury Officer to the effect that the amount of the bill has been credited to the Account of the Municipality or Local Board concerned) will charge the amount in his contingent bill, the charge being supported by

the bill. The drawings from the Treasury on this account will be taken against letters of credit.

(3) The present system, so far as it relates to cash payments of taxes, will be modified to the extent by making digital payments direct into the accounts of the municipality or local board etc. as the case may be.

25. Office Expenses- Miscellaneous-The Head of the Department will specify items which are commonly required for all offices (e.g., rat traps, glass-tumblers, water-pots, fire-wood, matches, etc.) and all such items should be grouped under this head. The charges for such items may be incurred by Heads of Offices without further sanction of higher authority.

26. Printing and Binding- The rules for printing and binding at Government Presses are given in the "Rules for Printing and Binding" issued as a separate publication by the Controller of Printing, Stationery and Stamps, under the authority of Government of India. No expenditure on account of printing forms should be incurred without the sanction of the Director General. Printing of certain special forms and "Foreign Post bag labels" may, however, be sanctioned by Heads of Circles.

NOTE 1- Financial powers of officers subordinate to the Director General/Secretary (Posts) to sanction expenditure on printing at private presses are given in *the Schedule of Financial Powers of Officers of the Department of Posts*.

NOTE 2- All binding charges including charges for binding acquittance rolls should be treated like ordinary expenditure.

27. Official Publications – (A) Priced.-1. (a) Except as provided in Clause (b) below, all Ministries of the Government of India, Heads of Departments and minor administrations under the control of the Government of India whose printing charges borne by the Stationery and Printing Department will have separate monetary allotments within which they will be at liberty to order from the Government of India Publication Branch the supply of their own publications or publications of other non-paying departments whether for their own use or for free distribution without reference to those departments. Subordinate offices which have their own publications will similarly be provided with separate monetary allotments. Provision for the requirements of other subordinate offices will be made by their Administrative Offices or Ministries in their respective allotments. All indents for publications from those offices should be forwarded through their Administrative Ministries.

(b) When a Ministry or Office issues a priced publication, a reprint thereof or a revised edition, its demand for copies for its own use and for free distribution should be carefully estimated before the requisition for printing the publication is sent to the Chief Controller of Printing and Stationery, or other appropriate authority. The distribution lists should be vetted by an officer not below the rank of a Deputy Secretary. The number of copies required should be

included in the relevant columns of the requisition Forms S-99-A and the following certificate given on the form by an officer not below the rank of Deputy Secretary:-

"Certified that the number of copies ordered for departmental use and for free distribution is the absolute minimum required."

The requisition should then be sent to the appropriate authority under the Chief Controller of Printing and Stationery who will not question the necessity of the supplies required. The cost of such supplies will be debited to the monetary allotment account.

(c) Monetary allotment will ordinarily be fixed on the basis of the average expenditure for the last five years. In calculating the average, extraordinary expenditure of the nature referred to in Clause (e) below, as also the cost of publications of paying departments, should not be taken into account. The Manager of Publications will suggest the figure to the Ministry or Office concerned and on its acceptance that figure will constitute the annual monetary allotment of each Ministry or Office. Where there is a difference of opinion, the Manager will obtain the orders of the Chief Controller of Printing and Stationery. Monetary allotments for newly created offices will be fixed on the basis of their estimated requirements in consultation with the Manager of Publications.

(d) Monetary allotments will be fixed on a five-year basis, the savings or excess in one year being carried forward to the next year until the end of the period of five years, when each Ministry or Office should take steps to obtain the sanction of the Ministry of Works, Housing and Supply to the regularization of any excess over its monetary allotment.

(e) Supplementary allotments necessitated by exceptional circumstances will be sanctioned by the Ministry of Works, Housing and Supply and will lapse on the termination of the year for which they are intended. Exceptional circumstances might be considered to have arisen when large expenditure of non-recurring nature has to be incurred on publications not normally required by a department either for its own or for free distribution.

(f) Supplies of publications will be regulated through the medium of (1) distribution lists and (2) indents which should be submitted in the Government of India Standard Form S-174. This form should be used for casual supplies as well as for giving standing orders for the regular supply of Gazette journals and other periodical publications.

(g) The monetary allotment fixed for each office or department will be given an account number which should always be quoted in the case of supply by distribution list in the communication forwarding the list and in other cases in the form of indent. The value of supply in each case will be debited against the appropriate account at full published price less 25 per cent discount. Transit and other incidental charges will not form a charge against the indenting department.

(h) A quarterly return of progressive expenditure against the monetary allotment will be furnished by the Manager of Publications to each office or department so as to enable it to maintain control over its allotment.

2. In case of department, etc., which pay for their own printing, free issues of their respective publications will be made either for their own use or for any general distribution sanctioned by them or by the Ministry in administrative charge of the paying department. In respect of such issues, the Government of India Publication Branch will charge the paying department concerned a share of the cost of storage and distribution in addition to cost of packing, freight or postage. Publications of paying departments indented for by non-paying departments or by other paying departments will be supplied on payment of the full published price less 25% discount, by cash, cheque, etc. Credits for such sales will be made to the paying department concerned subject to a deduction of 12 1/2% of the published price to cover advertising, cataloguing, storage and distribution.

3. Publications of non-paying departments indented for by paying departments will be supplied to paying departments on payment of the full published price less 25% discount by cash, cheque, etc.

4. Payment to the Government of India Publication Branch may be made by cash or cheque or by depositing the amount directly into the account of Publication Authority digitally, into a local Treasury for credit to the Head 'XLV-Stationery and Printing Central-Sale of Gazettes and other publications' and sending the treasury challan to the Government of India Publication branch.

5. All sums received by the sale of publications of departments other than paying departments will be credited in full to the Head 'XLV-Stationery and Printing Central'. In the case of the sale proceeds of publications of paying departments other than those referred to in Rule 2, 37 1/2% only will be credited to that head, the balance being credited to the paying department concerned.

28.-(B) Unpriced. The cost of printing of such publication relating to paying departments is borne by those departments and of those relating to non-paying departments is met out of the Stationery and Printing Grant. The control over their distribution rests with the Heads of Departments responsible for their issue without in any way affecting the monetary limits mentioned in the preceding rules.

EXCEPTION 1.-Post Office Guide should be obtained from the Postal Departments on cash payment by officials and others requiring them.

29. Non-Government Publications-(a) Save as hereinafter provided, books and newspapers or other periodical publications whether published in or out of India may not be purchased, or

subscribed for, at the public expense by any Government Officer, without previous sanction of the Head of the Department concerned.

(b) All departments of the Government of India, all Heads of Departments and all other officers to whom the power to purchase books, newspapers or other publications has been delegated should make their own arrangements direct with the agents or publishers for the supply of such newspapers, periodicals and books as may be required for their use and for the use of officers subordinate to them.

NOTE 1.-The Director-General/Secretary(Posts) has full powers to sanction the purchase of books and periodicals published in and out of India and to delegate to officers subordinate to him to make arrangements for the supply of books, periodicals and newspapers direct with agents or publishers when the purchase has been actually sanctioned by the Director-General/Secretary(Posts).

NOTE 2.-Heads of Circles are authorized to exercise full powers to sanction expenditure for the purchase of a book or for the annual subscription to a periodical required for official purposes.

NOTE 3.-All books and periodicals procured for any office must not be permanently removed from the office for which they were intended.

NOTE 4.-The Director-General/Secretary(Posts) has full powers to pass indents on the Survey of India Department for the supply of maps.

NOTE 5.- The powers of officers subordinate to the Director-General/Secretary(Posts) to incur expenditure on the purchases of maps and preparation of plans, charts and sketches not obtainable from the Survey of India Department or to pass indents on the Survey of India Department for supply of maps, are given in the Schedule of Financial Powers of Officers of the Department of Posts.

30. Registration of lease, etc.-(a) Charges for registering the lease of buildings for Post Offices do not require the sanction of the Director-General, but should be treated like ordinary contingent charges and passed under the countersignature of the Head of the Circle.

(b) Travelling allowances to owners of land for their journeys to and from registration office, to register instruments of title for lands on which Post Offices are situated, will be admitted on the sanction of the Head of the Circle, provided that it is obtained before and not after the expenditure is incurred.

(c) These charges should be classified in the accounts as miscellaneous contingent charges of the officer concerned.

31. Rent-(a) The rent of any private land or building occupied for public purposes should be paid by the office or department occupying it and recorded in the accounts as a charge of that office or department. The first charge in every year made in any establishment bill on account of rent of private buildings, other than buildings leased for use as a Post Office for receiving and delivering letters, should be supported by a certificate from the officer-in-charge of the buildings (as defined in Rule 519 of the Postal Manual, Volume-II), that a suitable building belonging to the Department was not available for the purpose required and that the rental charged, viz., Rs----- is reasonable.

(b) This rule does not authorize payments or adjustments between departments, but under special orders Railways charge the Department of Posts rent for lands and buildings occupied by it. These rents will be shown in the establishment bills like other claims with the remark "held over for payment by transfer" written across the money columns.

32. Repairs to the Diamond Harbour Dak Boats.- The Chief Postmaster General, West Bengal Circle, has been authorized to accept the bills of the Marine Department for stores supplied to the *Diamond Harbour Dak Boats* without reference to the Director-General, but as regards charges for repairs and structural alterations to the boats, it will be necessary that the Director General's sanction should continue to be obtained.

33 Repairs to, erection and removal of machinery-Unless in any case there are any specific orders of Government restricting or limiting the powers of any subordinate authority, Heads of Departments exercise full powers for incurring expenditure on the repairs to and erection and removal of machinery purchased at Government cost.

34. Rewards, Fees, Bonus, etc. (other than Fees or Honoraria granted to Government servants under the Fundamental Rules, etc.).- Not printed.

[For the extent of powers delegated to the Director-General, Posts and Heads of Circles- See the relevant *Schedules in the Schedule of Financial Powers of the Officers of the Department of Posts.*]

35. Scales.-Country scales required for weighing letters, etc., may be obtained by Heads of Offices from the Postal Seals, Aligarh, the charges being drawn as contingencies.

36. Sealing Wax-The following procedure is prescribed for the supply of sealing wax to Post Offices and Railway Mail Service Offices:-

(a) The Manager of each Postal Stores Depot will indent for sealing wax from Calcutta Stationery Service Offices for all the Post Offices and Railway Mail Service Offices within his jurisdiction including those which have separate grants for stationery and not a fixed contingent allowance. The indent should clearly indicate that the sealing wax should be supplied on convenient packages by Railway Parcel. If, however, the quantity

involved is small and consignment by Postal Parcel free of charge is advisable, the same may be adopted.

NOTE- The debits received for supply of sealing wax by the Stationery office will be booked to the Head "3201-Postal Services 08-102-01-01 supplies from Stationery Office" against the circle concerned by the Circle Accounts Office.

(b) The offices which have been allowed separate grants will be supplied sealing wax by the Stock Depot, on demand to the limit of the allotments fixed for them.

NOTE-There will be no account adjustment when the supplies are made by Postal Store Depots on indent to the subordinate units, except the one made by Postal Circle Accounts Office mentioned in Note below item (a) above

The value of Money Orders so received will reduce the expenditure under the Head "3201-Postal Services 08-102-01-01 supplies from Stationery Office" referred to in Note below item (a) above.

(e) A monthly statement under the following heads should be submitted by the Superintendent, Postal Store Depot, to the Circle Accounts Office concerned for necessary adjustment in the accounts:

- (1) Cost of sealing wax in stock brought forward from last month's account.
- (2) Cost of sealing wax received from Stationery Office during the current month's account.
- (3) Cost of sealing wax supplied to Post Offices on payment.
- (4) Cost of sealing wax supplied to other offices which have been allowed separate grants.
- (5) Balance at the close of the current month.

37. Small monthly payment for guarding offices at night.-Heads of Circles are authorized to sanction as a contingent charge, an allowance not exceeding Rs.10 per mensem, to Postman, MTS, Gramin Dak Sevak (excluding Extra-Departmental Branch Postmasters and Sub-Postmasters) who are willing to sleep in the Post Office, RMS Office premises as night guards when the employment of such a separate night guard is actually necessary for the safety of Government property or for other specific purposes. In other offices, Extra-Departmental Chowkidars may be employed and their basic allowance may be fixed, at the discretion of the Heads of Circles and with regard to local conditions, at a rate not exceeding the minimum of the scale of pay prescribed for the corresponding categories of departmental staff plus a dearness allowance as may be authorized by Government for this category of staff, and in places where Extra Departmental Chowkidars are not available, Departmental Chowkidars may be employed.

38. Stationery and Printing Stores. The conditions under which stationery and printing stores may be purchased locally and the financial limits on the powers of offices to purchase such stores locally are laid down in the rules for the supply of stationery and printing stores for the public service which have been reproduced as Appendix-16 to this Volume.

NOTE 1-The Postal Stores Depots at Kolkata, Mumbai and Chennai are authorized to prepare Magenta stamping ink for Post Offices in the Circles.

NOTE 2-Charges on account of articles of stationery like pencils, pen holders, stamps, tags, pins, thread twine, sealing wax (red and black), gum, wicks, oil, match boxes, candles, needles, eraser, flour, coppersulphate, etc., which are required to be purchased every month for use of the clerical staff of the Post Office (including the Postmaster) should be met from the fixed contingent allowance of the Post Offices (see Para. 341-A of P & T Manual, Volume-II). The sanctioned amount of Fixed Stationery Charges may be drawn in the same month to which it relates as a "contingent item". Charges on account of other items of stationery such as paper, white and brown, papercutter, staplers, pin cushions, knives, pencil menders, scissors, paperweights, etc., which are required to be purchased periodically at longer intervals should be met from outside the contingent allowance except in the case of Extra-Departmental staff.

39. Stores.

1. Stores required for "Works"

(1) Unless in any case it is distinctly provided otherwise in any departmental regulation or order of Government, the sanction of a competent authority for executing a work carries with it the sanction for incurring necessary expenditure for the purchase of stores required for the work, provided that the cost of the stores including other expenditure connected with the work is within the sanctioning power of the authority that sanctions the work.

II. Other Stores

(2) Subject to general or special rule or order applicable to particular departments and authorities, and except where it has been distinctly provided otherwise in these rules the powers of subordinate authorities to incur expenditure on the purchase of stores extend to the limits specified in this Appendix as it relates to non-recurring contingent expenditure.

(3) Special powers delegated in this regard to certain Heads of Departments are as indicated below-

Director-General, Posts

Full power

Other Officers of the Department of Posts

As specified in *the Schedule of Financial Powers of Department of Posts*.

40. Supply and distribution of black cancelling ink.-Superior quality ink is prepared by M/s. Mysore Lac and Paint Works Ltd., Mysore, and is supplied in 1 lb. tin containers, by the Manager, Postal Stores Depot, Bengaluru, in accordance with the following procedure:

The Superintendent, Postal Stores Depot, Bengaluru, will supply the empty containers to M/s. Mysore Lac and Paint Works Ltd., Mysore, according to the requirements for filling up the same with the ink and he will take delivery thereof from the said Company and keep them in his stock. A separate register will be maintained in the Store Depot for this purpose wherein a complete record of tins received and supplied will be maintained.

The requirements of ink should henceforth be sent by all Heads of Circles, etc., to the Postmaster-General, Mysore Circle, Bengaluru, who will arrange to supply from his stock in the special containers. The supply will, normally, be made only on return of the empty containers by the Heads of Circles to the Superintendent, Postal Stores Depot, Bengaluru.

The expenditure on purchase will be booked to the final Head "3201 Postal Services 02-101-01 "Supply & Material-Estt. of Existing Post Offices". When subsequently supplies are made no account adjustments will be made and a simple numerical account of the receipt, supplies made to the units and the balance will be maintained in the Stores Depot, Bangalore.

41. Supply of Electric Lamps (bulbs)-The supply of Electric lamps (bulbs), etc., in all non-residential buildings will be made by the Postal Department save in exceptional circumstances. Where the building is taken on rent from the Central Public Works Department authorities, the initial supply is made by them.

Subsequent replacements are the responsibility Department.

For this purpose, the powers of departmental officers to incur expenditure will be governed by the general limits specified in Rule 349 for non-recurring contingent expenditure.

42. Supply of medicines to employees of the Department. -Charges incurred in supplying the employees of the department with medicines free of cost at certain places which are exceptionally unhealthy and where there are no Government hospitals and dispensaries, are treated as contingent charges. Such charges should not be incurred without the sanction of the Director General/*Secretary (Posts)*.

NOTE-Certain offices subordinate to the Director General/*Secretary (Posts)* are authorized to sanction expenditure on the purchase of medicines. The financial limits imposed on

their powers are given in the *Schedule of Financial Powers of the Officers of the Department of Posts*.

43. Telephone Charges.-(1) Ministries of the Central Government are authorized to sanction telephone rents for connection with existing telephone systems whatever the amount.

NOTE- This power may also be exercised by the Director General/*Secretary (Posts)*.

(2) Other Heads of Departments are authorized to sanction such charges for connections of Government offices with existing telephone systems whatever the amount.

44. Computers, Fax Machines, Photocopiers, Accounting, book-keeping, calculating machines, calculators and other office machines.

I. Purchase-

(1) The above-mentioned office machines required for use in Government offices should be obtained through the Controller of Stationery, Kolkata, with the previous sanction of the competent authority and a copy of such sanction should be forwarded with the indent for the supply of office machines.

NOTE 1.- Financial powers of officers of Department of Posts to sanction expenditure on purchase of these machines referred to above are given in the *Schedule of Financial Powers of the Officers of the Department of Posts*.

NOTE 2.-It should be certified in the sanction letter for purchase of these machines that the demand represents the minimum requirements and the purchase is inescapable.

NOTE 3.- A list of approved makes/models of above items, Accounting, Book-keeping, Calculating and other office machines and filing system, etc., may be obtained from the Government of India Stationery Office, Kolkata, and the sanctioning authority may authorize the supply of any of these makes/models keeping in view the general policy that the purchase of the least expensive machine which would serve the purpose should be sanctioned.

(3) The payment of bills for supply of office machines will be made by the indenting officer direct to the supplying firms or agents.

II. Hiring-

In cases where an office machine is required to augment the existing stock with the Department and hiring is resorted to as an interim arrangement, Heads of Departments may sanction the hiring for a total period of one year or till the new machine is received, whichever is earlier. Heads of Offices may also sanction such hiring up to a period of four months, provided the purchase of additional machine has already been sanctioned in their case by the competent authority. In other cases where the office machine is hired without any intention of acquiring a

new one (e.g., to cope with temporary increase in work), the Heads of Departments may sanction the hiring for a period not exceeding four months for their own offices or offices subordinate to them. Hiring of an office machine in excess of four months in such cases will require the sanction of the Government.

NOTE 1.-Purchase or hiring of office machines required for the use of Commissions, Committees and Boards of Enquiry will require prior sanction of the Government.

NOTE 2.- For the purpose of these orders, the sanction of the Government means the sanction of the President conveyed by the DG/ Secretary (Posts), with the concurrence of the Ministry of Finance.

III. Upkeep and Repairs.-

(1) Heads of Departments are authorized to incur expenditure on servicing, maintenance, repairs and replacement of parts office machines in use in their offices and offices subordinate to them to the extent of powers delegated to them but subject to the condition that the charges paid for servicing, repairs, replacement of parts, etc., are in accordance with the rates settled by the Controller of Stationery, Kolkata, with the different approved companies concerned from year to year and the repairs, etc., are entrusted to the authorized dealers with whom annual contracts are concluded by the Government of India, Stationery Office, Kolkata.

(2) The price list of spare parts may be obtained direct from the suppliers of respective makes of typewriters and office machines, etc., or their agents, as the case may be. These price lists will be supplied by the firms after duly certifying under the signature and seal of their Managers that the rates mentioned therein have been approved by the Controller of Stationery, Kolkata.

(3) In the case of office machines for which the Controller of Stationery, Kolkata does not settle rates for upkeep, repairs, etc., the Head of the department concerned may enter into ad hoc contracts themselves on competitive basis, provided the terms and conditions of the proposed contracts have prior approval of the Ministry of Finance.

NOTE. In order to avoid conclusion of contracts with the same firm for a similar machine on different rates by two or more Government Departments, the Department concerned should ascertain from the firm whether they have already a contract with another Government Department /Office.

(4) Heads of Offices are also authorized to incur expenditure on the servicing and maintenance of their office machines up to the limits of the current rates fixed by the Government of India, Stationery Office, Kolkata, in the annual servicing and maintenance contracts entered into by that office with the different companies concerned from year to year. Heads of Offices may incur expenditure on repairs of typewriters and other office machines up to

Rs. 20 per machine on each occasion subject to a maximum of Rs. 30 per year for each machine. The price of parts, if any replaced, by the firm concerned will be payable in addition to limits mentioned subject to the following conditions:

(i) The prices charged for the spare parts should not exceed the rates settled by the Stationery Office with the firms concerned;

(5) Cases not covered by Para. (4) above will be referred by the Heads of Offices to their respective Heads of Departments / Ministry of Finance who will examine whether the machine should be repaired at the estimated cost and if so, accord sanction for incurring the expenditure where necessary. On the other hand, if the competent authority considers that it would be uneconomical to have the machine repaired at the estimated cost, it would in the case of office machines, etc., refer the case to the Controller of Stationery, Kolkata, for his advice whether the machine should be condemned.

IV. Condemnation/Disposal.-

(1) Heads of Departments will themselves be responsible for condemnation of unserviceable machines in use in their offices and offices subordinate to them. The condemnation shall be subject to the following conditions:-

(i) The total expenditure on the repairs and replacement of parts throughout the lifetime of the machine should exceed two-thirds of the cost of a new machine of the same make, type and size as the machine to be condemned.

(ii) The machine should have outlived its prescribed life of ten years.

Cases not covered by (i) and (ii) above will continue to be referred to the Government of India, Stationery Office, Kolkata, for Certificate of Condemnation.

(2) The disposal of duplicators, calculating machines, and other office machines excepting typewriters will be arranged by the offices concerned wherever located. In this connection, the guiding prices should be fixed in consultation with the Ministry of Finance after taking into consideration the age, make and general appearance of the machine to be disposed of value of repairs estimates on the basis of which it is condemned, total expenditure already incurred on the machine during its lifetime, value of missing parts of the machine, current market demand, the price of a new machine of the same make and model and the price at which a similar machine, if any, was disposed of in recent past.

45. Uniforms, Umbrellas and Waterproofs-(a) Excepting the special provisions in the following clauses, supplies of uniforms (cotton or warm), umbrellas and waterproofs and footwear to certain members of the staff of the Department of Posts will be made in accordance with the provisions and the scale laid down in Rules 736 and 737 of the Postal Manual, Volume-II.

(b) Provision for the supply of liveries and other articles to MTS, whether migratory or non-migratory, employed in the Office of the Director-General/ Secretary (Posts) of Posts, will be regulated by such rules and scales as may be prescribed from time to time by the Government of India, in respect of similar staff employed in the Government of India Secretariat and its other Attached and subordinate Offices located in Shimla and Delhi.

46. (1) The charges incurred in cash whether on account of the cost of uniforms, etc., supplied subject to a certain monetary limit fixed in each case or on account of cost of materials or articles purchased or tailoring or other incidental charges incurred for making up the sets of uniforms to be supplied, must be brought together in a contingent bill with sufficient and clear details in such a manner as to enable the Account Office to see that the total expenditure incurred is within the prescribed limit or there is no indication of extravagance and that the rules have been observed.

(2) Cost of clothing and other articles for supply to MTS charged in the contingent bill should be supported by a certificate to the effect that the incumbents of the appointments held by the MTS for whom clothing, etc., are charged have not been supplied with them during previous months (according to the prescribed life of clothing, etc., charged for).

(3) In respect of the expenditure incurred during a financial year, the Heads of Circles should submit by the following 1st June, to their respective circles Accounts Offices, certificates in the following forms:

(i) Certified that the supplies of uniforms, warm clothing, waterproofs have been made during the year to departmental employees entitled to them after the lapse of the prescribed period since the last supply, that there has been no extravagance in incurring the expenditure, and that all rules on the subject have been duly observed.

(ii) Certified further that the expenditure incurred during the year for supply of uniforms, warm clothing, umbrellas and waterproofs umbrellas and waterproofs (including the cost of materials paid by book transfer as well as the incidental and special charges paid in cash) is within the allotment placed at my disposal.

Government of India Orders

1.Dress Allowance-Consequent upon the decisions taken by the Government on the recommendations of the 7th CPC, in supersession of the existing orders relating the Uniform related Allowance viz. Clothing Allowance, Initial Equipment Allowance, Kit Maintenance Allowance, Robe Allowance, Robe Maintenance Allowance, Shoe Allowance, **Uniform Allowance and Washing Allowance** have been subsumed in a single '**Dress Allowance**' .

The rate of '**Dress Allowance**' **per annum** in respect of the following categories of Central Government employees will be as under :

Sl.	Category of employee	Rate per annum (in Rs.)
1.	Categories of staff who were supplied uniforms and are required to wear them regularly like Trackmen, Running staff of Indian Railways, Staff Car Drivers, MTS, Canteen staff of Non-Statutory Departmental Canteens, etc	Rs. 5000/-

2. Allowances related to maintenance, washing of Uniform are subsumed in Dress Allowance and will not be payable separately.
3. Further categories of staff who were earlier being provided uniforms, will henceforth not be provided Uniforms.
4. The amount of Dress Allowance shall be credited to the salary of employees directly once a year in the month of July.
5. The rate of Dress Allowance will go up by 25% each time Dearness Allowance rises by 50%.
6. These orders shall take effect from 01st July, 2017.

[GoI, MoF, DoE, OM No.19051/1/2017-E.IV dated 2nd August 2017]

DG P&T'S ORDERS

1. **Procurement of Shoes and Chappals by Heads of Circles.** -It has been decided with the approval of Competent Authority to henceforth decentralize the procurement of shoes and chappals to Heads of Circles.

2. As such, the procurement of chappals is decentralized for the Indent Year 1999-2000 onwards.

3. The procurement of shoes is decentralized for the Indent Year 2001-2002 onwards.

4. The procurement of chappals and shoes will be done as per the existing Department of Personnel and Training. O.M. No. 14/7/89-JCA, dated 19-2-1990. Thus the procurement will be made from the approved Department of Personnel and Training Government outlets within the prescribed ceiling limit.

5. As per financial powers of the Heads of Circles (Head of the Department), it may be stated that as per SI. Nos. 22 and 23 of Schedule V to Rule 13 of DFPRS, the Heads of Department have the full financial powers for incurring expenditure on account of purchase of

stores and uniforms. As such, they may exercise full financial powers for the purpose of procurement of the above items in consultation with the Circle Internal Financial Adviser.

6. Heads of Circles will obtain funds directly from the Budget branch of Directorate from the Financial Year 2001-02 for procurement of chappals.

[GI., Dept. of Posts, Cir. Lr. No. 12-27/2000-UPE, dated the 16th January, 2001.]

7. All the procurements will mandatorily be made through GeM.

GOVERNMENT OF INDIA'S ORDERS

Revision of Stitching Charges.- Based on a demand raised by the Staff Side, in National Council (JCM), the question of revising the Stitching Charges of Uniforms, supplied to Common Categories of employees (Multi-Tasking Staff-erstwhile Group 'D' posts of Peon, Daftry, Jamadar, Junior Gestetner Operator, Farash, Chowkidar, Safaiwala, Mali, etc. and Staff Car Drivers, Dispatch Riders etc.), in the Central Secretariat and its Attached and Subordinate Offices, has been examined in consultation with the Ministry of Finance. Consequently, it has been decided to enhance the rates of stitching charges, with effect from 1st April, 2011 thereby modifying the earlier instructions issued vide this Ministry's O.M. No. 14/3/2006-JCA, dated the 28th September, 2006.

2. The revised rates of stitching charges, with effect from 1st April, 2011, will be as under:

<u>Winter</u>		Rs.
(1) Buttoned-up-coat and pant	...	750
(2) Overcoat for Staff Car Drivers	...	600
(3) Ladies half-coat	...	600
 <u>Summer</u>		
(4) Pant (Terricot)	...	135
(5) Bush Shirt (Polyvastra)	...	60
(6) Blouse	...	45
(7) Petticoat	...	30

(8) SalwarKameez ... 90

Protective clothing (for Malis/Bhisties)

(9) Pyjama ... 24

(10) Short (Half-Pant) ... 60

(11) Shirt (Cotton) ... 45

3. It may please be noted that the reimbursement of Stitching Charges at the prescribed rates should be done only after the stitched uniforms are produced and are duly stamped, with indelible ink, at an appropriate place on the wrong side of the stitched dress, for identification. A proper record and procedure should be evolved to ensure that the employees produce the stitched uniforms within a reasonable period (say one month) after the cloth is supplied to them.

4. This issues with the concurrence of Department of Expenditure vide ID. No. 5(1)E.II (A)/2009, dated 8-4-2011.

[GI, Dept of Per. &Trg, O.M. No. E. No. 14/1/2010-JCA-2, dated the 18th April, 2011.]

47. Winding and regulating office clocks, maintenance of call bells, etc.- Heads of Departments may incur charges on account of winding and regulating of office clocks and maintenance of call bells, etc., up to Rs.15 per mensem and may delegate this power to Heads of Offices subordinated to them.

48. Sale of postage stamps and postal stationery through private agencies on commission basis.- On receipt of indents for the purchase of stamps to licensees on payment, subject to the following conditions:

(i) The amount payable by the licensee will be the total value of stamps sold to him less the commission at the prescribed rate.

(ii) The acquittance for the amount of commission paid should be obtained from the licensee on the indent form itself.

(iii) The pass and pay order shall be made as usual on the original indent bearing the acquittance of licensee for receipt of the commission amount, which will be sent along with the monthly Contingent Bill to the countersigning officer.

(iv) The total value of stamps sold by the Postmasters to the licensee should be shown in the accounts as usual and the amount of commission be charged under the Head 800803103010150-8008-03-103-01 "Payments of Commission to SAS Agents. The amount of commission should also be included in the monthly NPC Bill of the Post Office, as an item of "countersigned contingency".

APPENDIX-5A
[Referred to in Rule 241]

List of important items to be classified under 'Other Contingencies' and list of important articles in common use in the Department of Posts, the cost of which should be classified under 'Liveries and Uniforms', 'Operational and Minor Equipment for Post Offices and RMS Offices' and 'Purchase and Repair of Furniture' below 'Contingencies'

List of Items to be classified under "Other Contingencies"

Under this head should be booked all contingent expenditure not adjusted under any other head. The head will include the following:-

- (1) Winding charges of clocks.
- (2) Awards to outsiders.
- (3) Book-binding Charges.
- (4) Commission Charges.
- (5) Freight Charges and Conveyance and Packing Charges.
- (6) Charges of Officials other than Investigating Inspectors for whom no conveyance allowance is admissible.
- (7) Cost of Books, Codes, Periodicals and Guides.
- (8) Cost of Maps.
- (9) Cost of Construction or Repairs to Runners' huts.
- (10) Cost of miscellaneous articles such as bicycles, and tricycles and accessories (including replacement of parts thereof) brasso metal polish, files, brooms, brushes of all kinds, bugles, calculating machines, stamp cancelling machine, candles, chains for keys, chamois leather or sylvet chisel, copper, paints, cotton balls, desk calendars, disinfectants, drill cloth, duplicators, dusuti white cloth, dusters, earthen goblets, electric bulbs, enamel paint-red, felt for defacing stamps, file-boards, flags, gimlets, glass tumblers, grease, guard books, hand bags for sorters, India Rubber, ink and stamping pad, jute canvas for sorters, jute and cotton tarpaulins, kerosene oil, knives, leather brief-cases, leather cash bags, leather record boxes, liquor ammonia, match box, mathematical instruments, measuring tape, nail pullers, naphthalene balls, needles, oil cloth, oil paint, paper articles, paper-weights, penholders, petty purchases of articles of stationery from local market, phenyl, pick-axe, pincers, pins, pliers, portfolio, pots, pouches, ropes, rubber stamps, rulers, saws, scissors, scales and weights, screw-drivers, shovels, soaps, spearheads and brass balls, spirit, spray pumps, spring balance, stamps and seals, stamp-damper, steel year type,

stone slab, sword, tin seal holder, toilet-papers, towels, twine, typewriters, vehicles, vice hands, wallets, washing soda, waterproof cases, waterproof drill delivery bags, wheat flour, etc., for paste, wooden block, hammer, tokens, utensils, vice bench, water jugs.

(11) Charges in connection with Departmental and Recruitment examinations.

(12) Escort Charges.

(13) Illumination Charges.

(14) Law Charges.

(15) Maintenance Charges on electric passenger lifts in rented buildings.

(16) Non-recoverable expenditure on repairs to Rented Buildings.

(17) ***

(18) Painting charges of Notice Boards.

(19) Protective appliances and clothing.

(20) Payment on account of Port Commissioners' Bill on postal imports.

(21) Subscription to Newspapers.

(22) Wages and allowances of labour or mazdoors employed casually.

(23) Advertisement charges (except under Abstracts which provide a separate detailed head for this expenditure).

(24) Bed sheets, Pillows and Pillow covers.

(25) Water Bottles.

List of Articles to be classified under "Liveries and Uniforms"

1. Belt and Badges.	16. Umbrella.
2. Blankets.	17. Uniforms.
3. Boots.	18. Warm clothing supplied at hill stations.
4. Brass Buttons for uniforms.	19. Warm Coat
5. Broad Cloth Shoulder Belts.	20. Warm Jersey.

6. Broad Cloth Waist Belts. 7. Chappals. & Crash Helmets. 9. Goggles. 10. Khaki Drill Socks for Postmen. 11. Leather Gloves. 12 Liveries. 13. Overalls. 14. Plastic Buttons. 15. Putties.	21. Warm Overcoat.. 22. Warm Trousers. 23. Waterproof Coats or Caps. 24. Cost of materials purchased and incidental charges (e.g., freight and tailoring charges of liveries).
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List of Articles to be classified under Purchase and Repair of Furniture and Fittings

1. Almirah. 2. Basket for correspondence. 3. Basket soiled Linen. 4. Bath Board. 5. Bath tub. 6. Battens. 7. Benches.. 8. Board for steel figures. 9. Book Shelves. 10. Brackets for clocks. 11. Buckets. 12. Call Bells. 13. Candle stand with globes. 14. Camp stretchers. 15. Carpet. 16. Chairs. 17. Chest of drawers. 18. Chicks. 19. Circuit and holders. 20. Clocks and watches. 21. Commodes. 22. Cots. 23. Cycle stand. 24. Desk. 25. Doormats.	26. Dressing table. 27. Drinking water stand. 28. Durries. 29. Electric Heaters. 30. Filters. 31. Fire Extinguishers. 32. Fire Alarm gong. 33. Glass chimneys. 34. Glass Reservoir. 35. Glass tops for tables. 36. Hand Boxes. 37. Hanging lamp. 38. Hat Rack. 39. Hat case. 40. Ink stands. 41. Kit boxes. 42. Lamps (Petromax). 43. Lanterns. 44. Matting. 45. Meat safe. 46. Mess boxes. 47. Mirror. 48. Notice-board. 49. Ordinary Punkhas. 50. Padlocks. 51. Presses.	52. Purdahs and curtain cloth. 53. Racks. 54. Safes. 55. Screens. 56. Signboard. 57. Spring Mattress. 58. Stools. 59. Stop-watches. 60. Stoves and wicks. 61. Tables. 62. Table-lamps. 63. Table-cloth. 64. Teapoy. 65. Time-pieces. 66. Tin boxes. 67. Trays (Tin and Wooden) 68. Waste paper basket. 69. Wash Hand stand with basin. 70. Wire Nettings. 71. Wooden and iron boxes. 72. Wooden screens. 73. Wooden Notice frames.	74. Zinc sheet for writing letter. 75. Angittees. 76. Table fans. 77. Pedestal fans. 78. Water Storage Tank. 79. Dust bins. 80. Mosquito nets. 81. Mattresses. 82. Linoleum Matting. 83. Air-coolers of various types, units and package type Air-conditioners installed in office rooms and premises other than equipment rooms. 84. Venetain blinds. 85. Kardex Cabinets.
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List of articles to be classified under Operational and Minor Equipment for Post Offices and RMS Offices

1. Bag stand. 2. Bag suspender. 3. Cash chest. 4. Deposit case.	13. Pigeon holes. 14. Movable Post Box cabinet system. 15. Small table for stamping	25. Type boxes. 26. Conveyors of sorts. 27. Bundling machines. 28. Stamp Emitter.
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5. Deposit table. 6. Despatch box. 7. Label cases. 8. Locks and keys. 9. Mail boxes. 10. Message draft boxes. 11. Parcel chest. 12. Parcel sorting cases.	message. 16. Movable counters. 17. Hand carts. 18. Delivery Table. 19. Distribution table. 20. Sealing stove. 21. Letter Box. 22. Sorting cases. 23. Sorting tables. 24. Stamping tables.	29. Vending machines. 30. Franking machines. 31. Stamping cleaning machine. 32. MO Booking machine. 33. Washing machines and boilers. 34. Numbering machines. 35. Power Driven Trucks. 36. Bradma-Adrema Printing Machine.
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NOTE.-The Heads of Circles, etc., can sanction expenditure on the repair and maintenance only and not for purchase of the machines referred to in serials 26 to 36.

APPENDIX-6

[Referred to in Rule 260]

Rules for the Supply of Articles and Subsidiary Instructions for the guidance of officers who are required to make purchase of stores required for the Public Service.

PART-I

The following rules shall regulate the purchase and supply of articles required for public services. The terms mentioned below will have the meaning indicated against each in the following paragraphs:

(a) *Central Purchase Organization.*- The agency of the Government located in India and abroad now under the Ministry of Foreign Trade and Supply responsible for arranging supply of the requirements of all Departments of the Central Government. (Its services can also be utilized by State Governments, Government Undertakings and Quasi-Government Institutions.)

(b) *Procurement Officer.*- The Officer in the Central Purchase Organization or any other Department of the Central Government authorized for the time being to execute contracts relating to purchase and supply of stores on behalf of the indenting Departments.

(c) *Heads of Departments.*- Both in relation to an office or offices under its administrative control means an authority specified in Schedule I to the Delegation of Financial Powers Rules, 1978.

(d) *Procurement Agency.*- Any purchasing Department of the Central Government other than the Central Purchase Organization.

Note:- As per Cabinet Note issued on 12th April, 2017, functioning of DGS&D has been closed, effective 31st October 2017 with an instruction that all the user Departments, suppliers to be re-directed to GeM website for all the procurement activities.

(ii) The portal was launched on 9th August 2016. Rules for procurement through GeM have been incorporated in GFR 2017 as Rule 149.

(iii) All Central Government and State Government Ministries / Departments including its attached / subordinate offices, Central and State autonomous bodies, Central and State Public Sector Units and local bodies etc have been advised to make procurement through GeM portal, which shall provide an end to-end online Marketplace.

PREAMBLE

The policy of Government is to make purchase of stores for the public services in such a way as to encourage development of indigenous production of stores to the utmost possible

extent and to make the country self-sufficient in the matter of its own requirements. The following rules which supersede all previous orders on the subject and which are applicable to the purchase of stores (except stationery stores) for the requirements of Government and Union Territories are prescribed in accordance with this policy.

In order to give effect to the above-mentioned policy, preference in making purchases will be given in the following order:

Firstly, to articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India, provided the quality and delivery are suitable.

Secondly, to articles which are wholly or partially manufactured in India from imported materials, provided that the quality and delivery are suitable.

Thirdly, to articles of foreign manufacture held in stock in India, provided that they are of suitable type and requisite quality.

Fourthly, to articles manufactured abroad which need to be specially imported. (Preference to be given to officers received for supply through India-based Establishments.)

The Central Purchase Organization and other officers specially authorized in this behalf may, when they are satisfied that such a measure is justified allow price preference in respect of articles produced or manufactured in India wholly or partially over imported articles. Further, the articles produced by Cottage and Small-Scale Industry can be given preference in price over the articles manufactured by large-scale industry in case of specified categories of stores.

INSTRUCTIONS

The rules express a definite preference for articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India and also for articles wholly or partially manufactured in India from imported materials. Further the articles manufactured by Cottage and Small-Scale Industries are to be given preference over other indigenous stores. These rules also extend a preference (but not in price) to articles of foreign manufacture stocked in India over those which have to be specially imported.

2. The difference in the character of the preference which may be given should be carefully noted. In the case of the first two categories mentioned in the preamble the condition is that the quality is suitable and for the third category the articles are of suitable type and requisite quality. This means that the articles falling under the first two categories should be accepted unless it is considered that the quality is definitely not up to the standard required even after granting relaxation in standards having regard to technical limitations and safety considerations

even though imported articles may be considered to be of better quality. Certain relaxations in specification/standards may be granted in the case of products of Cottage and Small-Scale Industries.

3. The other kind of preference referred to in these rules is a price preference. It may be given in suitable cases to articles produced or manufactured in India either wholly or partially over the imported ones by competent authority in consultation with the Internal Financial Adviser or the Finance Ministry, as the case may be, within such limits as may be prescribed by Government of India from time to time.

4. Price preference up to a specified limit as may be prescribed by Government from time to time can also be allowed to goods manufactured by Cottage and Small-Scale Industries which are approved either by Ministry of Commerce and Industry or the Central Purchase Organization over those manufactured by Large-Scale Industries. Each case of price, preference should be considered strictly on merits in consultation with the Internal Financial Adviser or the Finance Ministry, as the case may be, and in such a manner as to discourage inflation and to prevent profiteering and creation of a sense of complacency in regard to the need for improvement of efficiency and economy in production.

5. In case where the Cottage and Small-Scale Industry has established itself as a supplier of certain specified items on competitive terms and enjoys an advantage over the Large-Scale Industries, no price preference need be given and order for such items, will be placed on them to the fullest possible extent before orders are placed on Large-Scale Industry.

6. In the case of other products, a price advantage and suitable relaxation as regards specifications, which are difficult to attain, will be given depending on the merits of each case. There are certain items (a list of which will be compiled by the Central Purchase Organization and which should be revised from time to time) which are exclusively reserved for procurement from the Cottage and Small-Scale Industry.

7. Preference may be given to Cottage Industries products over those of Small-Scale Industries, all other things being equal, viz., price and delivery. In regard to offers from Co-operative Societies, other things being equal, 'Co operatives may be encouraged but no price preference should be accorded in such cases.

8. It should be also kept in mind that the general policy of according preference to the purchase of the products of the Cottage and Small-Scale Industry does not directly or indirectly act as a deterrent to the industrial progress in the country. In other words, a certain degree of flexibility in defining a Cottage/Small-Scale Industry products is necessary to prevent a possible tendency on the part of the manufacturing units in not increasing its capital or labour just for securing Government patronage in purchases.

EXPLANATION-(a) *Cottage Industry Unit* is one which is carried on a place which is not a factory for the purpose of Factories Act, 1948, that is, an industry which is carried on wholly or, primarily with the help of the members of the family as a whole or part-time occupation.

(b) *Small-Scale Industries* include all industrial units with a capital investment of not more than Rs. 3 crores irrespective of the number of persons employed.

9. Where the lines of manufacture are the monopoly of a single firm or group of firms, or where a significant increase over the purchase price, not explained by a corresponding increase in price of raw material or of labour charges, is being asked for, the reasonableness of the offer is determined with reference to the actual cost of production plus a reasonable margin of profit. In such cases, the indigenous manufacturer should be asked to accept the order on actual cost plus a reasonable fixed margin of profit with quoted price being the ceiling subject to adjustment after necessary cost check. Prior consent of the competent financial authority should be obtained by the purchase officer before entering into a contract relating to uncertain conditions, wages and cost of raw materials. Wherever possible, the right to examine firm's books should also be reserved, except where details furnished by the firm provide an adequate check and are satisfactory in all respects.

Note. Latest instructions on procurement in detail are available in “*Manual for Procurement of Goods-2017*” published by Government of India, Ministry of Finance, Department of Expenditure read with instruction issued on the matter of procurement from Small Scale Industries/Cottage Industries by the Development Commissioner (MSME) New Delhi, Ministry of Micro, Small and Medium Enterprises vide order dated the 23rd March, 2012.

Rule 1. Save as provided in Rule 7 below, all articles required to be purchased for the public service shall be purchased on the condition that delivery shall be made in India for payment in Rupees in India.

INSTRUCTIONS

1. It should be carefully noted that under the rules, it is obligatory on all Procurement Officers that all articles for the public service except those specified in Rule 7 are purchased in India.

2. Indents for stores other than the classes of stores specified in Rule 7 should not be sent to the India Supply Mission, London or India Supply Mission, Washington, but the stores should be obtained by calling for tenders in India in accordance with the provisions of these rules.

3. Procurement Officers in India will stipulate specifically in the Invitation to Tender issued by them that tenderers must offer delivery in India of articles for which they have quoted and accept payment therefor in Rupees in India.

4. With reference to the principles of preference mentioned in the Preamble, tenderers should be requested to furnish information in regard to the name of manufacturers, country of manufacture, and/or origin of the materials used in the manufacture of the articles. The tendering firms should also be asked to give a clear break-up of the indigenous and imported components together with their value and the proportion it bears to the total value of the stores. They should also be asked to reply to the following queries in case it is expected that the Cottage and Small-Scale Industrial units will also quote-

(i) Whether the firm comes under the scope of Industries (Development and Regulation) Act, 1951, and if so, the number and date of registration or licence held under the Act.

(ii) Whether the process of manufacture in the factory is carried out with the aid of power or without it.

(iii) Maximum number of workers employed on any day during 12 months preceding the date on which tender is signed.

5. Procurement Officers may exercise full discretion regarding the point or place of delivery to be specified in the Invitation to Tender. They may specify C.I.F., F.O.R. Indian Port or F.O.R. place of dispatch in India or free delivery at receiving station in India. Where tenders are invited for plant and machinery of which the erection at site is to be undertaken by the successful tenderer, appropriate terms in regard to delivery and inspection at site should be included in the Invitation to Tender or in the general specification.

6. When specifying the point or place of delivery, Procurement Officers should endeavor to lay down terms which will give equal opportunities to all tenderers to quote their lowest prices. For instance, in some cases tenderers abroad may be unable to tender for delivery F.O.R. Indian Port and may only be able to tender on the basis of delivery C.I.F. Indian Port with payment in Rupees in India against shipping documents. Such tenders should be considered as coming within the meaning of Rule 1 and should be accepted, if satisfactory in other respects.

7. Except in special cases, full payment for the stores should not be made against shipping document but only after delivery of stores has been taken by the receiving officer and they are found to be satisfactory in every respect.

Rule 2. Tenders shall be invited in India and abroad also, when considered desirable, for the supply of all articles which are purchased under Rules 1 to 4 unless the value of the order to be placed is small or the Head of the Department is satisfied that sufficient reasons, which shall be recorded in writing, exist that it is not in the public interest to call for tenders. No tender, which fails to comply with the conditions as to delivery and payment prescribed in Rule 1 shall be accepted.

Extracts from GFR 2017

Rule 154. Purchase of goods without quotation- Purchase of goods upto the value of Rs. 25,000 (Rupees twenty five thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format. “I, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price.”

Rule 155. Purchase of goods by Purchase Committee- *In case certain items are not available on GeM Portal*, purchase of goods costing above Rs. 25,000 (Rupees twenty five thousand only) and upto Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under.

“Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/ Department concerned.”

GOVERNMENT OF INDIA’S DECISION

Procurement through Government e-Marketplace (GeM) :-It is directed to refer to Ministry of Science and Technology (MST) O.M.No.MST/PRAO/Estt./22-38/2017-18/1952,dated 12-01-2018 forwarding the Minutes of the Standing Committee of MST on GeM ,wherein it was pointed out that there is divergence between Rule 149 and Rules 154 and 155 of General Financial Rules (GFRs) .In this regard, it is clarified that Rule 149 of GFR provides for the mandatory procurement of common use of Goods and Services by Ministries of Departments for Goods or Services available on GeM. Hence only in case of Goods and Services (of required specification or within required delivery period etc.) are not available on GeM, the procuring entity can resort to Rule 154 and 155 of GFRs i.e. procurement without quotation or procurement on the recommendations of a duly constituted Local Purchase Committee.

2. This issues with the approval of JS (PF.C-II)

[G.I., M.F., O.M.No. 6/1/2018-PPD,dated the 19th January 2018.]

Rule 156 (1) Purchase of goods directly under Rate Contract- In case a Ministry or Department directly procures Central Purchase Organization (e.g. DGS&D) rate contracted goods from suppliers, the prices to be paid for such goods shall not exceed those stipulated in the

rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the Rate Contract. The Ministry or Department shall make its own arrangement for inspection and testing of such goods wherever required.

Rule 156 (2) The Central Purchase Organization (e.g. DGS&D) should host the specifications, prices and other salient details of different rate contracted items, appropriately updated, on the web site for use by the procuring Ministry or Department.

Rule 157 A demand for goods should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.

Note:- Detailed procedure for Global Tender Enquiry (GTE) has been laid down in Para 4.3, Chapter-4 of Manual of Procurement issued by Government of India, Ministry of Finance, Department of Expenditure.

INSTRUCTIONS

1. The following procedure for obtaining tenders should be followed as far as practicable:-

Extract from General Financial Rules, 2017

Rule 158 Purchase of goods by obtaining bids. Except in cases covered under Rule 154,155, and 156(1), Ministries or Departments shall procure goods under the powers referred to in Rule 147 above by following the standard method of obtaining bids in : (i) Advertised Tender Enquiry (ii) Limited Tender Enquiry (iii) Two-Stage Bidding (iv) Single Tender Enquiry (v) Electronic Reverse Auctions

Rule 159 E-Publishing (i) It is mandatory for all Ministries/ Departments of the Central Government, their attached and Subordinate Offices and Autonomous /Statutory Bodies to publish their tender enquiries, corrigenda thereon and details of bid awards on the Central Public Procurement Portal (CPPP).

(ii) Individual cases where confidentiality is required, for reasons of national security, would be exempted from the mandatory e-publishing requirement. The decision to exempt any case on the said grounds should be approved by the Secretary of the Ministry/ Department with the concurrence of the concerned Financial Advisor. In the case of Autonomous Bodies and Statutory Bodies' approval of the Head of the Body with the concurrence of the Head of the Finance should be obtained in each such case. Statistical information on the number of cases in which exemption was granted and the value of the concerned contract should be intimated on a Quarterly basis to the Ministry of Finance, Department of Expenditure.

(iii) The above instructions apply to all Tender Enquiries, Requests for Proposals, Requests for Expressions of Interest, Notice for pre Qualification/ Registration or any other notice inviting bids or proposals in any form whether they are advertised, issued to limited number of parties or to a single party.

(iv) In the case of procurements made through DGS&D Rate Contracts or through any other Central Procurement Organizations (CPOs) only award details need to be published.

(v) These instructions would not apply to procurements made in terms of provisions of Rules 154 (Purchase of goods without quotations) or 155 (Purchase of goods by purchase committee) of General Financial Rules.

Rule 160 E-Procurement (i) It is mandatory for Ministries/ Departments to receive all bids through e-procurement portals in respect of all procurements.

(ii) Ministries/ Departments which do not have a large volume of procurement or carry out procurements required only for day-to-day running of offices and also have not initiated e-procurement through any other solution provided so far, may use e-procurement solution developed by NIC. Other Ministries/ Departments may either use e-procurement solution developed by NIC or engage any other service provider following due process.

(iii) These instructions will not apply to procurements made by Ministries / Departments through DGS&D Rate Contracts.

(iv) In individual case where national security and strategic considerations demands confidentiality, Ministries/ Departments may exempt such cases from e-procurement after seeking approval of concerned Secretary and with concurrence of Financial Advisers.

(v) In case of tenders floated by Indian Missions Abroad, Competent Authority to decide the tender may exempt such case from e-procurement.

Rule 161 Advertised Tender Enquiry (I) Subject to exceptions incorporated under Rule 154, 155, 162 and 166, invitation to tenders by advertisement should be used for procurement of goods of estimated value of Rs. 25 lakhs (Rupees Twenty Five Lakh) and above. Advertisement in such cases should be given on Central Public Procurement Portal (CPPP) at www.eprocure.gov.in and on GeM. An organization having its own website should also publish all its advertised tender enquiries on the website.

(ii) The organization should also post the complete bidding document in its website and on CPPP to enable prospective bidders to make use of the document by downloading from the web site.

(iii) The advertisements for invitation of tenders should give the complete web address from where the bidding documents can be downloaded.

(iv) In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders.

(v) Where the Ministry or Department feels that the goods of the required quality, specifications etc., may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the Ministry or Department may send copies of the tender notice to the Indian Embassies abroad as well as to the foreign Embassies in India. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. In such cases e-procurement as per Rule 160 may not be insisted.

(vi) Ordinarily, the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later. Where the Department also contemplates obtaining bids from abroad, the minimum period should be kept as four weeks for both domestic and foreign bidders.

Rule 162 Limited Tender Enquiry (i) This method may be adopted when estimated value of the goods to be procured is up to Rupees Twenty five Lakhs. Copies of the bidding document should be sent directly by speed post/registered post/courier/ email to firms which are borne on the list of registered suppliers for the goods in question as referred under Rule 150 above. The number of supplier firms in Limited Tender Enquiry should be more than three. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis. Further, an organization should publish its limited tender enquiries on Central Public Procurement Portal (CPPP) as per Rule 159. Apart from CPPP, the organizations should publish the tender enquiries on the Department's or Ministry's web site.

(ii) The unsolicited bids should not be accepted. However Ministries/ Departments should evolve a system by which interested firms can register and bid in next round of tendering.

(iii) Purchase through Limited Tender Enquiry may be adopted even where the estimated value of the procurement is more than Rupees twenty-five Lakhs, in the following circumstances.

(a) The competent authority in the Ministry or Department certifies that the demand is urgent and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The Ministry or Department should also put on record the nature of the urgency and reasons why the procurement could not be anticipated.

(b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.

(c) The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped is remote.

iv) Sufficient time should be allowed for submission of bids in Limited Tender Enquiry cases.

Rule 163. Two bid system (simultaneous receipt of separate technical and financial bids) : For purchasing high value plant, machinery etc. of a complex and technical nature, bids may be obtained in two parts as under :

- (i) Technical bid consisting of all technical details along with commercial terms and conditions; and
- (ii) Financial bid indicating item-wise price for the items mentioned in the technical bid.

The technical bid and the financial bid should be sealed by the bidder in separate covers duly super-scribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly super-scribed. The technical bids are to be opened by the purchasing Ministry or Department at the first instance and evaluated by a competent committee or authority. At the second stage financial bids of only these technically acceptable offers should be opened after intimating them the date and time of opening the financial bid for further evaluation and ranking before awarding the contract.

Rule 164 Two-Stage Bidding (Obtain bids in two stages with receipt of financial bids after receipt and evaluation of technical bids)

(i) Ministry/Department may procure the subject matter of procurement by the method of two-stage bidding, if

(a) it is not feasible to formulate detailed specifications or identify specific characteristics for the subject matter of procurement, without receiving inputs regarding its technical aspects from bidders; or

(b) the character of the subject matter of procurement is subject to rapid technological advances or market fluctuations or both; or

(c) Ministry/Department seeks to enter into a contract for the purpose of research, experiment, study or development, except where the contract includes the production of items in quantities sufficient to establish their commercial viability or to recover research and development costs; or

(d) The bidder is expected to carry out a detailed survey or investigation and undertake a comprehensive assessment of risks, costs and obligations associated with the particular procurement.

(ii) The procedure for two stage bidding shall include the following, namely:—

(a) in the first stage of the bidding process, the Ministry/Department shall invite bids through advertised tender containing the technical aspects and contractual terms and conditions of the proposed procurement without a bid price;

(b) all first stage bids, which are otherwise eligible, shall be evaluated through an appropriate committee constituted by the Ministry/ Department;

(c) the committee may hold discussions with the bidders and if any such discussion is held, equal opportunity shall be given to all bidders to participate in the discussions;

(d) in revising the relevant terms and conditions of the procurement, the procuring entity shall not modify the fundamental nature of the procurement itself, but may add, amend or omit any specification of the subject matter of procurement or criterion for evaluation;

(e) in the second stage of the bidding process, the procuring entity shall invite bids from all those bidders whose bids at the first stage were not rejected, to present final bid with bid prices in response to a revised set of terms and conditions of the procurement;

(f) any bidder, invited to bid but not in a position to supply the subject matter of procurement due to modification in the specifications or terms and conditions, may withdraw from the bidding proceedings without forfeiting any bid security that he may have been required to provide or being penalized in any way, by declaring his intention to withdraw from the procurement proceedings with adequate justification.

Rule 165. Late Bids- In the case of advertised tender enquiry or limited tender enquiry, late bids (i.e. bids received after the specified date and time for receipt of bids) should not be considered.

Rule 166. Single Tender Enquiry- Procurement from a single source may be resorted to in the following circumstances :

- (i) It is in the knowledge of the user department that only a particular firm is the manufacturer of the required goods
- (ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority obtained.
- (iii) For standardization of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item is to be purchased only from a selected firm

Note : Proprietary Article Certificate in the following form is to be provided by the Ministry/Department before procuring the goods from a single source under the provision of sub Rule 166 (i) and 166 (iii) as applicable.

“(i) The indented goods are manufactured by M/s.....

(ii) No other make or model is acceptable for the following reasons:
.....

(iii) Concurrence of finance wing to the proposal vide:

(iv) Approval of the competent authority vide:.....

(Signature with date and designation of the indenting officer)”

Purchase of IT products by Government Departments.-It is directed to refer to this Ministry’s Circular No.8(4)/E/IIA/98,dated 17-12-1998 (not printed) wherein all the Ministries/Departments of Government of India were advised to follow the open tender system without vitiating it by specifying brand names, in accordance with the provisions in GFRs for purchase of Personal Computers.

2. Lately, it has been brought to the notice of this Ministry that certain Ministries /Departments, etc., are issuing tenders for purchase of IT products, viz., Servers, Computer peripherals and networking Products, where they specify the brand names in the tender notices for procurement of these products. This vitiates the guidelines for open tender system laid down in GFs and deprives other brands including domestic manufacturers of an opportunity to participate in the tender.

3. The matter has been considered in this Ministry in consultation with Department of Information Technology and in partial modification of this Ministry’s above referred circular, dated 17-12-1998, Ministries/Departments are advised to strictly follow the open tender system without vitiating it by specifying the brand names in accordance with provisions in GFRs for purchase of Personal Computers, Servers, Computer peripherals and Networking Products. Further, the organizations eligible for participating in the Government/PSU tender should be approved ISO9002 or equivalent companies.

4. In this regard, DGS&D has separately informed this ministry that they are in the process of entering into agreements with reputed manufacturers ,for most favored customer process for highly technical and specialized item like Servers, Peripherals, Networking Equipments, etc., and till such time, rate contract for these items is concluded by DGS&D, Ministries/Departments are advised to purchase such items through proper tendering procedure (without vitiating by mentioning brand names).Thereafter ,these items could be purchases on rate contract basis.

[G.I., M.F., O.M.No. 8/1/E.IIA/03,dated the 20th May 2003]

Rule 3. Subject to any general or special orders applicable to purchase made through India Supply Mission London, and India Supply Mission, Washington, all articles ,whether manufactured in India and abroad, shall be subject to inspection before acceptance and articles for which specifications and/or tests have been prescribed by competent authority shall be required to conform to such specifications and/or to satisfy

the prescribed test or tests which may be carried out during manufacture or before or after dispatch from supplier's premises.

Rule 4.Important Plant, Machinery and iron and steel work as defined in schedule 'A' shall be obtained only from registered as approved suppliers by the Director General ,supplies and Disposals. Now, GeM has taken over the function of DGS&D.

INSTRUCTIONS

1.The intention of this Rule 4 is to ensure that plant Machinery and other Engineering equipment, e.g., Bridge Girders, Roof Trusses which form important components of a project, shall be obtained only from firms which possess workshops and appliances capable of turning out work of the desired standard.

2.The list of firms registered for all stores purchased by the purchase organization will be maintained by the Central Purchase Committee organization. They will include the names of firms in India and abroad which have approved for the supply of important Plants, Machinery, Iron and steel work. The procurement officer concerned may obtain the list of firms, registered for a particular store from the Central Purchase Organization, if and when necessary.

3.Applications from firms in India for inclusion in the lists of approved contractors should be made to the Central Purchase organization from that office. Applications from firms abroad should be sent to the Central Purchase Organizations, New Delhi, through the India Supply Mission, London (in the case of firms situated in the UK and European continent) and through the India Supply Mission, Washington (in the case of firms situated in the North America and Canada) on the prescribed forms obtainable from these offices on direct application to them. The names of such firms who, after necessary application, are considered fit for inclusion in the lists will be registered.

4. Cases may arise in which tenders may be received from firms whose names do not appear in the list of approved firms. If the tenders are prima facie satisfactory, they should not be summarily rejected but enquiries should be made in regard to the capacity, capability and financial standing of the tenderer before the tender is taken into consideration or passed over.

Rule 5. In the case of important construction work let out on contract, articles required for the construction of such work may be supplied by the contracting firm, provided that when specification and/or tests have been prescribed for such articles, they shall conform to such specifications and/or such tests.

INSTRUCTIONS

1. The object of Rules 3 and 5 is to emphasize the importance of ensuring that articles purchased for the public service conform to the specifications which may be prescribed by competent authority and the necessity for careful inspection of all stores before acceptance. The

appropriate specifications (ISI, IRS, etc., as the case may be), should be annexed to or quoted in the Invitations to Tender and it should be stipulated in the conditions of contract, that the articles supplied will be subject to inspection and/or tests prescribed in the specifications before acceptance.

2. When Tenders for important construction works are invited, the Procurement Officer concerned should also stipulate in the Invitations to Tender that the articles required for the construction of such works must comply with the specifications prescribed for such articles. The articles should be inspected and/or tested in accordance with the provisions of the specifications before acceptance.

3. All Procurement Officers should pay special attention to these points and should take steps to ensure that adequate inspection arrangements are made in each case.

4. When articles are obtained from abroad which require inspection and/or test during manufacture and before shipment arrangements should be made by Procurement Officer concerned for such inspection and/or tests to be carried out/arranged by the India Supply Mission, London. Any further inspection and test considered necessary or desirable after receipt of the articles in India should be arranged by the procurement agency. The services of the Central Purchase Organization can be utilized in connection with such inspection and tests.

5. As soon as a contract for articles which require inspection and/or test during manufacture or before shipment from abroad has been awarded, three complete copies of Acceptances of Tender should be sent to the Director-General, India Supply Mission, London, by Air Mail with the full address of the manufacturers with complete instructions for inspection. An additional copy should also be sent by Sea Mail. The Contractor should be informed that inspection during manufacture or before shipment will be carried out/arranged by the Director-General, India Supply Mission, London, and he should be asked to instruct his representatives in the country of manufacture to communicate direct with that officer.

6. With regard to the inspection of articles obtained or manufactured in India, all Procurement Officers can, if they so desire, utilize the services of the Central Purchase Organization for the inspection and/or test during manufacture and before despatch.

7. In the case of orders for Plant and Machinery whether purchased in India or obtained from abroad, which include erection and test at the site of work, arrangements for inspection and test before or after erection at site can also be made through the Central Purchase Organization, now GeM.

Rule 6. Nothing in these rules shall be deemed to prohibit the purchase of articles by one department from another.

Rule 7. All articles not obtainable in India or any other articles of a special or unusual character which have to be purchased for the public service may, when suitable and economical purchase cannot be made in accordance with the preceding rules, be obtained without reference to these rules subject the following conditions:-

- (a) The Procurement Officer shall place on record his reasons for not effecting the purchase in accordance with preceding rules.
- (b) The Procurement Officer may obtain the articles that he requires by indent on the India Supply Mission, London (if available in the UK and the Continent of Europe), or by indent on the India Supply Mission, Washington (if available in North America or Canada), or purchase it direct from manufacturers and dealers abroad subject to any orders issued from time to time by Government relating to the procurement of stores from abroad.
- (c) When articles are purchased abroad under this rule through the India Supply Mission, London, or India Supply Mission, Washington, payment shall be made by those Departments. In other cases, where purchases are made direct from manufacturers and dealers abroad, payment shall ordinarily be arranged by the Procurement Officer himself in India.
- (d) All such indents must be placed through the Central Purchase Organization (Director-General of Supplies and Disposals, New Delhi) unless the Procurement Officer is empowered to place the indents direct under general or special orders of Government.
- (e) Subject to any general or special orders applicable to indents for specialized stores, all such indents should contain certificates to the following effect:-

I certify that-

- (i) The expenditure involved has received the sanction of the competent financial authority.
- (ii) Funds are available under the proper head of the sanctioned budget allotment of the Indenting Department in respect of the stores indented for.
- (iii) I am authorized to incur such liability in anticipation of the funds being provided for in the budget for the financial year affected.
- (iv) Necessary foreign exchange sanction has been obtained from the competent authority and a true copy thereof is attached.
- (v) The stores ordered are not available either from indigenous sources or from stockists of imported stores in India.

Signature.....

Designation.....

INSTRUCTIONS

1. This rule is in the nature of exception to the principle enunciated in Rule 1. Before availing himself of the discretion given by this rule, it will be incumbent on every Procurement Officer to take all possible steps to assure himself that the stores of the requisite qualities cannot be obtained in India at suitable prices in accordance with the provisions of Rule 1. In order to ensure that the underlying principles of the rules are not violated, all indents for stores for which orders are to be placed abroad, whether on the India Supply Mission, London, or the India Supply Mission, Washington, under this rule, should be forwarded to the Central Purchase Organization for scrutiny and onward transmission to the India Supply Mission, London, or India Supply Mission, Washington, except in those cases and classes of articles for which indenters are empowered to place indents direct. Arrangements for the shipment of stores should be made by the Director General, India Supply Mission, London/Director-General, India Supply Mission, Washington, who will arrange inspection and payments also. Indian shipping should be utilized to the maximum extent for transport of imported goods purchased on Government account, a suitable clause reserving the right to nominate ships should be inserted in contracts of large value.

2. It will be noted that under this rule "articles of a special or unusual character" may be obtained by indent on the India Supply Mission, London or the India Supply Mission, Washington or directly from firms abroad under special circumstances. It should be clearly understood that the expression "articles of a special or unusual character" is not to be taken as covering generally the case of articles not produced or manufactured in India. The expression, "articles of a special or unusual character" is intended to give Procurement Officers liberty to obtain from manufacturers through the Director-General, India Supply Mission, London/Director-General, India Supply Mission, Washington, articles such as spare or replacement parts of non-standard appliances and other articles which cannot conveniently be obtained by calling for tenders on a Rupee basis. For example, a Procurement Officer may require a replacement for a machine tool of a particular type and make. The manufacturer may not be represented in India and he may not be able to tender for delivery and payment in India. Again, a special type of machine may be invented and produced by a manufacturer who is not represented in India and who will only agree to supply his machine on his own conditions of sale.

Orders should be placed directly on the firm abroad only if such a course is considered preferable to placing indent on the Director-General, India Supply Mission, London/Director-General, India Supply Mission, Washington, for reasons to be recorded.

3. Under special orders of Government, some items of specialized stores can be obtained by indenters by indent direct on the India Supply Mission, London, whose field of operation in the matter of purchase, inspection and shipment of stores extends over the UK and the Continent of Europe. Similarly, certain indenters, e.g., Defence, Posts and Telecommunications, Railways, etc., are also authorized to place indents direct on the India Supply Mission, London, for which they are specifically authorized to do so.

The India Supply Mission, Washington, is responsible for procurement and shipment of stores which are obtainable from North America (including Canada). Here also certain indenters, e.g., Ministry of Defence, Ministry of Food and Agriculture, Iron and Steel Controller, etc., are authorized to place indents direct on the India Supply Mission for certain specific articles.

In all other cases, no indent will be entertained direct by the India Supply Mission, London or the India Supply Mission, Washington and such indents should be sent through the Central Purchase Organization.

4. It should be noted that the inclusion of "Scientific Equipment" is not intended to permit the purchase of Drawing, Surveying and other Mathematical instruments either from manufacturers or dealers direct or through the Director General, India Supply Mission, London. Indents for such instruments should continue to be placed with the National Instruments Ltd., Kolkata. (The supply of mathematical instruments for the Army is subject to special rules.)

5. To ensure that indents on the India Supply Mission, London / Director General, India Supply Mission, Washington, will be issued under this rule only when stores of the categories mentioned are not available in India, Defence Department Indenters will forward a copy of all demands above the value of one lakh of rupees placed abroad to the Central Purchase Organization for scrutiny; in all cases of doubt, the indent should sent to the Central Purchase Organization for prior scrutiny.

SCHEDULE- A

[See Rule 4 in this appendix]

1. Heavy Mechanical Plant and Machinery Road Rollers, Tractors, Bulldozers, Dumpers, Mobile Cranes, Compressors, Land and Marine Boilers, Turbines, Diesel Engines, Pumps, Pneumatic Machines, Hydraulic Jacks, Exhaust Fans, Coal Washery Plant, Coal Cutting Plant,

Marine Engines, Sewage Plant, Air-Conditioning Unit, Water Treatment Plant, Hydraulic Turbines, Gas Turbines, Steam Turbines, Steel Wire Ropes, Super Heater Elements, Chains, etc.

2. Electricals
Generating Sets, Transformers, Rectifiers, Motors, Switch Gears, Welding Sets, Conductors and Cables, X-Ray and Hospital Equipment, Electrical Instruments, Electric Lifts, Insulators, Light House Equipment, Train Lighting Equipment such as Dynamos Head Lights, etc.
3. Electricals
Transmitters, Receivers, Frequency Generators, Valves, Testing Instruments, Radar, Navigational Aids and Instruments, etc.
4. Structural
Road and Railway Bridges, Girders, Roof Trusses, Transmission Towers, Buoys and Anchors, Tanks and Stagings, Gates for Dams, Overhead Cranes, Jetty Cranes, Ladders, Signaling Equipment, Hangars and Hutments, Turntables, Traversers, etc.
5. Rolling-stock
Wagons, Coaches, Locomotives, Wheels and Axles, Tyres, Under Frames, Vacuum Brake, Fitting Track Materials, Steel Castings, Ejectors, Injectors, Safety Valves, Boiler Tubes, Lubricators, etc.
6. Machine Tools
Workshop Lathes, Wheel Turning Lathes, Planning Machines, Milling Machines, Pillar Drills, Shapers, Radial Drill, Presses, Moulding Machines, Grinding Machines and Grinding Wheels, Boring Machines, Roller Bearings, etc.
7. Road Transport
Vehicles, Motor Cars, Motor Lorries, Buses, Trailers, Cinema Vans, Mobile Dispensaries, Air-Conditioned Food Vans, Road Sprinklers, Oil Tankers, etc.
8. Fire Fighting Equipment
Trailer Pumps, Air Crash Tender, Pumps, Ladders, Hoses, Fire Fighting Lorries, Fire Extinguisher.
9. River Craft and Sea Craft
Tugs, Boats, Motor Boats, etc.

10. Aircraft

Aeroplanes, Gliders.

11. Iron and Steel

Pig Iron, Steel Sections, Steel Plates, Steel Trusses, etc.

APPENDIX-7

(Referred to in Rule 260)

Instructions for the Purchase of stores through Central Purchase Organisation (Director General Supplies and Disposal, New Delhi/India Supply Mission, London/India Supply Mission, Washington)

Note:- As per Cabinet Note issued on 12th April, 2017, functioning of DGS&D has been closed, effective 31st October 2017 with an instruction that all the user Departments, suppliers to be re-directed to GeM website for all the procurement activities.

(ii) The portal was launched on 9th August 2016. Rules for procurement through GeM have been incorporated in GFR 2017 as Rule 149.

(iii) All Central Government and State Government Ministries/Departments including its attached/subordinate offices, Central and State autonomous bodies, Central and State Public Sector Units and local bodies etc. have been advised to make procurement through GeM portal, which shall provide an end to-end online Marketplace.

(iv) Latest instructions on procurement, in detail, are available in the ***“Manual for Procurement of Goods-2017”*** published by Government of India, Ministry of Finance, Department of Expenditure.

APPENDIX-8

[Referred to in Rule 260]

Rules regulating the purchase of Stationery Stores for the Public Service

PREAMBLE

The policy of the Government is to make purchases of stores for the public service in such a way as to encourage development of indigenous production of stores to the utmost possible extent and to make the country self-sufficient in the matter of its own requirements. The following rules, which supersede all previous rules and orders on the subject and which are applicable to the purchase of Stationery Stores as included in the list appended to these rules, to meet the requirements of the Central Government and the Union Territories, are prescribed in accordance with this policy.

Rule 1. Purchases in India.

Save as provided in Rule 4 below, all Stationery Stores (mentioned in the list appended hereto) required to be purchased for the public service shall be purchased on the condition that delivery shall be made in India for payment in rupees in India.

Rule 2. Tenders.

Tenders shall be invited in India and abroad also, when considered desirable for the supply of all articles which are purchased under Rules 1 to 3 unless the value of the order to be placed is small or the competent authority is satisfied that sufficient reasons which shall be recorded in writing, exist that it is not in the public interest to call for tenders.

Rule 3- Preferences

(a) In order to give effect to the policy indicated in the Preamble preference in making purchases shall be given in the following order:-

Firstly, to articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India, provided that the quality and delivery are suitable.

Secondly, to articles which are wholly or partially manufactured in India from imported materials, provided that the quality delivery is suitable.

Thirdly, to articles of foreign manufacture held in stock in India, provided that they are of suitable type and requisite quality.

Fourthly, to articles manufactured abroad which need to be specially imported (preference to be given to offers received for supply through India-based Establishments).

(b) Chief Controller of Printing and Stationery, the Central Purchase Organization, the Surveyor-General of India, the Master, India Security Press and other Officers specially authorized in this behalf may, when they are satisfied that such a measure is justified, allow subject to such terms and conditions as may be laid down by Government from time to time price preference (i) in respect of articles produced or manufactured in India wholly or partially over imported articles, and (ii) in respect of articles produced by Cottage and Small-Scale Industry over the articles manufactured by Large-Scale Industry.

Rule 4. Inspection and Test.

All articles, whether manufactured in India or abroad, shall be subject to inspection before acceptance and articles for which specifications and/or tests have been prescribed by competent authority shall be required to conform to such specifications and/or to satisfy the prescribed test or tests which may be carried out during manufacture or before or after despatch from supplier's premises.

Rule 5. Deleted.

Rule 6. Inter-Departmental Purchases.

Nothing in these rules shall be deemed to prohibit the purchase of articles by one Department from another.

Rule 7. Powers of Purchase -

(a) Purchase of Stationery Stores mentioned in the list appended hereto (except items 1 and 2 of the list which will be purchased through the agency of the Central Purchase Organization) by the officers of the Printing and Stationery Department of the Government, the Surveyor-General of India and the Master, India Security Press, shall be governed by the powers delegated to them from time to time under the Delegation Financial Powers Rules, 1978, and by special or ad hoc orders issued in this behalf.

(b) In case of emergency arising out of unforeseen circumstances or delay in, or failure of, supply through the Printing and Stationery Department, stores may be purchased locally by such authorities and subject to such financial limits and conditions as are specified in the Delegation of Financial Powers Rules, 1978, and by special or ad hoc orders issued in this behalf from time to time.

Note:- Fundamental Principles of Public Procurement as laid down in Para 1.7 of “*Manual for Procurement of Goods-2017*” published by Government of India, Ministry of Finance, Department of Expenditure and Rule 144 of GFR 2017 may also be followed in letter and spirit.

LIST

A.- Stationery Stores

1. Paper of all kinds, whether in sheets, rolls, reels or pads.
2. Cardboards, millboards, pulp boards, pasteboards, strawboards and ticket boards.
3. Carbon and sensitized papers
4. Envelopes of all kinds.
5. Parchment and Vellum (imitation or real).
6. Book binding materials.
7. Books (blank, ruled or loose leaf including equipment).
8. Writing and drawing materials including-
 - (a) pens, pencils, crayons, chalks (writing and drawing) and pen-nibs of all kinds;
 - (b) inks, ink-powders, ruling paste, ink-stands and ink-pots; and
 - (c) water colours and boxes, saucers and brushes for such colours and slants;
 - (d) rulers, tracing cloth and ferro-gallic linen;
 - (e) erasers (rubber), slates, slate pencils and sponges, pads (writing, blotting and signature).
9. Desk appliances including-
 - (a) knives, scissors, punching and stapling tools, bells;
 - (b) envelope cases and trays;
 - (c) pins, pin-cushions, paper clips, paper weights, gum bottles and brushes and sealing wax.
10. Rubber stamps, metal seals, etc., rollers (rubber, thumb-impression and cyclostyle), thumb-impression slab, and pocket cases, pads (rubber) for stamping.
11. Glue, gum, tags, thread and twine, if required for office purpose.

12. Packing cases and other packing materials for Stationery Offices and Printing Presses only.

APPENDIX-9
(See Rule 430)

Conditions governing issue of Government Drafts

1. Subject as hereinafter provided, "Government" drafts at par will be issued for remittances on behalf of the Central Government and for other -public purposes set forth in Para. 4 below, under the terms and conditions hereinafter specified.

2. Two forms of "Government" draft will be issued-

(i) *Reserve Bank of India Government Drafts*-To be drawn by or on places where the Reserve Bank is represented by its Treasury Agencies, and drafts to be drawn by the Reserve Bank on its own offices and branches of the State Bank of India, and

(ii) *State Bank of India Government Drafts*-To be drawn by the State Bank of India on its own offices and branches.

In either case the drafts will be superscribed "On Government accounts only".

3. (a) Drafts will be issued for a minimum amount of 50 rupees except in special circumstances, such as sepoy's remittance, or that of a rating of the Royal Indian Navy below the rank of a leading seaman (or its equivalent), or for the remittances of the surplus of the estates of deserters subject to the Indian Army Act or the Indian Navy Discipline Act or for payments in connection with securities deposited with the Reserve Bank of India for and on behalf of Government. The limit of "Government" draft obtainable for private purposes of a Government officer is, in all cases but that of a sepoy or a rating of the Indian Navy (specified above) proceeding on leave, the amount of a month's pay and allowances of the remitter.

(b) The maximum drawings on any one day, which may not be exceeded without the express sanction of the Currency Officer will be as follows:

At or on a sub-treasury5,000
At or on a treasury (not being a sub-treasury) except on the Reserve Bank 25,000
At a treasury on the Reserve Bank....		...Without limit
By and on offices of the Reserve Bank and offices and Branches of the State Bank of India having currency chest facilities Without limit

4. The issue of "Government" drafts at par is authorized in the following cases-

(1) *General*-To Government officer, for a remittance to be made by him in his official capacity in payment of any service rendered or in pursuance of his official duties. The purpose for which the drafts are required must be clearly stated in the application.

NOTE -The facility of remittance by "Government" drafts at par is also permitted to the Local Funds named in Schedule A to this Appendix, and to such additional funds as may be determined from time to time by the Government in consultation with the Reserve Bank, subject to the condition that the remittances are bona fide public purposes.

(2) *Public works*-To Executive Engineers, District Surveyors and to all Sub-Divisional Officers in the Public Works Department, whether they have drawing accounts or not, for payments to be made outside their division but only on public service and not for private purposes or the convenience of contractors. When purchases are effected, or work is done by one division on account of another, the adjustment will be made by book transfer.

(3) *Pay and allowances of Civil Officers*.-The remittance of pay and allowances is not ordinarily a bona fide public purpose, but a Government draft may be obtained for the remittance of the pay and allowances of an officer deputed beyond the limits of the district in which his pay has to be drawn. Government drafts may also be obtained for remittances covered by Treasury Rules 236.

Officers of the Public Works Department may, when presenting bills for pay and travelling allowance of their establishments, obtain Government drafts on other district treasuries for amounts which may have to be disbursed outside the district but within their own jurisdiction.

(4) *Payment of passages of Civil Officers*.-To Accountants-General, for the payment of passage booked by Shipping Companies and Agents.

(5) *Emigrants' remittances*.-For remittances of the estates of deceased emigrants to their heirs and of deposits of returned emigrants.

(6) *Workmen's Compensation*. -To a Commissioner for Workmen's Compensation, in favour of another Commissioner for the remittance of money remaining in his hands or invested by him for the benefit of any party to any proceedings pending before him but transferred to another Commissioner in accordance with Section 21 of the Workmen's Compensation Act (VIII of 1923).

(7) *Refunds of Electoral deposits*-For the remittance of Electoral deposits refunded to candidates for the Legislative Bodies, who are residing in districts which are different from those where the deposits were originally lodged.

(8) *Officers of the Ministry of Defence*-(a) *Men on leave in India*-- For remittances by Commanding Officers under Treasury Rule 491 to men on leave.

(b) *Estates of deceased persons and deserters subject to the Indian Army Act of 1911 or Indian Navy (Discipline) Act*-For remittance of surplus of the estates to the Accountant-General, Central Revenues, New Delhi.

(c) *For private remittance of British Warrant and Non-Commissioned Officers and Men (Departmental and Regimental)*-To the extent of monthly pay and allowances in part payment of cheques of Regimental Paymasters or other Disbursing Officers.

(d) *For private remittances of Indian Officers and men of Indian Corps*-To the extent of monthly pay and allowances in part payment of the first cheque drawn in each month.

(e) *For purchase of Government Promissory Notes out of Funds in trust*-To Military Officers in Military employ in favour of Reserve Bank at Kolkata, Chennai or Mumbai.

(9) *For Family Remittances in the following cases:-*

Police-To Indian Officers and men of the Police constabulary, for remitting money to their families in the form and on the terms provided for sepoy's remittances, the heading of the descriptive roll being altered to suit the case.

(10) *Subscriptions for a public or quasi-public purpose*-The Head of a Local Administration or any Ministry of the Central Government desiring to facilitate the collection of subscriptions for any public or quasi-public purpose may allow the issue of one-draft a month, from any district treasury to the local Secretary or Treasurer of the fund or institution for the purpose of remitting subscriptions to the Central Body.

(11) *Indian Council of Agricultural Research*-To the Indian Council of Agricultural Research and its constituent units, for payments to be made in respect of the funds at their disposal.

(12) *Indian Central Cotton Committee*- To the Secretary of the Indian Central Cotton Committee, Mumbai and Sea Island Cotton Development/ Research Officers for remittance of payments on account of grants sanctioned by the committee.

(13) *Tea Cess Fund*-The Collectors of Customs and the Resident in Tamil Nadu for remittances to the Chairman of the Tea Cess Committee at the Office of the Reserve Bank of the net proceeds of the Tea Cess.

(14) *Coffee Cess Fund*-By Collectors of Customs and the Resident in Tamil Nadu, for remittances to the State Bank of India, Bengaluru, of the net proceeds of the Cess Fund.

(15) *Cocoanut Cess Fund*-By the Collectors of Central Excises in Mumbai and Chennai for remittance to the State Bank of India, Cochin, of the net proceeds of the Coconut Cess.

(16) *Local Funds in Central Areas.*-(i) To any Local Boards for investment of their surplus funds in an Office of the Reserve Bank or a branch of the State Bank of India or in any Co-operative Bank authorized by the Government for this purpose.

(ii) To Co-operative Banks in which these surplus funds have been invested for remittance of interest or investments realized for payment to Local Boards or Municipalities.

(iii) To Municipalities and School Boards for remittance of their surplus funds for investment to any Co-operative Bank.

(17) *For remittance by Public Debt Office of Interest on Government Promissory Notes.*-For remittance by the Public Debt Office (i) of interest overdue on Government Promissory Notes which are transmitted to it for renewals by a treasury other than that on which they are enfaced for payment of interest, (ii) of broken interest on allotment certificate, (iii) of broken interest on notes converted or transferred into stock under the rules in the Government Securities Manual.

(18) *General Public.*-(i) At Treasury Agencies for remittance to the Office of the Reserve Bank at Kolkata, Chennai or Mumbai for purchase of Government Promissory Notes. The minimum amount of a draft in such cases is 5,000 rupees.

NOTE-In order to ensure that "Government" drafts are used for the purpose for which they are taken, they should be issued payable to the Office of the Reserve Bank at Kolkata, Mumbai or Chennai and marked "for investment in Government Securities".

(ii) In the Andamans, for 300 rupees and upwards.

(19) *Indian Oilseeds Committee.*-For remittance of the net proceeds of the cess on oil extracted from oilseeds collected at the various centres to the State Bank of India, New Delhi, for credit to the accounts of the Indian Oilseeds Committee.

(20) *For remittances on behalf of the Employees' Provident Fund.*-For transfers of cash for credit to the Fund, where there are no banking facilities afforded by the Reserve Bank or the State Bank of India.

(21) Pay and Allowances of the Staff of the Survey of India and of the Dhanbad Central PWD Division for remittances of pay and allowances of the staff of the Survey of India and of the Central PWD under the Executive Engineer, Dhanbad Central Division, stationed in Nepal.

(22) *Khadi and Village Industries Commission.*-To the Khadi and Village Industries Commission for remittance of money for bona fide public purposes.

(23) *For remittance of commission payable to the Agent Organizations, Agent Branches under the Women's Savings Campaign.*-By the Paying Authorities nominated by the State Governments/Union Administration

(24) *Refund of Earnest Money deposits*-For refund of Earnest Money deposits by an Accountant-General at a place outside his own jurisdiction.

(25) *Central Social Welfare Board and State Social Welfare Advisory Boards*-To the Central Social Welfare Board and the State Social Welfare Advisory Boards, under its control for remittances of money for bona fide purposes.

SCHEDULE A

1. Districts Funds (including District and Local Boards Funds), Ajmer-Merwara and Coorg.
2. Pound or Cattle Pound Cess Funds, Ajmer-Merwara.
3. Dispensary Fund, Ajmer-Merwara.
4. Police Funds.
5. Imperial Service Local Charges Funds.
6. Northern India Salt Revenue Badge Fund.
7. Customs Badge Fund, United Provinces.
8. Jharia and Asansol Mines Board of Health.
9. Tuticorin Port Fund.
10. Mumbai Port Trust.
11. Commissioners for the Port of Kolkata.
12. Chennai Port Trust.
13. Cochin Port Trust.
14. Kandla Port Trust.
15. Visakhapatnam Port Trust.
16. Marmugao Port Trust.
17. Paradeep Port Trust.
18. Minor Pilotage Fund.
19. Landing and Shipping Dues Fund.
20. Orissa Port Fund.
21. Chaukidari Uniform Fund.
22. Mumbai Presidency War and Relief Fund.
23. Indian Council of Medical Research.
24. Employees' State Insurance Corporation Fund.
25. Coal Mines Provident Fund.
26. Coal Mines Labour Welfare Fund.
27. Rehabilitation Finance Administrations.
28. Treasurer, Charitable Endowments Funds.
29. Central Silk Board constituted under Section 4 of the Central Silk Board Act, 1948 (No.LXI of 1948).
30. Central Warehousing Corporation.
31. National Co-operative Development Corporation.
32. Central Schools Organization.

APPENDIX-10

Procedure for accounting of certain categories of deposits

The detailed accounts of Individual transactions relating to the following kinds of deposits are maintained by the Postal Units.

Sl.	<i>Nomenclature of the Deposits</i>	<i>Names of Units</i>
(a)	Earnest Money collected from tenderers vide Rule 476 of Postal Financial Handbook, Volume-I	All the Postal Accounting Units concerned.
(b)	Deposits on account of lock and key of Post boxes/bags	Head Post Offices (including the transactions taking place in the subordinate Postal Units.
(c)	Recovery from members of Postal Co-operative Credit Society, Kolkata	Kolkata GPO.

2. A Register of Deposits should be maintained separately for the three kinds of deposits mentioned in Para. 1 above, in Form A enclosed. After the opening balance is constructed as indicated in Para. 3 below, entries of credits and debits under these deposits should be made in the register as and when the transactions occur. For the purpose of securing agreement of the figures entered in the Register of Deposits with those booked in the accounts, separate detailed heads of account will be opened and the receipts and payments on account of the three kinds of deposits should be exhibited separately in all the records of initial accounts, viz., HO Cash-Book, HO/SO Summary and HO Cash Account, SO daily account, monthly account current and monthly primary abstract. Details in respect of receipts and payments of deposits occurring in SOS should be furnished in the remarks column of the SO daily account as in the cases of other unclassified receipts/payments. The Head of the Office or Officer-in-charge of accounts will be responsible to check that receipts/payments of deposits booked in the initial accounts are supported by entries in the Register of Deposits and in token of this check will initial against each of the entries in the Register of Deposits in the column provided for the purpose.

NOTE- There will be no occasion for the transactions of the above types to appear in Branch Office Accounts and Branch Office Summary.

3. Monthly agreement and balancing of the Register of Deposits-At the end of each month, the total credits, debits should be struck in the Register of Deposits and the total credits and debits should be agreed with the corresponding figures in the HO Cash Book; the cash account, the account current or the primary abstract, as the case may be. The closing balance should be worked out by making the following closing entry after the last entry for the month:-

Closing balance at the end of previous month	Total Deposit during the month	Total refunds (Forfeiture and lapses vide item 6 below) during the month	Closing balance at the end of the current month

Certified that the figures of total deposits and refunds agree with corresponding figures in the monthly cash account/the account current/primary abstract. The figures of total forfeiture/lapses agree with the statement prepared for submission to Audit/PAO.

Signature
(Head of Office)

5. Monthly returns to Circle Accounts Office.-Along with the monthly returns to Circle Accounts Office, a plus and minus memorandum in Form 'C' (copy enclosed) should be furnished in respect of the three kinds of deposits separately. The closing balance should be certified as agreeing with the sum total of the balances as per the Register of Deposits.

6. Treatment of deposits lapsed or forfeited to Government and Returns to Circle Accounts Office.- (a) *Forfeiture of earnest money and deposits for lock and key.*-In regard to earnest money forfeited under Rule 479 of P & T FHB, Volume-I (Second Edition) and deposit for lock and key forfeited under 10 (3), (4) and (5) of P & T Boxes Order, 1956, a statement should be prepared in Form 'B' (copy enclosed) in triplicate and two copies thereof (retaining the third as office record) in triplicate and two copies thereof (retaining the third as office record) furnished to the Circle Accounts Office along with the return for the month concerned. The Circle Accounts Office will return one copy with the requisite certificate adjustment thereon for further reference in the office as and when required under the provisions of Clause (2) of Certificate in form GAR-39/(TR-62-B) under Rule 401(b) (i) of Postal FHB, Volume-I.

(b) *Lapsed deposits and annual returns to Circle Accounts Office*-In the month of March each year, the Postal Units will examine the Register of Deposits with reference to Rule 480 of Postal FHB, Volume-I (Second Edition) and prepare a statement of lapses in Form 'B' in triplicate and send two copies thereof to the Circle Accounts Office, who will return one copy with the requisite certificate of adjustment thereon for further reference in the office as and when required under the provisions of Rule 401(b) (i) of Postal FHB, Volume-I.

(c) *General*-The amount of deposits forfeited or lapsed [vide Clauses(a) and (b) above] should be deducted from the plus and minus memoranda and also accounted for in the closing entry in the Register of Deposits for the respective months.

7. Accounting procedure for refund of lapsed deposits.- The accounting procedure laid down in Rules 480 to 482 of this Postal FHB, Volume-I with regard to the refund of lapsed deposits will continue to be followed. Refund of lapsed deposits should be accounted for as at present and not mixed up with repayment of deposits.

FORM 'A'

REGISTER OF DEPOSITS

Name of the office	SI. No.	Date of Deposit	Name of the Depositor	Particulars of deposit	Amount of deposit	Dated initials of Head of Office	Particulars of debits	Dated initials of Head of Office	Amount paid in April, May, June, etc., to March	Total amount paid
1	2	3	4	5	6	7	8	9	10	11

Instructions for filling up the columns-

1. Col. 1. In the case of Post Offices, name of SO should be filled up.
2. Col. 2. The serial numbers should run in consecutive series for a financial year.
3. Cols. 5. and 8. Particulars of Receipt No./Voucher No. should be given.
4. Cols. 7 and 9. These Columns should be completed by the Head of the Office or the Officer-in-charge of accounts on the date when the transactions are incorporated in the accounts.
5. Col. 10. Should be divided into 12 sub-columns for noting payments in each month.

FORM 'B'

STATEMENT SHOWING DETAILS OF DEPOSITS FORFEITED DURING THE MONTH
OF.....

LAPSED

Year	No.	Amount forfeited	Amount lapsed	Month of Adjustment	No and date of Refund Order in respect of lapsed deposits	Amount of Refund sanctioned	Signature of AAO	Remarks
1	2	3	4	5	6	7	8	9

B.- Cols. 1 and 2.- In these columns should be filled in the year and Serial No. of the deposit as entered in the Register of Deposits.

FORM 'C'

PLUSORMINUS MEMORANDUM OF.....FOR.....20.....

Nature of transactions	Balance from the last month	Additions to balance this month	Total	Deduction from balance	Balance at the end of month	Remarks
1	2	3	4	5	6	7

Dated.....20.....

Head of the Office

APPENDIX-11

[Referred to in Rule 421]

I. Co-operative Credit Societies Dues

The Co-operative Societies Acts of different States under which Co-operative Societies and Banks are registered usually provide, inter alia, that a member of the Society may execute an agreement in favour of the Society providing that his employer shall deduct from his salary or wages such amount as may be specified in the agreement and to pay the amount so deducted to the Society in satisfaction of any debt or other demand owing by the member of the Society and that, on the execution of such an agreement the employer shall, if so required by the Society by a requisition in writing and so long as such debt or demand or any part thereof remains unpaid, make the deduction in accordance with the agreement. Where, therefore, a Central Government servant is a member of any Co-operative Society, such provisions, if any, of the State Act, under which the Society has been registered, would throw on the Central Government offices, departments, etc., in which the member is employed within the area to which the relevant Act extends, a statutory obligation on the employer to make recoveries in accordance with the provisions of the relevant Act.

2. In making such recoveries on account of the dues of Co-operative Societies, the following procedure, which has been decided upon in consultation with the Comptroller and Auditor-General of India should be followed:-

Procedure to be followed for making recoveries from salaries of Central Government servants on account of dues of Co-operative Societies:-

(a) Scope-It is obligatory to make recoveries of the amounts shown in the requisition that may be received in writing from the Co-operative Society, provided that-

(i) the Act under which the Society has been registered provides for the execution of an agreement by the member in favour of the Society requiring the employer to make the recoveries;

(ii) recoveries are made only so long as the Government servant concerned is employed within the territorial jurisdiction of the State Act under which the Co-operative Societies have been registered;

(iii) where the whole or a part of the attachable portion of the salary of the Government employee concerned is already under attachment, the recoveries on account of the demands from Co-operative Societies shall be made from that portion of his salary as is not liable to attachment, under the provisions of the Code of Civil Procedure, 1908; and

(iv) it is certified by the Society that the amount is due from the Government servant concerned to the Society on the date of the requisition sent by it.

NOTE-It has been authorized by the Director-General as a special case that the procedure outlined in the above rule should be extended to the Madras Presidency Postmen's Union Provident Fund, Madras Co-operative House Construction Society, the Postal Employees' Co-operative Insurance Fund Ltd., Mumbai, the Calcutta Postal and RMS Co-operative Mutual Benefits Society Ltd., Nimar District Clerks Union Co-operative Credit Society Ltd., Khandwa (Madhya Pradesh), the Simla Postal Co-operative Credit and Thrift Society Ltd., Simla, Banga Postal Co-operative Urban Thrift and Credit Society Ltd., Banga (Jullunder District), Nellore Division Departmental Postal Employees' Co-operative Credit Society Ltd., Nellore, Labour Welfare Funds in Industrial Undertakings, Madras.

A Disbursing Officer working as the Agent of a Departmental Co-operative Credit Society, Bank or Fund recognized by the Director-General, may collect all bona fide dues of the Society by recovery (in cash) from the pay of officials (members of the society) at the risk and on the responsibility of the Society according to such arrangements as may be specified by the Society. Such deductions may also be made in all cases where a direct authorization is made by a Central Government employee in favour of his Disbursing Officer even outside the State in which the Society, Bank or Fund is registered, to make deductions in respect of such dues. In such cases the Disbursing Officer would be acting not under or by reason of the statute which does not apply to him, but under the authority given by the debtor-employees. The Government undertakes no liability to make good any loss of the money so collected.

(b) The general procedure in connection with the collection of dues and its disposal is given hereunder. Each Society will send a statement of recoveries to the Disbursing Officers concerned each month in the form given below showing the amounts to be recovered from the pay of the officials for the month under their jurisdiction. The Disbursing Officers will make necessary recoveries accordingly from the officials concerned and remit the total amount so recovered relating to each Society at such intervals and in such a manner as may be settled under arrangements made between them and the Societies with the approval of the Head of the Circle. Remittances to the Societies shall, however, on no account, be made by means of Service Money Orders.

FORM

PROFORMA IN WHICH THE SOCIETIES SHOULD SEND STATEMENTS OF RECOVERIES

Sl. No.	Name of the official	Designation	Amount due for recovery	Amount recovered	Date of recovery	Amount remitted	Date of remittance	Mode of remittance	Amount in hand from day to day till remitted
1									10

	2	3	4	5	6	7	8	9	

Analysis of recoveries and remittances (to be completed by the Disbursing Officers at the end of each month).

Total amount recoverable.

Amount remitted on each date

..... I

..... II

..... III

..... IV

Total amount remitted

Balance, if any, in hand

NOTE 1.-The form prescribed above is only for the sake of convenience in actual working and if any Society chooses to send its requisitions any other form, that should not be rejected.

NOTE 2.-The Disbursing Officer will be held solely responsible for the safe custody of the amount so collected till it is paid to the Societies concerned.

(c) *Gazetted and non-Gazetted Government servants.*-On receipt of the requisition in writing from the Society it shall be the duty of the Drawing and Disbursing Officer of the Government servant concerned to make the recoveries in satisfaction of the requisition. The Drawing and Disbursing Officer should draw the gross amount of the pay and allowances of the Government servant concerned, in the usual manner but should disburse only the net amount after making the recoveries. The amount thus recovered should be paid to the Co-operative Society concerned, without undue delay, after deducting the remittance charges, if any.

(d)

(e) *Where the Government servant intentionally allows his pay to remain undrawn.*- In cases where the Government servant concerned intentionally allows his pay to remain undisbursed or undrawn, with a view to evading payment on account of the dues of Co-operative Societies, the Drawing and Disbursing Officer, in the case of non-Gazetted servants who are not allowed to draw their own Bills, or the Administrative Head of the Department concerned, in other cases, should draw the pay of the debtor-employee, under intimation to him, in satisfaction of the requisition received from the Co-operative Society and remit the amount to the Society without undue delay, after deducting the remittance charges, if any.

(f) *Treatment in the accounts.*-The amount recovered, in accordance with the Clauses (c), (d) or (e) above, shall be treated in the accounts in the same way as salary paid to the Government servant concerned. The Drawing and Disbursing Officers should keep a proper record of the recoveries made at the instance of the Co-operative Societies outside Government accounts and remit the same to the Co-operative Societies. The acquittance has to be taken for the amount including the dues of the Co-operative Societies indicating the gross amount payable (excluding the Society deduction), the Society deduction and the net amount payable in the acquittance roll/office copy of the bill. The money recovered on this account should be kept in a cash box quite separate from the Government money and a note of the total amount held in deposit be recorded in the Cash Book from day to day to the time it is remitted to the Society concerned. The Disbursing Officer should keep a proper record of the amounts so recovered in a separate register in Form Pa.-61, remit the amount recovered to the Co-operative Societies and file the receipt of the Co-operative Societies for the remittances to them as vouchers in support of the remittances made. Thus the amount recovered will not be credited to any head of account in Government account.

(g) *Procedure for remittance of 'out of account amount by SOs/BOs.*-The amount collected by Sub/Branch Offices at the time of disbursement of pay and allowances to the staff employed in those offices and/kept out of account, shall be sent to the Head Post Offices in the account bag duly entered on the back side of the SO/BO daily account with the remarks 'List of out of account' being submitted in duplicate. The 'out of account' amount should be put in a separate cover with the superscription 'out of account amount' in red ink and the cover should be duly sealed. The list containing the details of this amount should be sent in duplicate. One copy of the list duly acknowledged by the Head Post Office will be sent back to the SO/BO concerned. The out of account amount received from Sub and Branch Post Offices should be merged in the out of account amount of the HO and total amount shown in Col. 'C' of the HO summary till it is remitted to the Society/Bank, etc.

NOTE-The above procedure of the treatment of the 'out of account' amount realized in Sub-Offices and Branch Offices on account of Society dues, premia on Fidelity Bonds, etc., will apply mutatis mutandis to the collection made on account of Insurance Premia under the Salary Saving Scheme of LIC.

EXCEPTION 1.-It has been authorized as a special case that the dues recovered from the members of the Postal Co-operative Credit Society, Kolkata, who are stationed in Kolkata at the time of payment of their salaries, should in the first instance, be credited in lump as a miscellaneous receipt in the Post Office account instead of being kept out of account and the amount so collected should be handed over, duly charged in the account as an item of unclassified payments, to the accredited representative of the Society by means of cheques drawn on State Bank of India, Kolkata, where also the Society have their own account. This procedure is to be followed only by those Post Offices in Kolkata itself where the Postmasters are authorized to issue cheques on the State Bank of India. This concession to the Postal Co-operative Credit Society, Kolkata, has been granted on the distinct understanding that it may be withdrawn at any time without notice and without assigning any reason therefor.

2. A cheque for the total amount so collected during each month should be drawn on the State Bank of India or the Reserve Bank of India, Kolkata and handed over to the accredited representative of the Society under proper receipt.

3. This concession is granted to the above Society on the distinct understanding that it may be withdrawn at any time without notice and without assigning any reason therefor.

II. Procedure for recovery of monthly subscriptions from the members of the Service Association from salary bills:

The following procedure regarding verification of membership and recovery of subscriptions for the Association from the payrolls will be followed in the Department:-

(1) Every employee wanting to be a member of a Service Association would have to give in writing, addressed to the DDO in the prescribed pro forma, for deduction of subscription from his pay bill. The consent is to be sent through the concerned applicant Service Association to which the membership is sought.

(2) The consent letter received through Service Association will be grouped category/designation wise and filed securely in guard files. The details of the consent will be noted in a register by the DDO, the format of which is indicated in Annexure-I.

(3) Recovery of monthly subscription from payroll in favour of a particular Association shall be made by the DDO every month.

(4) An extract from the register in duplicate will be handed over to the Cashier for making necessary entries in the Acquittance Roll ACG 24 of the month concerned. A

suitable column in the acquittance roll, viz., "Membership/Subscription to Service Association" may be opened in the relevant month to record the deduction separately. The deduction made by the Cashier, through acquittance roll will be out of account transactions of the Government account.

(5) The DDO after making the deductions will remit the amount to concerned recognized Association indicating the total deductions and total number of persons covered by those functionaries on fixed date as may be authorized by the Association to receive the subscription. The first instalment may be sent on receipt of orders of recognition from this office.

(6) Remittances to the Association should on no account be made by means of Service Money Orders.

(7) The DDO shall also reconcile the total deductions with the details of membership of different associations as per his records. Suitable endorsement in the Register mentioned in sub-para. (2) above shall also be made by the DDO.

(8) The amount collected by Sub/Branch Offices at the time of disbursement of pay and allowances to the staff employed in these offices and kept out of account shall be sent to the Head Post Office in the account bag duly entered on the back of SO/BO daily account with the remarks 'List of out of account' attached. The amount should be put in a separate cover.

(9) The DDO shall report to the Heads of Circles by 10th August, every year by 10th April, details with regard to the total number of persons belonging to each of the Service Associations in the pro forma as per Annexure-II.

(10) Heads of Circles will send consolidated statement to SR Section, Department of Post in the pro forma at Annexure-11 by 20th of the respective months referred to preceding sub-para. The Circle will ensure that information in respect of all DDOS has been included in the statement.

3. It has been decided that all the Drawing and Disbursing Officers should start making monthly recoveries from employees who authorize making recovery from their pay as per procedure given in Paras 2 and 5 starting with the pay for the month of July, 1995.

4. The term DDO as mentioned above means any such authority in charge of drawing and disbursing work of Pay and Allowances of an employee.

5. The applicant Service Associations are required to supply the letter of authorization from each member to the DDO in the pro forma at Annexure-III well in time, i.e., by 14th July, 1995, this year and 1st of March every year thereafter, The All India Associations may also intimate the quota to be given to the Association at All India/Circle/Divisional/Local levels.

(GI, Dept. of Posts, Letter No. 13-1/93 SR (Vol. IV), dated the 6th June, 1995.

NOTE-If a Government servant wants to withdraw his declaration, he should give an application to that effect to the DDO, who will accept such request with prospective effect. No recovery of subscription will be made thereafter.

(GI, Dept. of Posts, Letter No. 13-1/93-SR (Vol. IV), dated the 4th August, 1995)

ANNEXURE-I

REGISTER TO BE MAINTAINED BY THE DDO

Category of employees.....

SI No.	Name	Year 20...-20...		Year 20...-20...		Year 20...-20...	
		Name of the Association of which a Member	Bill No.	Name of the Association of which a Member	Bill No.	Name of the Association of which a Member	Bill No.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

ANNEXURE-II

PRO FORMA OF STATEMENT TO BE SENT BY DDO TO THE NODAL OFFICE

SI. No.	Category	Total No. of employees in that category	Name of the Association	Membership as per check-off system	Remarks
(1)	(2)	(3)	(4)	(5)	(6)

ANNEXURE-III

LETTER OF AUTHORIZATION

I,.....(Name and designation) being a member of.....
Association hereby authorize deduction of annual subscription of
Rs.....for.....(year) from my salary and authorize its payment
to.....Association.

Signature:

Name :

Designation:

TO BE FILLED IN BY THE ASSOCIATION

It is certified that Shri/Smt.....is a member of.....Association.

Signature of authorized Office Bearer.

Defining categories of employees for the purpose of CCS (Recognition of Service Associations) Rules

The undersigned is directed to refer to Postal Directorate's letter of even number, dated 25-2-1994 on the above subject and to say that the issue to define distinct categories of employees for the purpose of forming Service Associations has been under consideration for some time and it has now been decided to define the categories of employees as under--

(a) *Group 'C' Staff (MTS)*- It has been decided that all the Group 'C' staff of Postal and Circle Administrative Offices may be brought under this category. After the introduction of TBOP/BCR in the Circle Offices, the services of Postal Staff and Administrative Staff have been made interchangeable and, therefore, it is suggested to make one Category of Postal and Administration Wings of the Department.

(b) *Group 'C' (RMS)*- The Group 'C' staff working in RMS will be under this category.

(c) **Group 'D' Postal and Administrative Staff*-This group will include all Group 'D' employees including Postmen and Group 'D' employees of Administrative Wing of the Department.

* Group 'D' has now been changed to that of MTS staff.

(d) *Group 'D' (RMS). This group will include all the Group 'D' employees of the RMS Wing of the Department.

* Group 'D' has now been changed to that of MTS staff.

(e) *IP/IRM Association*. This group will include IPOs/ASPOs and IRMs/ASRMs.

(f) *Postal Civil Wing, Non-Gazetted staff*- This group shall cover both Groups C and 'D' employees of the Civil Wing (Electrical, Civil, Architects) including the Junior Engineers.

(g) *Postal Accounts Employees*. This group shall cover all the employees posted in the Postal Accounts Wing, Department of Posts. Hitherto, these employees were allowed to become members of Administrative unions. As it has been decided not to allow separate Associations for Administrative Staff, the Postal Accounts Employees' Association may represent this category of staff and they would not be allowed to become members of Group C' Association.

It can be added that presently there is no separate Association for AAOs and they can become member of Postal Accounts Employees' Association. They will continue to be covered under this group.

(h) *Officer's Associations* - There will be following three Officers' Associations-

(a) IPS Officers.

(b) PSS Group 'B' Officers.

(c) AAO/AO/Sr. AO.

2. It is also proposed to frame separate set of rules for the purpose of formation of Service Association of GDS which would be notified separately.

3. The Service Associations seeking recognition under the new recognition rules may please ensure that the formation of their Association should conform to the categorization of employees as stated above. The Constitution and the Memorandum of the Association may also be so prepared that it conforms to the above categorization.

4. Procedure for deduction towards membership subscription to Service Associations of Postal employees has been evolved by the department and a copy of the same is enclosed.

5. Heads of the Circles are requested to take further action accordingly.

[G.I, Dept. of Posts, Letter No. 13-1/93-SR, dated the 10th August, 1994.]

In partial modification of this Department's Letter No. 13-1/93-SR, dated the 10th August, 1994 on the above subject, the undersigned is directed to say that it has been decided to allow separate

Associations for Supervisors (General Line) and SBCO. Supervisors' Association will consist of LSG (including TBOP officials), HSG (including BCR officials) and HSG-I officials of General Line of Post Offices, RMS and Administrative Offices, SBCO Association will consist of all grades of SBCO officials.

[G.I, Dept. of Posts, Letter No. 13-1-93-SR (Vol. II), dated the 29th November, 1995.]

APPENDIX-12

[Referred to in Rule 227]

Procedure for the accounting of advances of travelling allowances granted to a Government servant on transfer and adjustment thereof

The following procedure for accounting of advances on account of travelling allowances granted to a Government servant on transfer and adjustment thereof should be followed. The transfer envisaged may be any of the following types:-

- (i) from one Service Department to another, within the same Government other than (ii) below;
- (ii) to and from a Commercial Department (Railway or Posts and Telegraphs) Defence Department or a Departmental Commercial Undertaking; and
- (iii) from one Government to another.

2. It has been decided that the accounting of the transactions connected with the advances will be as follows:

(1) Transfers from one Service Department to another within the same Government-item (i) in the preceding paragraph- (a) The advances on account of (transfer) travelling allowances paid to a Government servant on transfer will be borne by the Department making the payments (which will be the Department from which he is transferred) and debited by that Department to the final head of account under which its pay and travel expenses are ordinarily classified.

(b) ~~Deleted~~, as Advance of pay was abolished by MOF/Department of Expenditure vide OM No. 12-(1) /E II(A)/2016 dated 07.10.2016.

In the case of advances of pay the recovery will be effected by the Department to which the Government servant is transferred and accounted for as minus-debit under the relevant expenditure head for pay of that Department, irrespective of the year in which the recovery/adjustment is made.

(c) As regards travelling allowances, the amount actually payable to the Government servant normally will be more than the advance on this account drawn by him earlier. In such a case the net amount only paid to him on account of (transfer) travelling allowance, will be debited to the relevant head for travel expenses of the Department to which he is transferred. Where, however, the advance of transfer travelling allowance drawn turns out to be more than the amount actually due to him on this account, the recovery of the excess amount when effected will be adjusted by minus-debit to the expenditure head by the same Department, just as for advance of pay.

(d) Thus while the payment of the advance will be adjustable by the Department from which the Government servant is transferred all subsequent transactions connected with the

recovery/adjustment of the advance will be accounted for by the Department to which he is transferred. The latter Department will also watch as well as ensure timely adjustment/recovery of the advances.

(2) Transfers to and from a Commercial Department (Railway or Posts or Telecommunication) Defence Department, or a Department Commercial undertaking and from one Government to another-items (ii) and (iii) in Para. 1 above. -Such transfers can be either from the parent (lending) Government/Department to another (borrowing Government/Department) or retransfer to parent (lending) Government/Department. In these cases the transactions will be accounted as follows:-

(a) In the case of transfer of a Government servant from his parent (lending) Government/Department, the debits on account of advance of transfer travelling allowances will be passed on to the Government/Department to which he is transferred for adjustment under the appropriate final head of account in its books.. As regards transfer travelling allowance, the net amount paid, if any, after adjustment of the advance will be debited to the head under which the advance was classified. Recovery, if any, effected out of the advance will be adjusted as minus-debit under the same expenditure.

(b) As regards transfer travelling allowance, the borrowing Government/Department on making payment of the advance will adjust the debit under the relevant final head of account in its books. The further payment made or recovery, if any, effected by the lending Government/Department, on receipt of the final claims relating to the journey made on transfer will be remitted by it for being debited or minus-debited, as the case may be, in the books of the borrowing Government/Department in the manner indicated in the preceding Paragraph (a) in regard to transfer travelling allowance.

APPENDIX-13
NATIONAL PENSION SYSTEM (NPS)

The rules, in brief, reproduced here belong to the Government servants including Civilian Government Servant appointed substantively to civil services and posts in connection with the affairs of the Union on or after 1st day of January, 2004. However, in respect of Government servants who have been appointed before 1st January 2004 and upto 31st December 2003, Central Civil Services (Pension) Rules, 1972 alongwith instructions and orders issued by the Government of India on this matter from time to time shall apply. The NPS rules 2021 issued by the Govt. of India, Ministry of Personnel, Public Grievances & Pension, Department of Pension and Pensioner's Welfare vide Gazette Notification (GSR-227 (E) dated 30.03.2021 will apply as below:-

I. (1) Rules may be called the Central Civil Services (Implementation of National Pension System) Rules, 2021

(2). These rules shall apply to the Government servants, including civilian Government servants in the Defence Services, appointed substantively to civil services and posts in connection with the affairs of the Union on or after 1st day of January, 2004, but shall not apply to,-

- (a) Railway servants;
- (b) persons in casual and daily rated employment;
- (c) persons paid from contingencies;
- (d) members of the All India Services;
- (e) persons locally recruited for services in diplomatic, consular or other Indian establishments in foreign countries;
- (f) persons employed on contract;
- (g) persons whose terms and conditions of service are regulated by or under the provisions of the Constitution of India or any other law for the time being in force; and
- (h) persons to whom the Central Civil Services (Pension) Rules, 1972 apply in accordance with any special or general order issued by the Government

II. REGISTRATION INTO NATIONAL PENSION SYSTEM

(1) A Government servant to whom these rules apply, shall, immediately on joining service submit an application in Common Subscriber Registration Form or in any other form specified by the Authority along with an option form referred to in rule 10, to the Head of Office for registration to the National Pension System.

(2) The Head of Office shall on receipt of the application should sent it to DDO with in prescribed time frame and DDO in turn to forward the application to Pay and Accounts Officer or the Cheque Drawing Officer within specified time period and PAO after completing the online enrollment process shall forward duly signed copy of the application to the Central Record Keeping Agency for record.

(3) The first contribution of the Government servant shall be credited in his Individual Pension Account within twenty days of the date of submission of the application under sub-rule (1) or by the last date of the month in which the Government servant joined, whichever is later.

III. CONTRIBUTION BY THE SUBSCRIBER TO THE NPS

(1) The National Pension System shall work on defined contribution basis. A Subscriber shall make a contribution of ten percent (10%) or such other percentage as may be notified from time to time, of his emoluments to the National Pension System every month. The amount of contribution payable shall be rounded off to the next higher rupee.

(2) The Drawing and Disbursing Officer shall deduct the contribution from the salary of the Government servant and send the bill to the Pay and Accounts Officer or Cheque Drawing and Disbursing Officer, as the case may be, along with details of contributions deducted in respect of each Subscriber on or before Twentieth day of each month.

(3) The Pay and Accounts Officer or the Cheque Drawing and Disbursing Officer, as the case may be, shall remit the contribution to the Trustee Bank through the Accredited Bank by the last working day of each month.

IV. CONTRIBUTION BY THE GOVERNMENT

The Government shall make contribution of fourteen percent (14%) or such other percentage as may be notified from time to time, of the emoluments of a Government servant to the Individual Pension Account of the Subscriber every month. The amount of contribution payable shall be rounded off to the next higher rupee.

V. INTEREST ON DELAYED DEPOSIT OF CONTRIBUTION

(1) In case of delay, due to factors not attributable to the Subscriber, in,-

(i) Commencement of monthly contributions on account of delay in registration of the Subscriber in the National Pension System beyond the time limits prescribed in rule 4; or

(ii) Deduction of monthly contribution from the salary of the Subscriber or crediting to his Individual Pension Account beyond the time limit prescribed in rule 6; or

(iii) Crediting of the monthly contributions by the Government to the Individual Pension Account of the Subscriber beyond the time limit prescribed in rule 7, the amount of contribution may be

credited to the Individual Pension Account of the Subscriber along with interest for the delayed period. The interest shall be credited to the Individual Pension Account of the employee within a period of thirty days of the crediting of the amount of contribution. The rate of interest for this purpose would be the rate of interest, as decided by the Government from time to time, for the Public Provident Fund deposits.

(iv) Subscriptions to National Pension System can be received from such Government servants as are either required or permitted by the rules to subscribe to it, the recoveries being made ordinarily by deduction from pay bills of the Government servants concerned. The recoveries happen monthly based on the process as provided in CSI wherein the DDOs maintain the data in HRMS upon which the details of subscriptions are processed in the wage type of designated T-Code PA30. The subscriber is himself responsible for seeing that proper deduction is made from his bills and the amount thus recovered is credited to the NPS account.

VI. PARTIAL WITHDRAWAL FROM NPS ACCOUNT OF SUBSCRIBER

(1) Presently, all NPS Subscribers who have been under the NPS for three years or more, are permitted to avail non-refundable partial withdrawal from their own contributions to the extent of 25% up to three times for specified reasons (refer Annexure I) in PFRDA (Exits and Withdrawal under the National Pension System) Regulations 2015.

(2) Subscribers to allow partial withdrawal based on 'self-declaration' and thereby doing away with the submission of supporting documents to substantiate the reasons for partial withdrawal. The Subscribers shall also have the option for submitting partial withdrawal requests off line with 'self-declaration' to the associated nodal officers/POPs, as per the prevalent practice but without any supporting documents to substantiate the reasons for partial withdrawal.

VII. EMOLUMENTS FOR FAMILY ON DEATH OF A SUBSCRIBER

(1) On death of, -(a) a Subscriber, who had exercised option or in whose case the default option under rule 10 is for availing benefits under the Central Civil Services (Pension) Rules, 1972 or Central Civil Services (Extraordinary Pension) Rules, 1939;

or (b) a retired Subscriber, who was in receipt of an Invalid Pension under the Central Civil Services (Pension) Rules, 1972 in terms of rule 16 or a disability pension under the Central Civil Services (Extraordinary Pension) Rules, 1939 in terms of rule 17, further action will be taken by the Head of Office for disbursement of benefits in accordance with the Central Civil Services (Pension) Rules, 1972.

(2) If on death of the Subscriber, benefits are payable to the family under the Central Civil Services (Extraordinary Pension) Rules, 1939 or the Central Civil Services (Pension) Rules, 1972 in accordance with sub-rule (1), the Government contribution and returns thereon in the accumulated pension corpus of the Subscriber shall be transferred to Government account. The remaining accumulated pension corpus shall be paid in lump sum to the person(s) in whose favour a nomination has been made under the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under National Pension System) Regulations, 2015. If there is no such nomination or if the nomination made does not subsist, the amount of remaining accumulated pension corpus

shall be paid to the legal heir(s).

VIII. SUBMISSION OF CLAIM FOR BENEFITS UNDER THE NATIONAL PENSION SYSTEM ON SUPERANNUATION-

(1) A Subscriber shall have the option for submission of claim for benefit under the National Pension System through a mode, as specified by the Authority from time to time.

(2) Every Subscriber shall, six months before the date on which he is due to retire on superannuation, or on the date on which he proceeds on leave preparatory to retirement, whichever is earlier, submit to the Head of Office, duly filled withdrawal Form prescribed by the Authority along with the documents mentioned in the withdrawal form. In other cases of retirement or exit from the National Pension System, the Subscriber shall submit to the Head of Office, duly filled withdrawal Form prescribed by the Authority along with the documents mentioned in the withdrawal Form immediately after issue of orders of the competent authority for such retirement or exit. Where the Subscriber has submitted the claim through online mode, he shall submit a signed copy of the print-out of the said withdrawal Form along with the documents mentioned in the withdrawal Form.

(3) The National Pension System shall generate claim IDs and inform nodal officers, i.e. the Pay and Accounts Officers or the Cheque Drawing and Disbursing Officers six months before the date of retirement for those Subscribers who shall retire on superannuation in the next six months .

Note: For detailed reference of the Scheme, Govt. of India, Ministry of Personnel, Public Grievances & Pension, Department of Pension and Pensioner's Welfare vide Gazette Notification (GSR-227 (E) dated 30.03.2021 may be referred to.

APPENDIX-14
SERVICE DISCHARGE BENEFIT SCHEME (SDBS)

[For Gramin Dak Sevaks engaged under GDS (Conduct and Employment) Rules, 2001]

The scheme came into effect with effect from the 1st day of the month of April 2011.

1. ELIGIBILITY TO JOIN:-

- (1) All existing regularly engaged GDS who have been selected after due process in accordance with the GDS (Conduct and Employment) Rules, 2001 and rendered at least one year's satisfactory service, are eligible to join the scheme.
- (2) The scheme shall be mandatorily applicable to all GDS engaged on a regular basis under the prescribed GDS (Conduct and Employment) Rules, 2001 on or after introduction of the scheme, on completing one year of satisfactory service.

2. Enrolment and assigning of PRAN number in SDBS for GDS:

- (i) The Gramin Dak Sevaks opting to come under the new Service Discharge Benefit Scheme (SDBS), shall have to submit an application in the prescribed proforma for their enrolment in the Service Discharge Benefit Scheme (SDBS).

Such applications for enrolment will be sent to the Postal Divisional Office concerned by the Sub Divisional Inspector/ASPOs, duly attested and verified as required.

- (ii) The Divisional Heads (Directors /Sr./Supdt. of Post offices) will collect all such applications, and ensure that the applications are complete in all respects, and forward them to the Central Record Keeping Agency's (CRA) Facilitation Centers for enrollment and issue of a digitized card containing *inter alia* Permanent Retirement Account Number (PRAN) for Gramin Dak Sevak concerned.

3. SUBSCRIPTION

- (i) The monthly contribution to SDBS shall be Rs. 300/- for both sides i.e. Department's contribution and the GDS.
- (ii) No contribution/subscription shall be made by the Department in respect of GDS during the period they are placed under "Put off duty" or remain unauthorizedly absent from duty.
- (iii) Subscriptions to Service Discharge Benefit System can be received from such GDS, the recoveries being made ordinarily by deduction from pay bills of the Government servants concerned. The recoveries happen monthly based on the process as provided in the computerized environment on technology platform wherein the DDOs maintain the data in HRMS upon which the details of subscriptions are processed in the relevant GL Code. The subscriber is himself

responsible for seeing that proper deduction is made from his bills and the amount thus recovered is credited to the NPS Lite account.

4. EXIT FROM SDDBS

At the time of exit and /or making premature withdrawal from the scheme the beneficiary shall have to submit an application through concerned Divisional head to PAO for settlement of his/her dues/accumulations in the Permanent Retirement Account.

In the event of death of GDS while in service, the nominee(S) / legal heirs(S) shall have to submit an application with the KYC documents through concerned Divisional head to PAO for settlement of his/her dues/accumulations in the Permanent Retirement Account.

APPENDIX-15

POST OFFICE LIFE INSURANCE RULES (POLI)

General Rules

General- Department of Posts Notification No. 25-1/2011-LI, dated 28.04.2011 publishing of “Post Office Life Insurance Rules -2011” supersedes the existing Post Office Insurance Fund Rules. Extract of some of important General Rules therein is appended beneath:

Eligibility conditions for PLI:-The following persons are eligible to the benefits of the Post Office Life Insurance Fund provided their age is not less than 19 years and not more than 55 years on the next birth day on the date of proposal, except in cases of Anticipated Endowment Assurance, Joint Life and Children Policy for which the minimum and maximum age limit are prescribed separately:-

(1) All permanent and temporary employees of Central/State Governments, Universities established by Governments (Centre/State), Gramin Dak Sevaks, Government aided Educational Institutions, Nationalized Banks, State Bank of India, Subsidiary Banks of State Bank of India, Financial Institutions notified by Government, Defence Personnel (Army, Navy, Air Force), Personnel of Para Military Force including Assam Rifles, ITBPF, CISF, BSF and CRPF etc., regular employees of Public Sector Undertakings (Centre/State), Regional Rural Banks, permanent and temporary servants of local bodies paid from “Local Funds” as defined in Fundamental Rule 9 (14).\

(2) All permanent and temporary employees of the Council of Scientific and Industrial Research. The Medical Council of India, the Dental Council of India, the Nursing Council of India and the Pharmacy Council of India.

(3) Industrial and work charged employees in the Department of Posts and Department of Telecom whose pay is regulated under the “Fundamental Rules”.

(4) All permanent and temporary employee of autonomous body established by stipulated rules of Centre/State Government.

(5) Members of Defence Services including those holding Short Service Commission, Extended Service Commission and other kinds of non-permanent Commissions are also eligible to join the Fund.

MANNER OF REALISING OF PREMIUM

43- Premium is due on the first day of the month.

44- The first premium paid on any date shall represent the premium for that calendar month. The first premium must always be paid in cash or cheque by the proposer. In respect of 'pay recovery policies', the premium for a particular month shall be deducted from insurant's salary of the same month but not later than the last day of the said month except in the case of the month of March, where the salary is payable on 1st working day of April. The insured person is responsible that the amount of the premium, which is due on the first day of each month, shall be deducted from his pay for the said month. If the premium due for any month is not deducted due to any reason from the pay drawn, the insured person should pay the premium in cash for that month and inform the fact to Pay and Accounts Officer/Drawing and Disbursing Officer. In case of such policies, where it is found that an extra premium has been received as result of switching over from 'Pay recovery' to 'Cash recovery' and vice versa, such premium shall be refunded at the time of maturity/settlement of claim. And if the premium is to be paid in cash, the insured person must pay the premium at any Post Office or make online payment of premium on authorized website of Department of Posts either on the first day of the month for which the premium is due, or during the period of grace, which shall extend up to the last day of the calendar month for which the premium is due if the payment is made online on the authorized website of Department, or the day before the last day if the last day of the month falls on Sunday or Postal holiday incase payment is made at Post Office Counter in cash, and obtain the Postmaster's receipt for it in his premium receipt book. Payment of premia by insured person who has quit the service of Government is governed by Rule 49. The insured person may pay premium for his/her policy for any number of months at one time in cash in a Post Office, provided the premia are paid strictly in advance.

Exception: Under special arrangements existing in Tamilnadu, the deductions on account of premium from the pay bills of establishments employed in certain commercial undertakings of Government whose accounts are maintained on a commercial system, are made at the time of disbursement and cash for the total amount recovered is remitted to the Treasury. Such deductions will be treated in the same manner as if they had been made by short drawals in the bill encashed at the Treasury.

45- In case of pay recovery policy, when an insured person proceeds on leave in India or is under suspension, he/she must arrange payment of premia in cash at any Post Office or he/she may, if so desires pay the premia by deduction from his/her leave salary or suspension allowances drawn. When the insured person is on Foreign Service in India or proceeds on leave out of India, he may arrange payment of premia in cash at any Indian Post Office he/she may select so. Whenever the payment of premia is made in cash at Post Office the fact should be intimated to Postmaster concerned. However, when an insured person is on leave out of India, he/she will not be considered as in arrears of premia for any month so long as long he/she has not been able to draw any pay and allowances, though due for the month, due to circumstances beyond his/her control. If the pay and allowances are drawn subsequently without deduction of premia, the premia should be paid within a week positively.

46-When a policy has been assigned by the insured person to any other person, the insured person may arrange with the assigns that all the premium shall be paid from time to time by the latter, and the assigns will, with the concurrence of the Postmaster General/ Manager of Central Processing Centre (GPO/Head Post Office), pay in cash the monthly premium at any Post Office. If the premium is not paid on or before the last working day of the month (in case of March-1st working day of April) in which it is due, the provision of Rule 56 or the Rule 57, as the case may be, will apply.

47-The Pay and Accounts Office/Drawing and Disbursing Officer of each Department will furnish to the Director PLI, Kolkata with monthly statements in the prescribed form showing all payments of premium realized by deduction from the pay of person belonging to his Department and will give credit for the total amount of such realizations in his exchange (or Central Adjusting Account) with the concerned Branch Audit Officer of the Department of Posts with whom he is in account.

Though each policy of the insurant will be entered separately in the register and the schedule, the total amount recoverable monthly from each policy holder on account of all policies should be shown in the register by bracketing all the policies. This will serve as a guide for preparation of Monthly bills where recoveries, in respect of each policy cannot be shown separately. This total in the register should be kept corrected up-to-date on additions of new policies and exit of old ones.

***PROFORMA OF THE REGISTER OF POLICY HOLDERS**

Sl. No.	Policy No.	Name of Policy Holder	Designation	Monthly Premium Rate	Amount Actually recovered												Remarks
					Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	

48-When an insured person is transferred from one establishment to another, the premium recoverable from him should be recorded in his Last Pay Certificate with a view to the necessary deduction being made from his pay at the new office. The Disbursing Officer of the insured person should inform the Drawing and Disbursing Officer of the office where the insured person is transferred, and the insured person himself must give such notice to the Postmaster General/ Manager of Central Processing Centre (GPO/Head Post Office).

49- Policies held by the persons who have left the Government Service:-If an insured person resigns or retires or is dismissed from the service of Government, his policy holds good so long as the premium due are regularly paid by him on the first day of the month or within the period of grace at the Post office selected by him. As soon as the connection of the insured person ceases with the Government, he should apply to the Postmaster General/Head of Division for a Premium Receipt Book informing him of the name of the Post Office at which the first premium while in Government service, was deducted and the Post Office at which he desires to pay future

premium in cash. A copy of this application should also be endorsed to the Postmaster of the place at which future payments of premiums are desired to be made in cash. If the Premium Receipt Book is not received by the time the next premium after his quitting government service falls due, he should pay the amount by the due date in cash at the selected Post office producing a certificate from his last Disbursing Officer in the form appended at the end of this rule. In such a case, the concerned Postmaster would grant a receipt for the amount in form ACG-67. Subsequent premium will be paid in cash on production of the receipt for the previous month's premium, till the Premium Receipt Book is received by him. Thereafter, the due premium shall be paid on production of the Premium Receipt Book and receipt for the amount will then be given only in the Premium Receipt Book.

FORM

Ministry of

Government of/Department of

O/o.....

No.(Name of station) dated the.....

Certificate of disbursing officer regarding premium deduction on account of PLI policy/
policies number dated of Sh. (with Office address)
for the month(s) (name's of month's with year) was last deducted from the salary for the
month(s) of (name's of month's with year), paid on
.....(Office seal)

Signature

(With full name in Block capitals and designation of Disbursing officer)

50- Premia as well as policies when due payable only in India:-If the purchaser of PLI/RPLI policy leaves India, he must arrange with the Post master General/ Head of the Division/ DDO for the payment at any Indian Post Office which he may select of the premia payable on his policy. If the insured person dies out of India, the value of his policy will be paid to the nominee(s)/ legal heir(s). The payment shall be made by the Postmaster General/ Head of Division by means of an Account payee crossed cheque, "not negotiable".

51-(1). Reduction, Discontinuance or Commutation and Other Alterations:-A policy holder holding a policy other than an Anticipated Endowment Assurance and ten year Rural PLI policy may at any time apply for reduction of his monthly premium and sum assured without altering the class of his policy or after payment of premia for not less than three years he may apply to have his policy made paid up for a reduced sum assured free from further payment of premium. The paid up value of any policy will be the amount bearing to the total sum assured the same proportion as the total period for which premia have been paid bears to the maximum period for which premia were originally payable. Paid Up policies will not attract bonus with effect from

the date of discontinuance of premia. Proportionate bonus shall however be paid on paid up value after completion of 5 years i.e. if a policy remains in force at least for 5 years.

Exception: the above Rule regarding the amount of the paid up policy does not apply to the following cases: -

- (i) Where there are arrears of premiums, and;
- (ii) Where there is any outstanding loan or interest due.

(2) Commutation of Future premiums by payment of a lump sum may be permitted at any time.

(3) In the case of policies other than Anticipated Endowment Assurance policies and 10 Year Rural PLI, conversions involving alteration of policy terms other than reduction, discontinuance or commutation of premia referred to above will be allowed only after payment of premia for an integral number of years and in any case where it is intended to extend the premium term or to defer the maturity date, on the production of a medical certificate of good health at the expense of the assured. Such conversions will be permitted only once on the duration of each policy without a fee. Second and subsequent conversions shall be subject to a small fee not exceeding Rs. 20/- or as may be fixed by the Department, in each case.

(4) No alteration from Anticipated Endowment Assurance and 10 Year Rural PLI policy to other classes of policies or vice-versa, or alterations in the selected term or in the sum assured of the Anticipated Endowment Assurance policy and 10 Year Rural PLI policy will be allowed.

(5) No such conversion of a policy as would put the date of maturity or of cessation of premium to a date preceding or within one year from the date of conversion is admissible.

52-(1) (a) Payment of Policies:-An insured person claiming maturity value of the policy shall be required to fill up and sign an application in the prescribed form available at any Divisional Office/Head or Sub Post Office or Branch Post Office, and forward it to the Postmaster General/Head of Division direct or through Divisional Office/Head or Sub Post Office or Branch Post Office with the documents prescribed by the Department.

(b) In case of claim arising due to death of the insured, the claimant shall fill and sign the application in the prescribed form available at any Divisional Office/Head or Sub Post Office or Branch Post Office, and forward it to the Postmaster General direct or through Divisional Office/Head or Sub Post Office or Branch Post Office with the death certificate and other documents as prescribed by the Department from time to time.

(c) For claiming the amount of survival benefit i.e, periodical payments in AEA and 10 Year RPLI policy, the insured person is required to fill up and sign an application in the prescribed form available at any Divisional Office/Head or Sub Post Office or Branch Post Office and forward it to the, Postmaster General/ Head of Division direct or through Divisional Office/Head or Sub Post Office or Branch Post Office with the documents as prescribed by the Department from time to time.

(d) If the prescribed form for the claims in paras (a), (b) and (c) above is not available the claim may be prepared by an application on plain paper.

(2) On receipt of the application and the documents, Postmaster General/ Head of Division shall examine the title of the claimant and if the claim is found admissible, shall issue an order for payment of the sum assured or the periodical survival benefit, as the case may be, under the policy less the amount, if any, due on account of the premium in arrears and interest thereon. If the premium for any month remained unpaid on the last working day of the month (in case of March it is VI April), the provisions of Rule 56 or 57 of "*Post Office Life Insurance Rules - 2011*", as the case may be, will apply. The orders for payment of the amount of maturity value, death claim or survival benefit shall be issued to the concerned Postmaster, under intimation to the claimant. The amount sanctioned shall be paid to the claimant on his surrendering the payee's copy (on the Postmaster's copy if the payee's copy is lost and an endorsement shall be made to this effect duly signed by the payee with witness) of the order at the Post Office and signing a receipt for it, duly stamped, where necessary, on the back of the order. The Department accepts no responsibility whatsoever for delays which may occur in the settlement of the claims. Claimants are, therefore, strongly advised to submit their claims sufficiently in advance of the date of maturity of the policies together with proof of payment of premium for the last six months prior to the date of last installment of premium in the shape of Disbursing Officer's Certificate, viz., a certificate of recovery by the officer disbursing his pay & allowances. If the payment is made through cheque then the dispatch particulars along with the details of cheque shall be noted on the Postmaster's copy of sanction.

Exception :- If, however, it is established that the delay in the payment of claims was attributable to administrative delays, ex-gratia payment of interest at the rate of 8% per annum on the unsettled amount of claim shall be paid for the delay beyond this period stated as under:-

(i) For more than 30 days from the actual date of receipt of complete claim papers or 30 days from date of maturity whichever is later, in the case of maturity claim.

(ii) For more than 60 days, from the actual date of receipt of complete claim papers in the case of death claim under policies where no investigation is required.

NOTE 1: If the claimant is the legal assigns of the policy, he will further be required to forward to the Postmaster General any deed of assignment that he may hold. The Postmaster General shall in such a case after making such further inquiries as he may deem fit, order payment of the amount admissible to the assigns. The procedure prescribed in this rule for the payment of the policy shall then be followed.

NOTE 2: Postmaster/Manager of Central Processing Centre (GPO/Head Office)/Head of Division/Postmaster General may sanction maturity/death claims within the limits prescribed by Director General of Posts from time to time.

NOTE 3: The Department will not be liable for payment of interest for delay on account of any type of claim/benefit if the insurant has not preferred the claim within due date.

53-Settlement of early death claims:- Cases of early death i.e. before completion of 3 years from the date of Acceptance of a policy will be investigated thoroughly to enquire if the insurant while submitting the proposal had suppressed material information which otherwise would not have allowed the proponent to be eligible for PLI/RPLI and it should be examined whether insurant was suffering from any disease prior to taking of a policy, whether there was any deliberate attempt on the part of marketing staff to insure sub standard life or to cause loss to fund and whether the cause of death had any relation to the disease. The Postmaster General after satisfying himself may sanction death claim.

54-Death Claim for an amount up to Rs 1,00,000/- (Rs one lakh only), where no nomination exists, the production of succession certificate may be waived by the Director General of Posts, provided the case is recommended by the Postmaster General concerned on valid grounds. After waiver, the case shall be settled by Postmaster General observing usual formalities.

55- SURRENDER OF POLICIES:-A policy other than an Anticipated Endowment Assurance, 10 Year Rural PLI and Children policy may be surrendered for an immediate payment in cash, provided the policy is of not less than three years duration. In such a case, the insured person or the assigns of the policy, as the case may be, shall give notice of surrender, in writing, to the Postmaster General concerned and forward the policy or a duplicate copy thereof or Indemnity bond (if policy is lost) at any Post office along with the premium receipt book. If premia had been paid in cash and loan repayment receipt book, if loan principal/interest is outstanding. Further deductions on account of premium from the pay of the insured person shall cease on receipt of instructions from the Postmaster General. A policy surrendered under this rule shall continue to be in force till the end of the month in which the application for surrender is received by the Postmaster General and accordingly the premium shall also be payable for the period for which the policy continues to be in force. For policies in respect of which premium is paid annually in advance, surrender value is to be calculated at the end of the year irrespective of the date of surrender but payment of surrender value may be made when the policyholder asks for it. No bonus will be paid in respect of a policy with effect from the date of discontinuance of premia. Proportionate bonus shall be paid on paid up value after completion of 5 years i.e. if a policy remains in force at least for 5 years.

55.1. On receipt of the notice and the documents referred to in this rule, the Postmaster General shall examine the title of the claimant and calculate the surrender value of the policy in accordance with the prescribed formula. The admissible surrender value of the policy should also be communicated to the claimant for sending his consent/ dissent in writing regarding taking payment or not taking payment of the admissible surrender value or the policy intended to be surrendered. The orders for payment of the admissible amount of surrender value shall only be issued on receipt of the consent of claimant for taking payment of admissible amount of surrender value, to the concerned Postmaster, under intimation to the claimant. The amount sanctioned shall be paid to the claimant on his surrendering the payee's copy of the order at the Post Office and signing a receipt for it, duly stamped, where necessary, on the back of the order. In case of payment through cheque Rules as prescribed in Rule 52.(2) may be followed.

55.2. The Postmaster General may, in his discretion, allow withdrawal of an application for surrender at any time before the surrender value is actually paid to the applicant if sufficient

reasons are adduced for such a withdrawal, and if the withdrawal would not adversely affect the interest of the Fund.

56.(1) Lapsing of policy within thirty six months and settlement of death claims:-(I) The policy for which any premium/premia have become due, not paid either on first day of the month for which the premium is due or within the period of grace allowed as per *Rule 53* the policy shall become void.

56.(2) (a) If, in the case of a policy where death takes place before the completion of thirty six months from the date of acceptance of the policy and where any premium/premia have become due, not paid either on first day of the month for which the premium is due or within the period of grace allowed as per *Rule 44*, the policy shall become void and all claims to any benefit in virtue thereof shall cease and all money that have been paid in consequence thereof shall be forfeited except in cases mentioned hereafter;

- (i) Provided that for the purpose of this rule, an insured person is not to be considered as in arrears of premium for any months so long as he has not been able to draw his pay, pension or subsistence allowance during suspension, or if the insured person is on leave in India, any leave allowance though due for the month next before it is due because of circumstances beyond his control.
- (ii) Provided further that the provisions of (i) above shall not be applicable to the insurants who pay their premium/premia in cash.

(b) Notwithstanding what is stated above if death of the life assured occurs within thirty six Months From the date of acceptance of the policy, a further period of remission shall be allowed in respect of such policies where premia remain unpaid beyond the period of grace permitted under *Rule 44* in the following manner:-

(i) If the death of the life assured occurs within six months of the date of acceptance or the policy no remission period beyond the period of grace shall be allowed.

(ii) If the death of the life assured occurs within twelve months but not before completion of Six months from the date of acceptance of the policy, a remission period of 30 days shall be allowed in addition to the period of grace

(iii) If the death of the life assured occurs within twenty four months but not before the completion of twelvemonths from the date of acceptance of the policy, a remission period of sixty days shall be allowed in addition to the period of grace.

(iv) If the death of the life assured occurs within thirty six months but not before the completion of twenty for months from the date of acceptance of the policy, a remission period of 90 days shall be allowed in addition to the period of grace.

(v) In the event of death of the life assured taking place during the period of remission allowed is per *Rule 56 (2) (b) (i) (ii) (iii) and (iv)* above and before payment of arrears of premium/premia that had become due along with interest thereon. The policy shall still be considered valid and the sum assured paid to the nominee or legal heir of the insurant as the case

may be after the deduction of unpaid premium/premia from the claim amount along with interest thereon at such rate as may be prescribed by Director General of Posts.

NOTE I: - The Postmaster General, however, has discretionary powers in special cases to allow ex-gratia payment of the value of a policy or a part thereof or ex-gratia refund of premia paid by the insurant or part thereof with interest or without interest, provided he is satisfied that there has been no deliberate infringement of rules with the object of using the insurance fund in a manner adversely affecting its interest, and circumstances warrant payment of policy money.

56.(3). In the event of a policy-holder of a void policy desiring re-instatement of his/her policy within a period not later than six months from the date of first unpaid premium had become due in respect of such policy he may deposit all the arrears of premium/premia till the date of payment along with interest thereon at the rates as prescribed by the Director General of Posts in the Post Office specified for the purpose of payment of premia in respect of such policy. The re-instatement of the policy shall be automatic without any further act on the part of the insurant or the Department, subject to continued insurability of the life at the time of payment of arrears and for that the insured person shall submit declaration of good health and medical certificate to this effect from Authorized Registered Medical Practitioner:

(i) Provided that if any payment purporting to be premium payments are made during the period of six months mentioned above and if they do not cover all the arrears together with interest thereon required to prevent the policy from becoming void, such payment shall be held in suspense and shall not be considered as payment by way of premium to cover the risk of the life assured. No claim whatsoever shall lie on the Department in the event of death of the life assured during such period when premium/premia are held in suspense and the policy is not reinstated. Such premia as are held in suspense shall be refunded to the policy holder or his other nominee, or his/her legal heir as the case may be, as and when applied for along with interest as prescribed by the Director General of Posts.

NOTE I: - Re-instatement of a policy under Rule 56(3) and Rule 57 (3) can be allowed on only three occasions during the term of a policy.

57 (1). Lapsing of policy beyond thirty six months and settlement of claims.

(1) If in the case of a policy which has remained in force for not less than thirty six months from the date of acceptance of the policy and where any premium/premia have become due, after such period, not paid either on that day of the month for which the premium is due or within the period of grace allowed as per Rule 44, the policy shall cease to be active and treated as lapsed at the end of twelve months from the date, the first unpaid premium had become due in respect of such policy:

(i) Provided that for the purpose of this rule an insured person is not to be considered as in arrears of premium for any month so long as he has not been able to draw his pay, pension or subsistence allowance during suspension, or, if, the insured person is on leave in India, any leave allowance though due, for the month next before it is due because of circumstances beyond his control.

(ii) Provided further that the provision (i) above shall not be applicable to the insurants who pay their premium in cash.

57.(2). (a) Should the policy become a claim either due to death of the life assured or completion of term or the policy within the said period or twelve months from the date first unpaid premium had become due, the claim for the payment of the policy shall be accepted subject to deduction of all arrears of premium/premia together with interest thereon from the date the first unpaid premium in respect of such policy had become due to the date of its becoming a claim at interest rate prescribed by the Director General of Posts and subject to further deduction of accumulated loan and interest thereon, if any.

(b) If within the above said period of twelve months the policy does not become a claim either due to the death of the life assured or on completion of term of the policy and if no application for surrender value or for making the policy paid up policy is received within that period, the policy will be automatically kept alive only to the extent of its paid up value provided such paid up value is not less than Rs. 10,000/-.

57.(3). In the event of a policy holder of a policy that has become inactive in terms of sub rule (1) above desiring reinstatement of his/her policy within a period not later than 12 months from the date the first unpaid premium in respect of such policy had become due, he may deposit all the arrears of premium/premia up to date of payment along with interest thereon at the prescribed rates in the Post Office specified for the purpose of payment of premia in respect of such policy. The re-instatement of the policy shall be automatic without any further act on the part of the insurant or the department subject; however, to continued insurability of the life at the time of payment of arrears, and for that the insured person shall submit declaration of good health and medical certificate to this effect from Authorized/Registered Medical Practitioner.

57.(4). (i) Provided that if any payment purporting to be premium payments are made during the aforesaid period of 12 months mentioned in sub rule(3) above and if they do not cover all the arrears together with interest thereon required to prevent the policy from ceasing to be active at the end of 12 months such payment shall be held in suspense and shall not be considered as payment by way of premium to cover the risk of the life assured. No claim, whatsoever shall lie on the department in the event of death of the life assured taking place during such period when premia are held in suspense and the policy is not re-instated. Such premia as are held in suspense shall be refundable to the policy holder, his/her nominee or his/her legal heir as the case may be, as and when applied for, with interest as prescribed by the Director General of Posts at the time of such refund.

(ii) For the policies in respect of which premium is paid annually in cash in advance no refund of premium shall be allowed except in the case of a claim arising out of death when the premium for the unexpired months shall be refunded.

NOTE - Re-instatement of a policy under Rule 56(3) and Rule 57 (3) can be allowed for only three occasions during the term of a policy.

58. (1). Revival of Policies: (1) The Postmaster General/ Head of Division, may in his discretion, on receiving an application in the prescribed proforma allow a policy, which has become void in terms of Rule 56 (1), or has ceased to be active in terms of Rule 57 (1) and has not been re-instated under the provisions of Rule 56 (3) or Rule 57 (3), to be revived provided that the said policy has not attained the date of maturity and the life assured is insurable at the

time of revival. Such revival shall be subject to payment. within a date to be specified by the Postmaster General/ Head of Division, of all arrears of premia with interest thereon at the rates prescribed by the Director General of Posts and calculated from the date the first unpaid premium in respect of such policy had become due and further subject to production of a certificate from the employer(s) that the policy holder had not taken any leave on medical grounds during the last one year, or during the period from the date the first unpaid premium had become due in respect of such policy, and certificate from an authorized medical attendant in the prescribed proforma certifying that the life assured is insurable having regard to the insurant's health and habits and of evidence to show that there has been no adverse change in his/her personal or family history or his/her occupation.

58.(2). A policy shall not be considered to have been revived unless an application for that purpose has been made and until the policy has been formally revived in writing.

58.(3). Any payments purporting to be premium/premia payments made after a policy has become void in terms of rule 56 (1) or has ceased to be active in terms of Rule 57 (1) but before the policy is formally revived in terms of sub rule (1) and (2) above shall be held in suspense and shall not be considered as payments by way of premium/premia to cover the risk of life assured. No claim whatsoever shall lie on the department in the event of death of the life assured during such period when premium/premia are held in suspense and the policy is not revived. Such premia as are held in suspense shall be refunded to the policy holder, his/her nominee or his/her legal heir as the case may be, as and when applied for, with interest as prescribed by the Director General of Posts.

58.(4). The Postmaster General/ Head of Division, may at his discretion in order to revive a policy which has become void under Rule 56 (1) or cease to be active under Rule 57 (1) allow the arrears of premia along with interest payable thereon to be paid in convenient installment not exceeding 12 installments in deserving cases under a specific order to be issued in writing. In such cases, the risk of the life assured shall be covered from the day the first installment is deposited provided that subsequent installments have been paid regularly thereafter, as also the normal monthly premia besides the arrears as become due have been deposited regularly as and when due without fail. In the event of death of the insurant, who has been depositing the installment of arrears as directed by the Postmaster General/ Head of Division besides the normal monthly premia regularly as and when due notwithstanding the fact that some arrears of premia remain unpaid at the time of death, the claim against the said policy shall be accepted subject to the deduction of such arrears of premia and interest thereon besides loan amount and interest thereon, if any, from the claim amount.

58.(5). For revival of RPLI policies, these rules shall apply *mutatis mutandis* except that the employer's certificate shall not be required.

NOTE: -The revival of a policy under Rule 58 shall not be allowed on more than two occasions during the entire term of the policy which will, however, not include the relaxation given under Rule 56 (3) and Rule 57 (3) for re-instatement.

Medical Fees:-(i) The Medical Officer concerned will receive a fee for each medical examination at the prescribed rates fixed by the Department from time to time.

(ii) Fees on account of medical examination shall be borne by the Department in accordance with Rule 26 of "Post Office Life Insurance Rules-2011." However, if second medical opinion is required to be obtained the fee shall be borne by the Department.

Payment of surrender values:- The procedure to be followed in Post Offices for payments of surrender values of policies other than Anticipated Endowment Assurance, 10 Year Rural PLI and Children policy has been laid down in detail under Rule 55 of "Post Office Life Insurance Rules -2011". The amount paid will in every case, be charged, in the accounts under "Postal Life Insurance Payments", full details being given in the schedule of payments on account of Life Insurance.

Loan on Policies

The Postmaster General/ Head of Division shall, on receipt of the documents, shall verify the connected records relating to the policy for eligibility of loan and whether the Policy is free from encumbrances. He shall also calculate the amount of loan as admissible on the date of application and sanction the loan, if admissible, on the conditions as laid down under Rule 59 of "Post Office Life Insurance Rules -2011". A copy of the sanction along with a loan bond with the relevant entries filled in, shall be forwarded to the Postmaster concerned with instructions to pay the amount to the applicant after his executing the loan bond, which shall be returned by the Postmaster and kept with the policy and the application for loan in safe custody with the Postmaster General/Manager of Central Processing Centre (GPO/ Head Office). The policy shall be released to the insured person or the party legally entitled thereto after ensuring that the amount of loan and interest have been completely repaid. The amount of loan sanctioned should be in complete multiples of Rs. 100/-. Insured person will be supplied by the Postmaster General/Head of Division / Manager of Central Processing Centre (GPO/ Head Office), (through the Post Office concerned), with a loan repayment receipt book, in which the Postmaster will enter under his initials with date each installment of amount paid in repayment of the loan. In the event of loss of the loan repayment receipt book, the procedure laid down in Rule 32 of "Post Office Life Insurance" Rules, 2011 shall be followed. The policy against which loan is taken should always be assigned to the President.

Note: On receipt of sanctions to payment of loan on the security of a policy from the sanctioning authority, Central Processing Centre (CPC-PLI) shall send a copy of Loan Sanction Letter to Postmaster for crediting the sanctioned amount into the Account details submitted by the Insurant in the Loan Application. In case of account details not given by the Insurant or any technical problem arising due to incomplete/wrong information about the account, a Crossed Cheque shall be drawn by the Postmaster within a day of receipt of Loan Sanction letter. The Crossed Cheque along with the Loan Sanction Letter shall be sent to the Insurant through Registered AD on the same day.

61.Suicide Cases:- In the event of an insured person committing suicide any time after the date of acceptance of the policy(whether sane or insane at that time) and after having paid his first

premium in full but not after expiry of two years from such date of acceptance or payment of first premium whichever is later, the policy shall become void and no claim whatsoever shall be entertained by the department by the virtue of the said policy except to the extent of the bonafide beneficial interest which any person (other than the life assured) shall have acquired in the said policy for valuable consideration for which one calendar months notice, before the death of insured person, should have been given to the Director General of Posts or Postmaster General concerned on his behalf; and provided further that sufficient proof shall have to be produced in regard to having acquired such interest in the policy to the satisfaction of the Director General of Posts or Postmaster General.

62. Settlement of death claim cases of murder of the insured committed by the nominee(s) or any legal representative(s):- If the policy holder is murdered by any of the legal representative/nominee(s), the policy money shall not be paid to the murderer even if he/she is acquitted by the competent court of law by giving him/her the benefit of doubt. If person (s), who in the event of death of policy holder, is/are eligible to receive the policy money under Post Office Life Insurance Rules 2011, is/are charged with the offence of murdering the policy holder or for abetting the commission of such an offence, the claim of such person(s), including other eligible member or members of the family to receive the policy money, shall remain suspended till the conclusion of the criminal proceedings instituted against him/them. If on the conclusion of the criminal proceedings, the person(s) concerned is/are convicted for the murder or abetting the murder of the policy holder or acquitted thereof by giving benefit of doubt, such person(s) shall be debarred from receiving the policy money which shall be payable to other eligible legal heir(s) of the policy holder."

Refund of premia or Subscriptions

An over-deduction or an over-payment of premium or subscription is generally adjusted by an abatement of the deduction from a subsequent by or by a short payment of the premium or subscription in the following month. However, in case of such policies, where it is found that an extra premium has been received as result of switching over from 'Pay Recovery' to 'Cash Recovery' and vice versa, such premium shall be refunded at the time of maturity/settlement of claim. No separate charges for refund are ordinarily required or allowed. The authority of the Postmaster General, as the case may be, shall be obtained in each such case.

NOTE 1: - The Postmaster General, however, has discretionary powers in special cases to allow ex-gratia payment of the value of a policy or a part thereof, or ex-gratia refund of premia paid by the insurant or part thereof, with interest or without interest, provided he is satisfied that there has been no deliberate infringement of rules with the object of using the insurance fund in a manner adversely affecting its interest, and circumstances warrant payment of policy money.

NOTE 2.—All refund orders for cash payments are issued by the Postmaster-General for the gross amount. The Disbursing Officer shall, however, deduct from the amount to be refunded, the amount of income tax, if abatement was allowed on the amount of return when it was original

paid and note the amount deducted on the reverse of the refund order to be signed by the payee as his receipt for the amount refunded.

The Schedule of payment relating to the Post Office Life Insurance transactions should be prepared in accordance with the instructions contained in Chapter 9-A of Postal Manual Volume VI, Part III. The schedule along with the relative vouchers and sanctions will be sent by the Postmaster to the Account Officer concerned. The vouchers in support of payment of loan to the insurance should contain, inter alia, a certificate by the Postmaster that necessary bond has duly been executed by the insurant.

In the case of Funds not under Government Management, withdrawals from the Public Account in respect of sums credited, either by way of subscriptions, or interest allowed by the Government, shall not be permitted, except under the authority of the Accountant General through whom the accounts of the Fund are settled.

APPENDIX-16
POSTAL WELFARE BOARD

Introduction

1.(a)**Introduction:**Postal Welfare Board at Postal Dte. level and the corresponding Boards in the Circles known as Circle Welfare Board are functioning at present, meeting the needs and requirements of the staff of the Department in welfare and compassionate related activities.

Since the Postal Welfare Board is formed at Apex level, such field level Boards are formed with the concurrence of the Executive Committee of the Postal Welfare Board only.

(i) **Formation:** Consequent upon bifurcation of the erstwhile Posts and Telegraphs Department in the year 1985, Postal Welfare Board and Circle Welfare Boards are constituted as per the provisions of the Constitution. The Board at the center shall be known as the “Postal Welfare Board” and the corresponding boards in the Circles shall be designated after the name of the Circle. Each Circle/Administrative office may have a separate Welfare Board, which may be formed from time to time with staff. Such field level Boards will be formed with the concurrence of the Executive Committee of the Postal Welfare Board.

(ii) The P&T Sports Board which existed earlier was abolished with effect from 1st April 2001. Now Department of Posts participates independently in various games and sports held at National level either as an affiliate of the National Federation or otherwise.

(b) **Functions of Postal Welfare Board:** Welfare and Sports Branch of the Department functioning at Directorate deals with all the matters relating to Postal Welfare Board, Postal Sports Board, Field Services (Postal) Benevolent Fund as well as it co-ordinates the matters relating to Canteens with Director of Canteen of the Department of Personnel and Training, Government of India.

(c) **Finance:** The Board receives grant in aid for this purpose from the Consolidated Fund of India, Voluntary contributions from the staff and collections through sports and cultural activities arranged and organized by the subordinate formation of the Board. The funds are categorized in the following manner:

(1) **Central Fund:**

The finance of the Postal Welfare Board shall comprise of:

- (i) Grant-in-aid from the Department to the Postal Welfare Board.
- (ii) Voluntary donations and subscriptions, funds raised by organizing cultural meet, variety entertainment, issue of souvenirs etc.
- (iii) By organizing any other activity.

(2) **Allotments of Funds by Postal Welfare Board:**

(i) An amount representing 5% of the total grant will be retained by the Central Board to be expended on special cases or requests received by the Chairman or Vice Chairman including Executive Vice Chairman or Chairman of the Executive Committee.

(ii) The Executive Committee shall allocate to the Postal Sports Board not more than 30% of the total grant at the beginning of each financial year after examining its budgetary proposals.

(iii) The Central Executive Committee may allocate the balance amount to the Circle Welfare Board after making an assessment of their requirements subject to confirmation by the Postal Welfare Board.

(3) **Circle Funds:-**The finances of the Circle Welfare Boards shall comprise of :-

(a) Grants made by the Postal Welfare Board.

(b) Voluntary contribution from the staff.

(c) Funds raised by organizing shows, cultural meets, variety entertainment, and issue of souvenirs or by organizing any other activity.

(4) **Discretionary Grants:-**The Presidents of Circle Welfare Boards may utilize at their discretion upto 10% grant allocated to them every year from the Postal Welfare Board on special cases or on requests received by them, provided that this expenditure will also be based on the general principals of expenditure of the fund such as grant of flood relief, educational assistance and other philanthropic measures.

(5) **The unspent funds:-** The unspent funds at the end of the year in the Central and Circle Funds will be carried over to the next financial year.

(d) **Objectives:** Like all other activities of a welfare state, the objectives of the Postal Welfare Board is to promote, develop and organize Welfare, Sports and Culture activities for the benefit and well-being of the members of postal family.

The Board shall promote, develop, organize and exercise overall control in respect of staff amenities and Welfare institutions, sports, athletics and cultural activities. The Board may set such subsidiary Committees/Organization etc., as it may deem necessary for specific purposes.

(i) The primary objective of the Board will be as under:-

(1) Grants to Postal Sports Board.

(2) Setting up of and grant in aid to staff welfare institutions such as Holiday Homes, crèches, tailoring centers, schools, recreation club etc.

(3) Financial assistance to Postal Staff Welfare Association and Postal Women Organizations.

(4) Financial assistance to Postal Teams/players for participation in various sports and games at the All India/International level.

(5) Organization of Arts and Crafts competitions, exhibitions, holiday/scouting camps etc.

(6) Training in First aid and organization of Ambulance Brigades etc.

- (7) Any immediate relief of an emergent nature for which no provision exists or can be made available in the normal way.
- (8) Financial assistance to deserving educational institutions sponsored by the staff of the Department.
- (9) Scholarships or other financial assistance to children or dependants of Departmental Employees for their education.
- (10) Financial and medical assistance in cases of proved exceptional hardships resulting from serious or long illness or major surgical operations and financial assistance to the dependents of deceased Departmental Employees.
- (11) Such other specific purpose which the Board may decide.

(e)Utilization of Funds: (i) The Funds of the Welfare Board are utilized for activities like sports, recreation clubs, financial assistance in cases of illness, death, killings by terrorists, robbers and dacoits of the staff on duty, educational scholarships, subsidy for excursion trips, grants to help handicapped staff and handicapped children, vocational training centers, crèches etc.

(ii) The Funds of the Board, in addition to normal activities are also used for providing relief to the employees affected by the natural calamities. In nut-shell the Board tries to help the members of the Postal family in the situations which are either not covered by Departmental Rules or are created by the natural calamities like super cyclones, earthquake, rising trend of devastating floods in the different parts of the Country or are manmade such as parcel bomb and serial bomb blasts etc.

2. Constitution of the‘Field Services (Postal) Benevolent Fund’: A number of Group ‘C’ including multi task officials of the Department of Posts remains on deputation to Army Postal Service (APS). During the period of deputation they are entitled to number of concessions’ and benefits as per the existing rules and regulations.

In addition to the foregoing, if any of these officials while on deputation to the APS dies or is killed ion enemy action or in insurgency operations, he is eligible for one time the benefits from the Field Services (Postal) Benevolent Fund also as specified by the Department of Posts, Welfare & Sports Section letter No. 20-09/2018-WI & Sports dated 5th September, 2011 and also further guidelines issued by the Department from time to time.

3. (a) Procedure for grant of benefit from ‘Field Services (Postal) Benevolent Fund’: Every financial year application in prescribed proforma are invited by the Department through the Army Postal Services Directorate from the families of the deceased officials and are placed before the Committee of Administration the Field Services (Postal) Benevolent Fund for consideration. As soon as approval is accorded, the sanctions and cheques are issued to the Widows/family members of the deceased officials through Army Posta; Services Directorate.

(b) The Committee of Administration is constituted with the following:

(i)	Member (Planning)	Chairman
(ii)	Director (Staff)	Member
(iii)	Director (Finance Advice)	Member
(iv)	A representative of APS	Member
(v)	Director (Welfare & Sports)	Member Secretary
(vi)	Nominated Treasurer	

The expenditure on the financial assistance is met from the balance available with the Field Services (Postal) Benevolent Fund. In case, this fund exhausted, grants are given from the Postal Welfare Fund.

4. Accounting Procedure for Welfare And Sports Fund (*Letter no. 4-2/2002-WL/SP dated 17.02.2003*):

(i) As per provisions of the Constitution of Postal Welfare Board, the circle welfare board at the close of each Financial Year are required to submit to the Postal Welfare Board, the Receipt and Expenditure Account in the proforma prescribed. These accounts must indicate total receipts; expenditure and the balance carried forward to the next financial year. A certificate that the accounts of the Circle Welfare Board for the financial year have been audited and found correct shall be furnished to the Postal Welfare Board within one month of auditing of the accounts. The accounts of the fund shall also be checked annually by the Internal Check Organisation of the respective circle and this should be done before the audit inspection takes place. The accounts shall be audited annually by the Comptroller and Auditor General of India or by the person authorised by him in this behalf.

(ii) While submitting Annual Receipt and Expenditure Account, the Circles should prepare a statement of the outstanding advance given from the Welfare Fund. Every effort should be made to recover the advance given, within the same financial year. Where the advance given remains outstanding, even at the close of financial year, while submitting the statement to the Department, reasons for non recovery should be indicated, so that recovery of the outstanding advance is monitored.

(iii) In addition to the Receipt and Expenditure Account, the circle Welfare Boards should at Circle level also prepare a Bank Reconciliation Statement at the end of the financial year, so as to ensure that all the cheques deposited and issued against the Welfare Fund Savings Bank Account have been duly credited and debited respectively to the fund account.

(iv) Audited accounts are to be submitted by 31st May of each financial year. A narrative synopsis of the adverse audit comment and action taken thereon is also to be submitted alongwith the annual accounts. A copy of the audit report is also required to be given. It may be

mentioned that both the Circle Welfare Board and Circle Sports Board receive contribution from the sources other than the annual allocation given by the Department on receipt of Budget Grants. Therefore, the account for the grants received from the Government and also the expenditure incurred from the said grant will be maintained separately from the accounts maintained in respect of extra collections by way of voluntary contribution from the staff etc. However, one account can be maintained in Savings Bank Account for the entire amount received from the Government as well as from the other sources.

(v) It may be ensured that the grant given by the Government to the Circle Welfare Boards and Sports Board is optimally utilized. As such, while submitting the account, the Circles are required to give a certificate that the grants received in the previous year from the Government have been appropriately utilized and where there is a balance left over, the same has been taken into account while requesting for allocation for the current financial year. As per constitution of Welfare Board, the unspent funds at the end of the year in the Central as well as Circle Funds are to be carried forward to the next financial year and, therefore, are not required to be surrendered.

(vi) While submitting the accounts, the Circles are required to submit two statements, one in respect of funds received as grant from the Government and other relating to the total amounts credited to the Funds from all the sources including the Governments Grants. It should be ensured by the circles that there is no deviation in submission of these statements.

(vii) The treasurers are responsible for proper maintenance of the accounts of the respective Boards and ensuring that strict compliance to the various instructions on the subject issued by the Postal Directorate from time to time is made.

[Postal Directorate Letter no. 4-2/2002-WL/SP dated 17.02.2003]

5. Eligibility for benefits:-Unless otherwise specifically provided, only full time regular employees including staff of the Department of Posts drawing Basic Pay upto Rs. 65,220/- per month will be eligible to the benefits.

Provided further that the Chairman, in consultation with the Board may, by general or specific order declare that the casual worker, the GDSs, the retirees employees or any class of regular employees who are not normally entitled to the benefits from the Welfare Fund, as beneficiaries of the Welfare Fund in relation to any or all the Welfare activities, as may be specified in that order.

6.Audit:-(i) Postal Welfare Board shall submit to the Chief Auditor, every year a financial statement including the total receipt, expenditure and the balance carried over to the next financial year.

(ii) The Circle Welfare Boards at the close of each Financial Year shall submit to the Postal Welfare Board Accounts of receipt and expenditure by the 25th April each year in the proforma prescribed for the purpose.

(iii) A certificate that the accounts of the Circle Welfare Boards for the year have been audited and found correct shall be furnished to the Postal Welfare Board within one month of auditing of account.

(iv) The accounts of the fund shall be audited annually by the Comptroller and Auditor General of India or by any person authorized by him/her on this behalf on or before 31st October each year.

(v) The accounts of the funds shall also be checked annually by the Internal Check Organization of the respective circle before the audit inspection takes place.

7.Remittances:-The remittances from the Central Fund to the Circle Funds and to the Divisional Units and vice versa and other remittances from the fund may be made through cheques, bank drafts or service money orders.

The Secretary and the Treasurers will jointly sign the cheques under proper authorization of the Chairman/President of the Executive Committee.
