

CHAPTER 8

PROCEDURES FOR INTER-GOVERNMENTAL AND INTER-DEPARTMENTAL ADJUSTMENTS.

8.1 GENERAL

The inter-departmental or inter-governmental transactions will be settled by different procedures as given below :

- i. Direct booking of expenditure by agent Ministry/Department against the Demands for Grants of the functional Ministry;
- ii. Issue of advices to RBI, CAS, Nagpur; and
- iii. Cash settlement.

Note : The system of issue of advices to RBI, Central Accounts Section (CAS), Nagpur, for inter-governmental adjustments will be applicable in respect of adjustments for which the system of settlement is specifically prescribed in paragraphs 8.8, 8.9, 8.12.1, 8.13.1, 8.18.1 and 8.21.3. The detailed procedure of direct booking of expenditure by the agent Ministry against the Demand for Grants of the functional Ministry has been given in Para 8.5 below.

8.2 TRANSACTIONS ARISING IN THE ACCOUNTS OF THE PAY AND ACCOUNTS OFFICE WHICH ARE ADJUSTED BY THE ACCOUNTS OFFICER OF ANOTHER GOVERNMENT/DEPARTMENT ON CASH SETTLEMENT BASIS.

8.2.1 (i) The Pay and Accounts Office in whose books the transactions originate should initially adjust such transactions under the suspense head "8658-Suspense Accounts - Pay and Accounts Office Suspense-Transactions adjustable by....." (Name of Accounts Officer/Authority concerned in whose books the transactions are finally adjustable). Different Accounts Officers/Authorities may open such sub-heads as required to record the adjustable transactions distinctly.

(ii) After daily compilation is completed, these transactions shall be posted by the P.A.O. in the Outward Claims Register in Form CAM- 53, on daily basis, using separate folio for each Accounts Officer or Authority. The closing will be done at the end of each month for the purpose of cash settlement, except for transactions arising in March (Para 8.4.1 may be referred for settlement of transactions arising in the month of March).

(iii) However, the P.A.Os of Department of Supply are required to maintain separate subsidiary registers on account of heavy volume of such transactions, and enter weekly totals in the Outward Subsidiary Claims Register for effecting weekly settlement.

(a) If the account closes with some amount due to the other party, a bill should be prepared for the net amount due and sent to the cheque section for obtaining a cheque in favour of the Accounts Officer of the Government/Department concerned. The bill will be classified as minus credit under P.A.O. Suspense for the gross amount of receipts, while the amount already paid earlier should be classified as minus debit. The original credit/debit balance under the suspense head will be cleared automatically at the time of compiling of this voucher in the accounts section. The cheque will be sent to the concerned party along with necessary schedules and vouchers in support of the transactions in Form CAM -54. The receipt of acknowledgement of the cheque by the other party

should be watched and when the acknowledgement is received, it should be noted in the register.

(b) In the opposite case, when payments on behalf of the other Government/Department are more than the receipts from them during the month, the schedules with supporting vouchers etc. should be sent to the other accounts officer, demanding payment through cheque. On receipt of the cheque from the other party it will be sent to the bank for clearance, and on receiving the credit through bank scroll, the outstanding debit/credit (original) under the suspense head will be cleared by affording a responding minus debit for the gross payments and minus credit for the balance receipts.

Note 1: Direct Booking of Recoveries

The recoveries from salary bills on account of income tax, surcharge, CGHS contributions, licence fees for government quarters, education cess, service tax, contributions towards defined contribution pension scheme, CGEGIS and PLI premia etc will not be passed on to the Accounts Officers of the concerned Ministry/department. These recoveries will be credited in the books of Pay and Accounts Officer to appropriate final head of account, and included in the final compiled account rendered to the Principal Accounts Office. The accounts rendered by the Principal Accounts Office of the Ministry/Department to the Controller General of Accounts, will include the credits adjusted under these heads. The Principal Accounts Officer will send a statement in the prescribed form every month to the concerned departmental officers wherever required by the prescribed due dates. In addition to this, the P.A.O. concerned will send the schedule of recovery of licence fees to the concerned Assistant Director of Estates, in the form prescribed by him.

Note 2: Recoveries Arising in the Salary Bills etc.

The following recoveries arising in salary bills etc in the books of Non Civil Ministries/Departments viz. Defence, Railways, Posts, Telecommunications and U.T. Governments/Administrations will also be adjusted to the final head of account by their Accounts Officers to reduce inter-departmental adjustments.

- a. Central Government Employees' Insurance Scheme , 1977;
- b. Central Government Employees' Group Insurance Scheme , 1980;
- c. U.T. Government Employees' Group Insurance Scheme, 1984;
- d. A.I.S. Officers borne on U.T. cadre and subscribing to the A.I.S. Officers (Group Insurance Rules,1981); and
- e. Postal Life Insurance Premia Recoveries.

The transactions arising in the books of Railways including for their own employees, would be settled with the P.A.O. (Exp.) for the Central Government Employees' Insurance Scheme, 1977 and Central Government Employees' Group Insurance Scheme, 1980. Similarly, it will be settled with the P.A.O., U.T. Govt/Adm from which the employee had come, for the scheme for U.T. Government Employees' Group Insurance Scheme, 1984, and with the P.A.O. (Delhi Admn.) for the scheme of A.I.S. Officers borne on U.T. cadre and subscribing to the A.I.S. Officers (Group Insurance Rules), 1981. The schedules of recovery of Postal Life Insurance Premia in the format supplied by the Director, P.L.I., Kolkata indicating therein the transfer-in and transfer-out cases along with a monthly statement of booked figures may be sent to him.

The Accounts Officers of Central Civil, Railways, Defence, Posts, Telecommunications, U.T. Government/Administration will include the relevant transactions relating to officers on deputation, in the statistics to be furnished under the schemes at Sl. No.(b) and (d) above.

Subscriptions under the All India Service Officers (Group Insurance) Rules,1981, recovered from All India Service Officers borne on a State cadre but serving on deputation with Government of India or U.T. Government / administration will not be included in the statistics of borrowing Ministry/Department, and shall be passed on to the accounts officer of the parent State Government.

Note 3: Recoveries of Provident Fund, Loans and Advances

Recoveries on account of Provident Fund or loans and advances in respect of other than Central (Civil) Ministries/Departments, for example, of officers belonging to All India Services that are adjustable in the books of Accounts Officer of other Government/Department, will be initially booked under PAO Suspense head, and then cleared by remittance of cheque/draft as per the prescribed procedure.

Note 4: Recoveries in respect of Officials on Foreign Service from the Public Sector Undertakings , Autonomous Bodies , Institutions etc :

(i) This procedure applies in respect of employees taken on foreign service from the public sector undertakings, autonomous bodies, institutions etc. Recoveries on account of their contributions to the Contributory Provident Fund maintained by such bodies and other recoveries like instalments of repayment of conveyance advance, house building advance etc. drawn by them from their parent organisation, are adjustable finally in the books of these bodies. These recoveries shall not enter the accounts of Government and will therefore not be entered in the body of the bills.

(ii) The concerned drawing and disbursing officer shall prepare and attach a separate schedule relating to such amounts for remittance to the parent body. Such recoveries will be indicated only on the outer cover of the bill as 'Payable to Organisation' for obtaining a crossed cheque / bank draft in favour of the concerned organization, for dispatching it to them. The P.A.O. will pass the bill and issue one cheque for the net amount of the salary payable to the employee and another in favour of the parent organisation specified in the bill. The same shall be dispatched by the D.D.O. to the concerned organisation with a covering letter, indicating the name of the employee and details of the recovery against which the cheque is forwarded.

Note 5: Payment on account of Stores Supplied/ Services rendered by D.G.S. & D. to various Ministries/ Departments.

Payment on account of cost of stores supplied or services rendered by D.G.S. & D. to various Ministries/ Departments are made by the Department of Supply (other than those mentioned in para 8.8 below). The payment is initially classified under the "P.A.O. -Suspense" head, to be eventually accounted against the grant of the respective Ministries/ Departments that receive the stores. The reimbursement is made to P.A.O., Department of Supply on receipt of claims for the payment made initially by them. It is necessary that both parties take prompt action to adjust all such claims promptly, so as to have better budget control and avoid savings/ excesses under the grants, and to avoid mounting outstanding amounts under "P.A.O. -Suspense", which makes subsequent clearance difficult.

8.3 TRANSACTIONS ARISING IN THE BOOKS OF ACCOUNT OFFICERS OF OTHER GOVERNMENTS/DEPARTMENTS, WHICH ARE ADJUSTABLE IN THE BOOKS OF THE PAO ON CASH SETTLEMENT BASIS.

8.3.1 Such transactions may represent either recoveries or receipts initially accounted for by the Accounts Officer of the other department or Government or payments made by other Government/Department, which are finally adjustable in the books of the Pay and Accounts Office. In the former case, the other Accounts Officer will send to the Pay and Accounts Office a cheque for receipts/ recovery along with supporting schedules etc. (Form CAM 54). On receipt of the cheque or draft, the P.A.O. will send it to the bank for credit to Government account along with a challan showing the classification of the receipt or recovery and credit the final head of account at the time of compiling the account on receipt of the bank scrolls.

8.3.2 In the latter case i.e. when another Department or Government has made payment, an account with supporting vouchers will be sent by the other party along with a claim for reimbursement. On receipt of the claim, the P.A.O. will examine it to see whether prima facie, it pertains to the Department under his payment control and if necessary consult the Departmental officer. If it pertains to his department, he will have a bill prepared for the amounts duly classified under final head, pass and send the bill to the cheque section, just as in the case of a bill presented at the bill counter of the Pay and Accounts Office. The cheque section will issue the cheque and send the paid voucher to the accounting section along with other vouchers paid during the day. The debit will be classified under the final heads at the time of compiling vouchers received from the Cheque Section as in the case of other payments. The cheque will be dispatched to the Accounts officers of the Government or Department concerned along with a forwarding letter in Form CAM-56, giving reference to the number and date of the letter through which the claim was received.

8.3.3 Specimen entries of the accounting adjustments to be made in the books of the Pay and Accounts Office on account of Inter-Departmental and Inter-Governmental transactions are given below-

(a) Recovery (say of Rs. 500) made from pay bill towards Provident Fund subscription adjustable in the books of another Accounts Officer :

First Stage:- When the recovery is effected it will be classified under "8658-Suspense Accounts-PAO Suspense-Transactions" adjustable by P.A.O. 'X' - Rs. 500/-Credit-Original.

Second Stage:- When the cheque is issued in favour of the other accounts officer, schedule of Debit or Credit received in Form CAM -54 will serve the purpose of bill. The accounting entry will be as follows-

"8658-Suspense Account-PAO Suspense-Transactions" adjustable by P.A.O. 'X'-Rs. 500/-minus credit, and credit shall be afforded to "8670-Cheques and Bills-PAO Cheques" Rs.500/-. The credit under PAO cheques will be cleared on receipt of the bank scroll, indicating payment of the cheque.

(b) Payment made by the Pay and Accounts Office on behalf of another Government/Department :

In such cases, payment will be initially debited to "8658-Suspense Accounts-PAO Suspense" head and the account of the payment will be sent to the other Accounts Officer concerned for reimbursement. On getting cheque from the other Accounts Officer, it will be sent to bank for credit to Government account. When the bank scroll is received with this credit, the item will be classified as minus debit under the suspense head referred to above.

(c) Recovery made by other Accounts Officer which is adjustable in the books of the Pay and Accounts Office :

When the cheque is received in the PAO from the other Accounts Officer along with supporting schedule, it will be sent to bank for clearing, along with the challan indicating final classification of the receipt. On receipt of the bank scroll, the credit will be taken to the final head of account.

(d) Payment or services rendered by another Government / Department adjustable in the books of Pay and Accounts Officer :

- i. On the basis of preliminary checks, if the PAO prima facie finds the accounts received (from the other Accounts Officer) adjustable in his books, he should reimburse the full amount claimed by the Accounts Officer within a period of 7 days of the receipt of the account. He should not wait for the detailed audit of vouchers. Wherever the P.A.O. finds it necessary to consult the Departmental Officer, the payment so made will be classified under the minor

head Expenditure Awaiting Transfer (EAT) to other heads below the concerned functional head of the Department. Otherwise, he will adjust the payment to the final head of account and intimate the Departmental Officer.

- ii. In the cases where Departmental Officers are to be consulted, the P.A.O will communicate the details of the debit claims received by him for acceptance by the departmental officer. When the acceptance is received, the PAO will clear the booking under EAT by contra debit to the final head of account.
- iii. On receipt of the remarks of the Department, if it is found that the transactions are not adjustable in the books of the P.A.O, he will raise claim for the payment already made to the originating Accounts Officer, in the accounts for the month in hand. All the supporting vouchers etc. received from the other Accounts Officer should also be returned.
- iv. The PAO must keep a close watch over clearance of the transactions recorded under the suspense head. The reasons for delays over a month will be thoroughly investigated and appropriate action taken.

8.3.4 A Register of Inward Claims in Form CAM-55 will be maintained to watch the settlement of accounts and claims from other accounts offices, with separate folios used for claims received from different Governments/Departments. As regards the form of register and procedure relating to Outward claims, para 8.2.1 may be referred. For watching the clearance and settlement of Inward and Outward Claims, P.A.O. Suspense Broadsheet has to be maintained in Form CAM- 64.

8.3.5 The Pay and Accounts Offices may directly raise the Outward claims that require to be settled with State Accountants General. But the outward claims of State Accountants General which as a special arrangement are required to be settled with Pay and Accounts Offices, may be routed through the concerned Principal Accounts Office, except those relating to expenditure etc. on National Highways.

Outward claims of G.P.F. pertaining to State Government or U.T. employees on deputation with Central Government will be settled directly with the Accountants General/authority nominated by the State/U.T. Government for the maintenance of G.P.F. accounts of its employees by the PAO. Wherever a State or U.T. Government has taken over the work relating to maintenance of G.P.F. accounts from the Indian Audit & Accounts Department, it will be done without routing through the A.G.office.

8.4 PROCEDURE FOR SETTLEMENT OF TRANSACTIONS ARISING IN THE MONTH OF MARCH.

8.4.1 (i). Normally, reimbursement of transactions arising during a month, or last week of a month in the case of Supply Department, is claimed by the first week of the following month.

(ii). However, all the transactions arising in the month of March are required to be accounted for during the same financial year in the books of the concerned Accounts Officers.

(iii). To do so, all the Accounts Officers in Civil Ministries, State Accountants General, Railways, Defence, Posts and Telecommunications Departments should endeavor to settle transactions arising during the first 3 weeks of March, by raising debits duly supported with vouchers and schedules etc at weekly intervals, against the Accounts Officers concerned. The Accounts Officers receiving the debits should respond to ensure immediate settlement of such claims by issue of cheque.

(iv). For the debits or payments arising on or after 25th of March of the year, a telegraphic/fax intimation indicating the net amount of claim to be reimbursed, briefly indicating the nature of the transaction should be sent to the concerned Accounts Officer. In the case of departmentalized offices, the Accounts Officers receiving the claim shall immediately arrange to send the cheque for

such claims by placing the amount under the minor head EAT under the relevant functional major head of account, pending receipt of vouchers and documents in support of this debit. Since payments against such telegraphic/fax intimations are envisaged to be made even where details are not received by the responding Accounts Officers, the Accounts Officer raising the telegraphic/fax debit should take utmost care that it is sent to the correct Accounts Officer, and for the correct net amount. He should invariably ensure the dispatch of supporting vouchers/schedules etc by speed post on or before the 10th of April of the succeeding financial year. On receipt of vouchers etc, the responding Accounts Officer should adjust the debit to the final head of account before the close of March (Supplementary) account and clear the Suspense head EAT.

8.4.2 Despite adhering to the procedure indicated in para 8.5.1 there might be cases where debits do not reach the concerned Accounts Officer in time to enable him to issue cheque/demand draft on or before 31st March of the same year . In such cases, where the debits supported by the vouchers are received in the succeeding financial year, but before March (Supplementary) accounts are closed, the Accounts Officer to whom the debits pertain shall accept and respond to the inward debit claim by issuing a cheque. He should in such cases, debit the suspense head P.A.O. suspense, in the accounts of the year in which the debit is received. A transfer entry shall simultaneously be inserted in the March (supplementary) accounts of the preceding year, by debiting the final head of expenditure and minus debiting the head 'P.A.O. Suspense'. This will serve to incorporate the expenditure in the accounts (including Appropriation Accounts) of the year, in which the payment was made by the outward claim originating Accounts Officer, and avoid lapse of funds in the Demand for Grants of the consignee concerned.

8.4.3 The above procedure will also be applicable for adjustment of miscellaneous receipts appearing in the books of an Accounts Officer that require final accounting in the books of another Accounts Officer.

8.5 SETTLEMENT OF INTER DEPARTMENTAL TRANSACTIONS THROUGH BOOK ADJUSTMENT OR WITHOUT RESORTING TO CASH SETTLEMENT (LETTERS OF AUTHORIZATION)

This relates to the programmes or activities for which one Ministry /Department utilizes the services of another Central Ministry /Department as its agent for executing the activity. In such cases, the Financial Adviser /Pr. Chief Controller of Accounts/Chief Controller of Accounts/Controller of Accounts of the functional Ministry / Department will issue annual budget allocation letter, indicating the amount approved in the Budget for the year for the programme or activity assigned to the agent or executing Department, after obtaining necessary financial sanctions. The executing Ministry /Department are authorized to incur expenditure up to the limits specified in the authorization letter. The allocated amount in such cases will not be available for re-appropriation by the concerned functional Ministry/ Department, without the concurrence of agent Ministry/ Department. A copy of such sanction has to be endorsed to the Accounts Officer of the functional department to enable him to keep a note of this in the Expenditure Control Register maintained by him. The functional Ministry /Department would also communicate the Computer Code number relating to the heads, to the Pay & Accounts Office of the agent Ministry in the authorization letter.

The executing/agent Ministry or Department, on the condition of observance of normal procedures of sanction will incur the expenditure. The Pay & Accounts Office of the executing Ministry will book the expenditure under the relevant expenditure head against the Demands for Grants of the functional Ministry/Department and furnish the monthly and progressive figures of expenditure to the Pr. Accounts Office of the functional Ministry / Department. This is to enable the latter to monitor the flow of expenditure on the programme /activity and prepare Appropriation Accounts related to the Grant. The Accounts Officer of the executing/agent Ministry will not honour any claim that would result in excess over the amount authorised by functional Department, in any case. The Principal Accounts Offices of both agent and functional Ministries/Departments will conduct annual

reconciliation of expenditure, before preparing their SCT and Appropriation Accounts respectively.

8.6 PROCEDURE FOR RECOVERY OF COST OF WORK DONE IN THE C.P.W.D./OTHER DEPARTMENTS FUNCTIONING ON THE PUBLIC WORKS PATTERN ON BEHALF OF OTHER GOVERNMENTS/ DEPARTMENTS

8.6.1. The expenditure incurred by the Divisional Officers on behalf of other Civil Ministries/ Departments for which provision has not been made under the Grants of C.P.W.D. will be booked directly under the final head, in the Grant of the Ministry /Department concerned, in terms of the procedure mentioned in para 8.5. The expenditure incurred on behalf of non-civil Ministries / other Governments will be booked under the Suspense head "8658-Suspense Accounts-107-Cash Settlement Suspense Account.

8.6.2. The Divisional Officer will send the vouchers supporting the concerned charge of work to his Pay and Accounts Officer, in the normal manner as in respect of other works expenditure. The vouchers will be subject to post check in the prescribed manner, in the concerned Pay and Accounts Office.

8.6.3. The claim for reimbursement of monthly expenditure will be made simultaneously by the Division against the concerned Accounts Officer of the non-civil ministry/department or Accountant General of the State, as the case may be. The Claim will be duly supported with an attested copy of the Schedule of Works Expenditure (without any supporting vouchers) in Form CPWA- 64. On its basis, the Accounts Officer /Accountant General concerned will settle the claim within one week of receipt of the claim in accordance with the instructions contained in Para 8.3.3 (d)(i) above.

8.6.4. Since the claims for March will be received by Accounts Officers of the non-civil Ministries only after the end of the financial year, the procedure of operating Suspense head as detailed in para 8.4.2 shall be followed, for accounting the expenditure in the concerned year itself.

8.6.5. In the month of March, the Divisional Officer will send an extra copy of the 'Schedule of Works Expenditure' to his Pay and Accounts Officer who will certify that the total expenditure for the year shown in column 7 against the work concerned is correct, and forward this certified Schedule to the concerned Pay and Accounts Officer/Accountant General.

8.6.6 Any excess/short payment noticed through post check of the Divisional Accounts, will be communicated by the PAO to the division originating the debit, for rectification of the resultant charge in the subsequent month's account.

8.6.7 The Division originating the debits will be responsible to watch the realisation of the payments from the concerned Pay and Accounts Office/State Accountants General to clear the suspense head in his books.

8.6.8 The Division would also be responsible to ensure that the expenditure incurred on the work does not exceed the administrative approval, technical sanctions and appropriation of funds, either originally sanctioned or subsequently revised.

8.7 The procedure explained above shall be followed for settlement of transactions arising on account of execution of civil works by the other Departments of the Government also that function on the lines of C.P.W.D., and where the Divisional Officers have no cheque drawing powers. The claims in such cases will be subject to pre-check and payment by the P.A.Os on behalf of other Governments/Departments. The modification in such cases will be that instead of operating the minor head "Cash Settlement Suspense Account", the minor head "PAO Suspense" will be operated in their books.

8.8 SETTLEMENT OF DEBITS ON ACCOUNT OF SUPPLIES EFFECTED

SUPPLIES AND DISPOSAL ARRANGED BY THE DEPARTMENT OF SUPPLY.

8.8.1 The Chief Controller of Accounts, Department of Supply and his branch offices at Mumbai, Kolkata, Chennai, etc. have been authorised to recover the cost of stores for which they initially made payments. The above PAOs of Department of Supply will remit directly advise the Reserve Bank of India (C.A.S), Nagpur to effect transfer of funds to the account of that Department from that of State Government, Defence, Railways, Posts and Telecommunications. The following heads of accounts are operated by the Organisation of Chief Controller of Accounts, Department of Supply:

- a. 8786-Adjusting of account between Central and State Governments, in respect of supplies to State Governments;
- b. 8787-Adjusting of Account with Railways, in respect of supplies to Railways;
- c. 8788-Adjusting of Account with Posts, for supplies to Department of Posts;
- d. 8789-Adjusting of Account with Defence, for supplies to Defence Ministry; and
- e. 8795-Adjusting of Account with Telecommunications, for supplies to Department of Telecommunications.

Note: The banking business of Governments of Jammu and Kashmir and Sikkim is not conducted by the Reserve Bank of India. Recoveries on account of supplies to these State Governments will therefore be effected by operating the major Head "8658 - Suspense Accounts - P.A.O. Suspense - Transactions adjustable by" and raising of Outward Claim against the Accounts Officer / authority concerned for reimbursement by cheque / bank draft.

8.8.2 The Pay and Accounts Officer, Supply, will send weekly advices to the Central Accounts Section, Reserve Bank of India, Nagpur, and send a copy of the advice duly supported with vouchers and other necessary details to the Accounts Officers of the Department of the consignee concerned. They shall ensure that such advices are sent telegraphically to the Central Accounts Section, Nagpur, so as to reach them by the 15th April or the date specified by RBI in respect of payments effected during the close of a financial year.

8.8.3 In case of any erroneous debit passed on by the Pay and Accounts Officer Supply to any Accounts Officer, the latter may reverse adjustments through the Central Accounts Section of the Reserve Bank of India, Nagpur, by operating the head of account as indicated below -

- i. The Accountants General shall operate the relevant remittance head indicated in para 8.8.1 (a) above; and
- ii. Railways, Defence, Posts, and Telecommunications Accounts Officers shall operate the Major head 8658-Suspense Accounts-Suspense Account (Railways/Defence/Posts/Telecommunications), Reserve Bank Suspense.

The number and date of the relevant debit advice issued by the Reserve Bank of India (Central Accounts Section, Nagpur) shall be quoted in all such correspondence.

8.8.4 On receipt of the copy of the debit advice from the State Accountants General or Railways/Postal/Defence Accounts Officers, the PAO (Supply), will make the following adjustment in his books:

(a) *If the advice is not accompanied with relevant vouchers:*

The amount will be debited to the suspense minor head EAT under the relevant functional major

head by contra credit to the minor head 'Reserve Bank Suspense - Central Accounts Office'. Subsequently, when vouchers relating to the rejected claims are received, the amount will be debited to the concerned head viz. 8786/8787/8788/8789/8795, in case the debit is found to be pertaining to other State Govts./Railways/Posts/Defence Accounts Officers respectively. It will be debited to 8658 Suspense Accounts-PAO Suspense, if the debit is found to be adjustable in the books of other Central Pay and Accounts Officers, by relieving the minor head Expenditure Awaiting Transfer. When the clearance Memo from Reserve Bank of India is received, the minor head "Reserve Bank Suspense - Central Accounts Office" will be cleared by minus credit and contra credit to the Head '8675 - Deposits with Reserve Bank-101-Central (Civil)- Reserve Bank (CAO)'.

(b) If the advice is accompanied with relevant vouchers:

In such cases the amount will be debited to the adjusting heads or to 'PAO Suspense' as above, by contra credit to the head 'Reserve Bank Suspense-Central Accounts Office'. The Reserve Bank Suspense head will be cleared on receipt of clearance memo from the Reserve Bank of India, Central Accounts Section, by affording contra credit to the head 8675 - Deposits with Reserve Bank – Central Civil-RBI (CAO). The debit will subsequently be raised afresh against the concerned Accounts Officer for both (a) and (b) above, by advising the Central Accounts Section, R.B.I., Nagpur, or by raising an Outward Claim as the case may be.

8.9 SETTLEMENT OF TRANSACTIONS ARISING IN MISSIONS/POSTS ABROAD

8.9.1 In respect of payments made abroad by the Indian Missions, which require cash settlement with other accounts authorities, the Disbursing Officers should send to the Pay and Accounts Officer, Ministry of External Affairs, schedules and vouchers on a weekly basis. This is required to promptly claim reimbursement against it from the concerned accounting authorities.

8.9.2 Transactions of the State Governments taking place abroad shall be settled in cash by the Chief Controller of Accounts, Ministry of External Affairs with the Accountants General of the concerned States. This will be done by operating the head "8658-Suspense Accounts-PAO Suspense-transactions adjustable by.....(name of the Accountant General concerned)".

8.10 SETTLEMENT OF DEBITS RELATING TO CUSTOMS DUTY ETC.

8.10.1 The procedure for the realisation of customs duty on goods imported by the various Governments/ Departments has been laid down by the Department of Revenue and Banking.

8.10.2 Under this procedure, there will be no book transfers and the Department importing goods shall pay the customs duty by cheque, drawn in favour of the Chief Accounts Officer of the Customs House concerned.

8.10.3 Customs duty on foreign post, parcels and mail will continue to be collected by the Postal Department in cash/by cheque. The Customs Officers in Foreign Post Offices will do this after assessment of duty payable. A monthly statement of such assessed and collected duty will be prepared by the Foreign Post Office concerned, and sent in duplicate to the Customs Officer in charge of the Foreign Post Office. The Customs Officer shall return one copy to the Post Office after checking / verification, and send the duplicate copy to the Pay and Accounts Office concerned. The Pay & Accounts Officer will watch receipt of the amount from the Director of Accounts (Postal), Nagpur.

(Authority: Para 22.1 and 22.2 of Scheme for Collection of Revenue and Payment of Refunds etc. in the Central Board of Exise and Customs.)

8.11 SUPPLIES MADE BY THE MEDICAL STORES DEPOTS OF MINISTRY OF HEALTH & FAMILY WELFARE TO STATE AND U.T. GOVERNMENTS.

8.11.1 The Ministry of Health & Family Welfare has separately prescribed the procedure for settlement of claims relating to supplies made by the Medical Stores Depots under that Ministry to various Governments, vide Pr.A.O. Min. of Health & F. W. OM No. 25021/1/78-79/CDN/M.S.Depot/1582 dated 25-2-81.

8.12 SETTLEMENT OF TRANSACTIONS BY RAILWAYS/ DEFENCE/POSTS/ TELECOMMUNICATIONS AMONG THEMSELVES ETC.

8.12.1 Transactions between Defence, Railways, and Posts will be settled among themselves by sending advices to the Central Accounts Section, Reserve Bank of India, Nagpur.

8.13. SETTLEMENT OF TRANSACTIONS BY RAILWAYS/DEFENCE/POSTS/TELECOM WITH MINISTRY OF FINANCE.

8.13.1 The following transactions appearing in the books of Railways that require to be credited to Central Revenues under Ministry of Finance, Department of Economic Affairs, will be settled by Railway Board through necessary advice to the Central Accounts Section, Reserve Bank of India, Nagpur.

(a) Dividend payable by Railways in lieu of tax on railway passenger fares every month to Central Revenues, and creditable to Ministry of Finance, Department of Economic Affairs.

(b) Payment of loans to Railways from General Revenues, repayment of loans by Railways including recovery of interest on loans and advances to employees of Railways adjustable by Department of Economic Affairs.

8.14.1 The Controller General of Accounts may authorise Proforma Adjustment through Finance Accounts, i.e. without effecting monetary settlement through the Reserve Bank (Central Accounts Section), on the merits of each case, in the following cases or circumstances :

(a) Cases in which normal mode of settlement is through RBI, CAS, Nagpur i.e.

(i) Settlement between Railways, Posts, Telecommunications and Defence departments inter se; and

(ii) Settlement between Railways and Chief Controller of Accounts of Ministry of Finance Department of Economic Affairs as envisaged in para 8.13.1, in cases where the settlement could not be effected before 15th April or as per date specified by RBI.

(b) Aggregate amount of the transactions to be adjusted between the accounting units is Rs. 5 lakhs and above (gross credit or gross debit).

(c) The proposal reaches the Controller General of Accounts before the prescribed date, in terms of the schedule for closing of annual accounts laid down by the Controller General of Accounts.

8.14.2 The payment of dividends and interest on State Railway Provident Fund balances by the Ministry of Railways to Central Revenues shall therefore be settled on 'proforma' basis outside the books of the Reserve Bank of India. This is because in these cases it is not practically possible to calculate the amount and effect monetary settlement of these transactions before 15th of April each year.

8.15 SETTLEMENT OF TRANSACTIONS BETWEEN CENTRAL GOVERNMENT AND STATE GOVERNMENTS

8.15.1 Monetary settlement will not be resorted to for claims up to Rs. 1000 in each case, for transactions on account of supplies made or services rendered by one Government to another. However, for the claims relating to commercial departments/undertakings of a Government, monetary settlement will be carried out, irrespective of the amount involved. The settlement in both the cases will be made through cheque payment.

8.15.2 The procedure for monetary settlement in these cases, for supplies/services to a Central Government Department including Defence, Railways, Posts and Telecommunications besides Civil Ministries will be as given below:

8.15.3 For the settlement of claims, the Central Government Department that received the supplies or services will present a bill along with the accepted invoice to its own Accounts Officer. The Accounts Officer will make the payment by cheque drawn in favour of the concerned officer of the Government that made the supply or provided the services.

8.15.4 In the reverse case, where a Central Government Department rendered the supplies or services, the settlement will be done in cash. The cheques received by it from the State Government that received the supplies will be presented to its Accounts Officer for encashment and credited to the proper head of account. In case the departmental officer is himself in account with a branch of the bank, the cheque will be remitted by him to the bank with a challan showing particulars of the head of account, for credit to Government account.

Note: Ministry of Finance, Department of Economic Affairs O.M. No. F.1(57)-B/74 dated 12.10.1976 also lays down the procedure to be followed for settlement of inter-governmental transactions. This is for inter-governmental transactions (i) between State Governments inter-se, (ii) between State Government on the one hand and Central Government-Railways, Defence, P&T, Civil Ministries/Departments on the other and (iii) between Central Civil Departments/Ministries on the one hand and Railways/Defence/Posts and Telecom Departments on the other. It provides for an additional permissible method of settlement, in cases where the debit does not originate in the books of the concerned Accounts Officers. However, in all cases where the debit for the supply and services (ii and iii above), originate in the books of an Accounts Officer, he shall raise the debit against the Accounts Officer of the department that received the supplies. The Accounts Officer of the department receiving the supplies shall effect necessary settlement by issue of cheque. The prescribed procedure of cash settlement between the executive authorities concerned shall not be applicable in such cases.

8.16.1 The Union Territory Governments will also follow the procedure indicated in para 8.15 for settlement of their inter-governmental transactions arising out of services rendered or supplies made by/to them.

8.17.1 Some miscellaneous receipt and payment transactions viz. payment of interest and repayment of principal on discharge of Central Government securities and pensions including pensions to freedom fighters etc. take place at State treasuries, even at present. These transactions have to be accounted for by the treasuries in the State section of accounts under the head "8658-Suspense Accounts-PAO Suspense-Transactions adjustable by the Pay & Accounts Officer, Department of....." (name of concerned department). The Accountant General of the State is required to pass on the debits for these payments supported by schedules, vouchers etc to the Pay & Accounts Office of the concerned Ministry/ Department, for cash settlement by issue of cheque in the usual manner.

Payments of Central Civil pension at the treasury counters of the Principal Director of Audit (Central), Kolkata are booked under the final head of account in the Central section in their books, and the accounts submitted to the Controller General of Accounts.

8.18.1 Ministries/Departments of Central Government will arrange payment of loans and grants-in-aid as well as payment of States' share of income tax, Union excise duty, etc. through their Principal Accounts Offices.

(i). On receipt of sanction orders from the Ministry/Department, the Principal Accounts Offices will arrange to credit the balance of State Government, (except in the case of Jammu and Kashmir & Sikkim), by debit to their Ministries/Departments accounts through Reserve Bank of India (C.A.S), Nagpur.

(ii). The Principal Accounts Officer will pass an entry in his books debiting the appropriate final head of account, (e.g. major heads 3601, 3602, 7601 etc.) and crediting "8658-Suspense Accounts Reserve Bank Suspense-Central Accounts Office". A copy of the advice will be sent to the concerned A.G. or the Chief Accounting Authority of the State also, in cases where the accounts have been separated from audit, to enable necessary adjustment in the accounts of the State Government.

(iii). On receipt of the Clearance Memo from the Central Accounts Section of the Reserve Bank of India, the suspense head mentioned above will be cleared by minus credit and contra credit afforded to "8675-Deposits with Reserve Bank-Central-Civil- RBI (CAO)".

(iv). The Principal Accounts Officer should ensure that the amount shown and debited in the monthly account sent by the Reserve Bank of India tallies with the amount of advice sent by him. For detailed procedure in this connection, refer to Annexure 1 to this Chapter.

8.18.2 Repayment of loans and payment of interest on it by the State Governments (except Jammu and Kashmir and Sikkim) for loans received from the Government of India will be arranged by the State Accountants General or the Chief Accounting Authority of the State. Issue of suitable advice to the Reserve Bank of India (C.A.S.), Nagpur, to credit the account of the Ministry/Department of the Central Government by debiting the State balance, will be resorted to for this purpose.

8.18.3 When State Governments (except Jammu and Kashmir and Sikkim) have to refund unspent amounts of old loans, the payment for it will be arranged by the State Accountants General by issue of advice to Reserve Bank of India (C.A.S., Nagpur) to credit the balances of the Central Ministry/Department by debiting the State balances.

8.18.4 While State Accountants General are not authorised to debit the Central Government by sending advices to the R.B.I. However, as an exception, they have been permitted to withdraw erroneously credited amounts to Central Government towards repayment of loans or interest by advice, through sending of another advice to debit the Central Government account, provided such an advice contains the following certificate-

"Certified that this advice represents the withdrawal of an earlier erroneous credit to the Central Government, by debit to State Government and does not represent withdrawal of payments already made which were due to the Central Government by State Government. Necessary details of earlier erroneous advice(s) now being withdrawn are being furnished to the CCA/CA concerned separately".

8.18.5 The Principal Accounts Offices of the Ministry/Department are responsible for maintenance of detailed accounts of the loans sanctioned by the Central Government to the State Governments and watching the recovery of instalments of principal and interest.

8.18.6 the Reserve Bank of India does not conduct the banking business of the Government of Jammu and Kashmir. For payment of loans/grants to J&K Government, the Principal Accounts Officer of the concerned Ministry/Department will issue crossed 'Account Payee' cheque in favour of

the Secretary to the Government of Jammu & Kashmir, Finance Department, on the basis of sanction issued by the competent authority. It will be sent to the branch of the Jammu & Kashmir Bank Ltd., at Baba Kharag Singh Marg, New Delhi for crediting the account of the Jammu & Kashmir Government. Simultaneously, an intimation of payment along with necessary particulars will be sent to the Secretary, Finance Department, Jammu & Kashmir and to the A.G., Jammu & Kashmir. The Jammu & Kashmir Bank's branch at New Delhi will arrange to clear the cheque through usual banking channels and credit the amount to Jammu and Kashmir Government's account.

8.18.7 A copy of every sanction order for payment of loan/grant issued by the Ministry/Department may be sent to the Accountant General, J & K, Srinagar/Sr. Dy. A.G., Jammu, by name. This will be sent with full particulars of payment like cheque/bank draft number, letter number and date of remittance of the payment. A check- list of all the sanctions issued and acted upon during each quarter ending June, September, December and March of every financial year will also be sent by name to the authorities as mentioned above, by the 15th of the following month.

8.18.8 As the banking business of the Government of Sikkim is also not conducted by the Reserve Bank of India, the payment of loans/grants to the Government of Sikkim will be regulated by the procedure prescribed hereunder:

(a) The Ministries/Departments of the Government of India will send necessary sanctions for payments of grants and loans to the Government of Sikkim to their Principal Accounts Office, and endorse copy of these to the Finance Department of Government of Sikkim and the Accountant General, (Central), Kolkata.

(b) The Principal Accounts Office will make payment to the Government of Sikkim based on the sanction issued by the competent authority. The payment will be made by bank draft in favour of the Secretary, Finance Department, Government of Sikkim, Gangtok, drawn on the State Bank of India. He will send intimation to A.G. (Central) Kolkata regarding the remittance as also the quarterly lists, as laid down in para 8.18.6.

(c) The Principal Accounts Office will account for the transactions under the final head of account.

(d) While forwarding the draft to the Government of Sikkim, the Principal Accounts Office should furnish the full particulars relating to the payment to the Sikkim Government and send a copy to the Accountant General (Central), Kolkata.

8.18.9 As RBI does not operate their account, the system of direct payment will be followed by Jammu and Kashmir and Sikkim Governments for repayment of loans and payment of interest. This will be done through bank drafts drawn in favour of the concerned Principal Accounts Officer, or where the former does not operate a drawing account, it will be done through the specified P.A.O.

8.19 ARRANGEMENTS FOR CREDIT TO CENTRAL GOVERNMENT OF INCOME TAX DEDUCTED AT SOURCE (TDS) FROM THE SALARY AND OTHER BILLS OF STATE GOVERNMENTS.

8.19.1 Consequent upon departmentalization of receipt accounts of Union Govt. (Civil), the income tax recoveries will be effected from the bills paid by treasuries/State Government Pay and Accounts Officers/other State Government departmental offices rendering compiled accounts to the Accountants General. They shall be classified under the Minor head "TDS Suspense" below the Major head "8658 Suspense Accounts" in the State Section of accounts. The credit to this head has to be afforded by transfer credit at the time of recording pay order, as per the provisions of Article 19 of Accounting Rules for Treasuries, 1992. These offices should also maintain details of credit to the suspense head as above under the various major, minor and detailed heads of account relating to deductions of income tax at source like "0020", "0021", etc.

8.19.2 The Accountant General, will consolidate the amounts thus shown under TDS Suspense by these authorities for the State Circle as a whole, on monthly basis. A cheque for the total amount booked under TDS Suspense shall be sent by him along with the treasury wise break up of TDS on closing the monthly accounts, to the concerned Zonal Accounts Officer. The Accountants General will provide DDO wise quarterly information regarding TDS to the ZAO in the format prescribed in "TDS Book Adjustment Form" in soft copy for uploading to the Tax Information Network. The DDOs of the State Governments will also furnish quarterly returns in Form 24-Q and 26-Q to the Income Tax Department. On receipt of the cheque and its realization through the accredited bank, the Zonal Accounts Officer of the CBDT will straightaway classify the credits to the relevant major, minor and sub-heads of accounts on monthly basis. He will upload credits in TDS Book Adjustment Form in Tax Information Network on quarterly basis. This will be done on the basis of O.M. No. 1(1)/2003/TA/Part-I (3)/706-08 dated 29th October, 2005.

8.19.3 Accounting of income tax deducted at source out of interest on Central Government securities paid at State treasuries.

Payment of interest on Central Government securities can take place at State treasuries even after departmentalization of Union Government Accounts (Civil). The claim for reimbursement on account of this payment shall be prepared by the Accountants General on net basis, i.e. after deduction of income tax deducted at source. The Principal Accounts Officer, Department of Economic Affairs, shall effect the settlement of such claims. The Accountants General are required to furnish the following information to the Principal Accounts Officer, Department of Economic Affairs:

- a. Gross amount of the interest paid;
- b. Amount of income tax etc. deducted from such payment; and
- c. Net amount for which claim is preferred.

8.19.4 On receipt of the above claim, Principal Accounts Officer, Department of Economic Affairs shall reimburse the net amount to the Accountants General. He will credit the income tax deducted at source to the concerned final head of account in his books, after booking the gross amount of interest payment on Central Government securities against the relevant interest head of account.

8.19.5 The income tax deducted at source from State Government securities either at the treasuries or at Public Debt Offices of the Reserve Bank of India, is classified under the suspense head 'TDS Suspense' in the State Section of accounts. The procedure prescribed in para 8.19.1 and 8.19.2 above will be applicable for the passing on the credit to the Zonal Accounts Officer of CBDT and its final accounting in his books.

8.20 SPECIAL PROCEDURE FOR SETTLEMENT OF TRANSACTIONS RELATING TO NATIONAL HIGHWAYS.

8.20.1 The following procedure has been laid down in connection with the reimbursement of claims to State Govts./UT Govts. for construction and maintenance of National Highways by them on agency basis:

(i) The Executive Engineers of the State Public Works Divisions will incur the expenditure out of State balances, and then incorporate it in the monthly compiled accounts submitted to the State Accountants General.

(ii) On receipt of monthly compiled account (ii) from the Divisions, the Accountant General will initially adjust the expenditure in the State section of his books. The applicable head of account being "8658-Suspense Accounts- P.A.O. Suspense-Items adjustable by Pay Accounts Office (NH), Ministry of Road Transport & Highways". After consolidation, the monthly statement of expenditure and receipts if any, on National Highways is sent by the Accountants General to P.A.O. (NH),

Ministry of Road Transport & Highways, for claiming reimbursement. This is sent along with all the schedules, vouchers, supporting documents etc.

(iii) On receipt of the monthly statement of receipts and expenditure on National Highways from the Accountant General as stated above, the P.A.O. (NH) in the Office of CCA, Ministry of Road Transport & Highways will exercise the prescribed checks. He will then reimburse the expenditure incurred to the State A.G. concerned by cheque or demand draft.

(iv) The amounts outstanding in the Suspense head 8658 in the books of Accountants General will be cleared on receipt of cheque / demand draft from the Pay & Accounts Office (NH).
(Authority: CAG of India's letter no. 402-AC/192-71 dated 19-3-77.)

8.20.2 For the month of March, the procedure for settlement / reimbursement of transactions relating to National Highways will be as follows:

(i) The Divisions incurring the expenditure on National Highways will telegraphically/fax intimate the figures of weekly expenditure clearly under the Major Heads "3054" and "5054" (concerned heads of account), to the Accountant General.

(ii) The A.G. will consolidate the figures Major-Head wise on weekly basis, and intimate the same to Pay & Accounts Officer (National Highways), without vouchers.

(iii) The Pay & Accounts Officer (NH) shall settle the claim relating to the first three weeks of March without insisting on the vouchers, by payment through cheque as usual.

(iv) For the expenditure incurred during the fourth week of March, the Accountant General by will send a telegraphic/fax advice to PAO (NH) 29th or 30th of March. The P.A.O. will settle this claim by telegraphic transfer.

(v) There may still be some residual March expenditure that has not been covered by telegraphic/fax advice as mentioned in preceding sub-para. The claim for reimbursement of such residual expenditure shall be preferred by the A.G. by 15th April, duly supported by vouchers etc. The Pay & Accounts Officer (NH) will settle this claim also by cheque, as usual. At this stage all the vouchers and supporting documents for the entire claim of March will be sent to PAO (NH), after duly reconciling the claims already preferred with the expenditure booked in the accounts of March. PAO (NH) while making reimbursement will make the necessary re-adjustments if any, under advice to the A.G.

(vi) Pending the receipt of supporting vouchers /schedules from A.G., the payments made by Pay & Accounts Officer (NH) will be adjusted initially under the suspense head "8658- Suspense Accounts-P.A.O. Suspense". P.A.O. (NH) will clear this head on receipt of the requisite documents by debiting the payments to final head of account before the close of March (Supplementary) accounts.

(vii) The reimbursement sought in connection with maintenance and construction works on National Highway under the Major heads "3054" and "5054" respectively will be invariably indicated in distinct manner, in the weekly / telegraphic advices, sent by the Accountants General.

8.20.3 The accounting procedure prescribed in paras 8.20.1 and 8.20.2 will continue. However, to deal with the problem of late receipt of monthly compiled accounts in some States causing delay in reimbursement of expenditure incurred by the State Public Works Divisions, it will be supplemented by the system of "On-Account" payment to States /Union Territory Governments. On- Account payments will be released in quarterly instalments, on the formal sanctions issued by the Ministry of Road Transport & Highways. Payment for the first quarter will be released soon after the 'Vote -on account' is passed by the Parliament. The fund releases for the second and third quarters will be based on the actual expenditure of the previous quarter as well as the likely expenditure in the

succeeding quarter, as reported by the State Governments. The "On Account" release of funds will also take into account the recoveries (actual and likely) from the State Governments under the Major head "3054-Roads & Bridges-Other Receipts, that relate to recoverable hire charges of Central machinery and equipment from contractors etc. The sanctions will clearly indicate the head of account to which payments are to be debited against the budget provision. All "On-account" payments will be released to the State Governments and Union Territories through Accountants General concerned. It will be done through cheque only and debited by the Pay & Accounts Officer, (National Highways), to the final heads of account viz. 3054-Roads and Bridges and "5054-Roads and Bridges etc. as the case may be.

The State Accountants General will initially credit 'On- Account' advance as receipt in their books, under the head "8658-Suspense Account-P.A.O. Suspense". The extent up to which the claim is rendered to Pay & Accounts Officer (NH) by Accountant General, shall be cleared by minus credit to the suspense head. For the first three quarters, advance payment up to 100% of anticipated expenditure after deducting the unspent balance of the previous quarter's advance, as reported by State Governments shall be made. This will however, be subject to adjustment on receipt of monthly account from the State Accountants General by the R.P.A.O.s, under the normal procedure mentioned in para 8.20.1.

The Regional Pay & Accounts Officer (NH) will maintain register in the form Annexure 1 to this Chapter, to ensure prompt and periodical adjustment of "On Account" payments made. The columns in the register will be opened as per the requirements of the Pay & Accounts Office. For example, the columns relating to adjustment may be opened on the right side of the page in the register, while columns relating to "On Account" payments may be opened on the left side. The registers are required to be closed every month, indicating the total amount of advance paid up to the month in that year, the amount adjusted and the balance outstanding against the relevant heads of account. [Authority: CCA, Ministry of Transport, Dept. of Surface Transport's letter no. PAO/NH/2/ Revised Accounting Procedure /86-87/2600-17 dated 19-12-86.]

8.20.4 DIRECT PAYMENT PROCEDURE FOR EXECUTION OF NATIONAL HIGHWAY WORKS

I. OLD DIRECT PAYMENT PROCEDURE (1999-2000)

(a). The system of Direct Payment for maintenance work of National Highways and Payment Procedure for World Bank assisted project in Punjab was approved by C&AG of India vide their U.O. No. 725-AC-I/SP-II/16-98 dated 15.12.99 for the year 1999-2000 only. This system was introduced in eight States. Under this procedure Regional Officer (NH) was declared as Drawing and Disbursing Officer. All the Supervising Engineers were asked to submit the bills of contractors to the RO of M/o Road Transport & Highways. He was required to verify the payments and accord necessary approval as per PWD procedure. Thereafter these were to be processed by RPAO (NH) and required to issue cheques in favour of contractors as asked by RO and make necessary entries in his records. The payments were to be restricted as per allocations made by M/o Road Transport & Highways for this purpose. Cheques for agency charges were required to be sent to State Accountant General for credit to the State Account.

(b). The Ministry then decided to introduce the New Direct Payment Procedure in 14 States for all works under the MH 3054 and MH 5054 : C&AG accorded his approval for introduction of this procedure in 14 states w.e.f. 1.11.2000 vide his U.O. No. 547-AC-1/SP-II dated 28.9.2000. It was subsequently approved by CGA vide U.O. No. 9(9)/91/TA/Pt./617 dated 29.9.2000.

II. NEW DIRECT PAYMENT PROCEDURE

(a). The C&AG has accorded approval for the implementation of Direct Payment Procedure (DPP) in all the States vide letter No. 422-AC-I/SP-I/23-2001 dated 9.10.03. The DPP has accordingly been

implemented in all the states w.e.f. 1.4.2004. The State PWD will continue to execute various schemes of Central Government on National Highways as entrusted to them and passing through their respective states will continue to be treated as agent to Central Government and will also continue to be responsible for contractual liability.

(b). Under this procedure, the Regional Officer (National Highways), M/o Road Transport & Highways will be the Drawing and Disbursing Officer for all payments and receipts relating to National Highways. The Supervising Engineer (Executing Engineer or Asstt. Engineer) will seek payment from the RPAO (NH) through the Regional Officer (NH). The Supervising Engineer will submit claims of contractors or of their own department, if some work has been undertaken departmentally, duly verified and certified to the Regional Officer (NH) for payment instead of going through State Treasury and State Accountants General. The Regional Officer (NH) in turn, after applying necessary checks as prescribed in the preceding paras, pass on the bills to the Regional Pay & Accounts Officer (National Highways) for processing and issue of cheques / Demand Drafts. If some claims are deficient in any respect, the same will be returned to the Supervising Engineer through the R.O. for doing the needful. On compliance of the observations raised by RPAO (NH) the Supervising Engineer will re-submit the claim for payments through R.O. (NH). On receipt of the cheques from RPAO (NH) the same will be entered in the cheque delivery register by the division. Supervisor will ensure proper acknowledgement of payment released to the contractors / parties / individuals. The division will maintain deposit Register, while Executive Engineer will make the entries while making payment of refund of Security Deposit. It will be certified by Executive Engineer that necessary entries in this regard have been made in the register.

©. In the New Direct Payment system, all receipts pertaining to National Highways will also be deposited with the RPAO (NH) by means of Cheque / Demand Draft, and RPAO (NH) will issue a receipt for this purpose.

The following items will form part of National Highways Receipts:

1. Sale proceeds of Tender Documents;
2. Sale proceeds of empty bitumen drums and cement bags;
3. Road cutting charges;
4. Sale proceeds of forest products;
5. Receipts from Telecommunication Department; and
6. Misc. receipts.

(d). The State PW Divisions will continue to maintain the same records for submission of bills to RPAO (NH) as is being done in the reimbursement procedure. (As prescribed in CPWD Manual Vol. II, CPWD Code, and CPWA Code etc.). They will also continue to submit the claims of the contractors in the prescribed format as was being done in the previous system.

(e). Under this procedure the Regional Officer (National Highways) has been declared as the Drawing & Disbursing Officer to arrange payments to State PWDS for incurring expenditure on National Highways. All Supervising officers/ Executive Engineers/ Project Directors of State PWD will submit the claims of contractors /department to the Regional Officer (NH), M/o Road Transport & Highways in the applicable bill forms for seeking payment from RPAO. The powers to amend the procedure for payment, accounting and change or addition in formats, modifications if any, in the responsibilities of the Regional Officers, Regional Pay & Accounts Officer (NH) and State PW Divisions will rest with Ministry of Road Transport & Highways and the same will be done with the approval of CGA and C&AG. The clarification on any point in the said procedure will be given by the PAO (NH) Headquarters, CCA, Ministry of RTH, New Delhi. This will be binding on ROs and RPAOs (NH) and State P.W. Divisions who have opted for the New Direct Payment Procedure.

III. RESPONSIBILITIES OF REGIONAL OFFICERS (NH) MINISTRY OF ROAD TRANSPORT &

HIGHWAYS

(a). In the new procedure of Direct Payment, the Regional Officers will execute and perform the duties of DDO as prescribed in CPWA Code/Receipts & Payment Rules/GFR/CAM and relevant rules prescribed by G.O.I. as is applicable. He will receive the bills in duplicate from the Divisions for arranging Payments to contractors / divisions. After applying the prescribed checks as detailed below, he will sign the bill in the capacity of DDO and send it to the RPAO (NH) for processing and issue of cheques. RO will maintain a Bill Register in the prescribed proforma.

R.O. should enter the bill details in the Bill Register and enter the bill No. & date on right hand corner on the first page of the Bill. He will also record the classification on the Bill. Before sending the bill to RPAO, RO should make the entry of the bill in Job Register / Expenditure Control Register.

(b) R.O. will also be responsible to countersign the certificates received with the bill from PWD Divisions, and on receipt of the cheques / DD from the RPAO office, RO should enter the number of cheque / DD in the Bill Register. He will also enter these cheques / DD details in the cheque Delivered Register to be maintained in the prescribed format. R.O. should watch for proper acknowledgement from the party and ensure to get the stamped receipt from the payee, and it will be his responsibility to issue proper TDS Certificates to the concerned parties as well as to concerned Govt. agencies.

©. R.O. will ensure that all bills are in prescribed formats and the supervising Engineer has exercised all checks as required under rules and recorded relevant certificates required of him. He will also be responsible to ensure compliance on the observations made on bills returned by the RPAO (NH), and ensure that Division conducts the reconciliation of expenditure with the figures / records being maintained in RPAO (NH). R.O. will also depute an official and reconcile the figures with RPAO on a monthly basis. In case of discrepancy if any, they will be settled on month-to-month basis.

The following checks are to be applied by the R.O. while examining the bills received from PWD (NH) Division-

1. That the Expenditure relates to National Highway Work;
2. That the bill is in prescribed printed form & supported with all necessary documents;
3. That the expenditure is for a sanctioned job;
4. That the expenditure is covered with proper financial sanction and has technical & Administrative approval of the M/o Road Transport & Highways, New Delhi;
5. That all the recoveries have been made as per rule;
6. That the necessary entries have been made in the Measurement Book;
7. The rates are as per agreement;
8. That the necessary certificates prescribed by the D.G.Road, M/o Road Transport & Highways, New Delhi are attached with the bill; and
9. That the expenditure is within the budget allotment.

IV. RESPONSIBILITIES OF RPAO'S IN THE NEW DIRECT PAYMENT PROCEDURE

(a). On receipt of bills from Divisions duly verified and certified by the Regional Officer, the RPAO will process all the bills with reference to the sanctioned estimates, Revised Estimates, Budget allocations and other financial and administrative sanctions. He will see that vouchers, invoices, schedules etc in prescribed formats duly support bills, and that it is complete in all respects. He will also see that all statements wherever necessary are attached with the bill and duly signed and as prescribed in departmental codes (CPWD-Manual, CPWA Code). After completing all checks as required under GFRs, Receipts and Payment Rules CTRs, CPWD Manual Vol. II, CPW Account Code, Delegation of Financial Powers and Civil Accounts Manual etc, he will pass the bill and make

necessary entries of expenditure in relevant registers. He will then prepare cheque / DD from accredited Bank of M/o Road Transport & Highways for the amount and pass it on to the RO for onward transmission to the Divisions. Cheques relating to Agency Charges will contain all necessary details of the bill. Various recoveries to be remitted to the State will be paid through cheque by PAO and cheque will be sent to Supervising Engineer of PWD through R.O.

(b). Thereafter, RPAO (NH) will compile the accounts of these payments and book the expenditure against the relevant head of Account and send consolidated Accounts to Headquarters. He will also ensure that the expenditure does not exceed budget grant, approved estimates and that the expenditure pertains to National Highways. RPAO (NH) will also account for all receipts received from Divisions on account of sale of tender forms, forest produce, empty drums and bags, road cutting charges and Telecom department charges etc and account them against relevant receipt heads.

©. RPAO (NH) will return all such claims that are deficient of supporting documents, copy of sanction, sanctioned estimates, or not submitted in prescribed format to the R.O., for getting the deficiencies rectified through the State P.W.Division. He will also assist the Supervising Engineer in reconciliation of expenditure figures with that being maintained in his office. RPAO will maintain the following registers for payment and accounts:

1. Job-wise/Expenditure Control Register;
2. Payment Register – Form CAM 9;
3. Compilation Register – Form CAM 33; and
4. Cheque Delivered Register.

RPAO (NH) will also maintain all other registers as being maintained now in the reimbursement procedure, namely:

- A. Sanctions of Contracts; and
- B. Register of Order of Special Recoveries.

Income Tax including Surcharge, if any, deducted at source will be booked to the final head of account by RPAO in his books. Separate Cheque will be prepared by RPAO for Sales Tax, (Surcharge, if any), Royalty or any other tax/duty/levy due to State Government and it will be sent through Supervising Engineer of State PWD through R.O. These cheques will be issued on a fortnightly basis by PAO along with a schedule showing details of amounts deducted from the bills.

V. Accounting of Agency Charges

(a). The cheque for agency charges for executing the work of National Highways will be sent by RPAO directly to the State Accountant General for credit to the accounts of the State Government on a fortnightly basis along with schedule showing the details of the bills. The Supervising Engineer will also send a monthly statement of Bills and Payments received from RPAO (NH) to the State Accountants General so as to enable him to calculate the amount of the agency charges due to the State, and endorse a copy of the statement to the concerned PAO.

The Supervising Engineer will be required to reconcile the details of expenditure being booked in his office with that in the R.O. on month-to-month basis. This reconciliation work should not be postponed. If there is any discrepancy between the two sets of figures, Division will depute an official to reconcile the same with the RPAO (NH).

(b). The Supervising Engineer will ensure that all claims are duly supported by proper sanction of Ministry of Road Transport & Highways, and that there exists an approved and sanctioned estimate of the project for which bills are being submitted to RPAO (NH) for payment. He will also ensure that budget allocation for the financial year is available. The charge is rightly debitible to the

National Highways. He will exercise all checks as prescribed in this system and as required of him under CPWD Manual II, CPWD Account Code, other Departmental Regulations, Delegation of financial power, etc. He will also append all Certificates with the bill as prescribed in this system. He will be responsible for factually correct and timely submission of bills to RPAO (NH) through the Regional Officer. He will be accountable to the Drawing & Disbursing Officer for all payments and receipts.

8.21 TRANSACTIONS RELATING TO PAYMENT OF LOANS/GRANTS BY CENTRAL GOVERNMENT TO UNION TERRITORY GOVERNMENTS (WITH LEGISLATURE)

8.21.1 Even though the Union Territory Governments with legislature have separate Consolidated Funds of their own, they do not have separate balances with the Reserve Bank of India. The procedure in para 8.18.1 above therefore does not apply to them, and normal procedure of settlement in cash will be followed for the payment of loans and grants, repayment of loans and payment of interest, as described below.

(i) The Ministries/Departments of the Government of India will address the sanctions relating to payment of grants/loans to the Union Territory Governments with Legislature, to their Principal Accounts Office. They will also endorse its copy to the concerned Finance Secretary and Accounts Officer/Director of Accounts of the Union Territory Government.

(ii) The Principal Accounts Office of the Ministry/Department will make the payment to the Union Territory Governments on the basis of the sanction through a cheque drawn in favour of Pay and Accounts Officer or Director of Accounts as the case may be, of the concerned Union Territory. The Principal Accounts Office should furnish full particulars relating to the payment and endorse a copy of the forwarding letter to the Finance Secretary of the concerned Union Territory Government. The Principal Accounts Officer will account for the payments under the concerned grants-in-aid/loan head of account.

(iii) On receipt of the cheque, the Accounts Officer of the Union Territory Government will take immediate action to credit it into the bank, and account for the receipt under the concerned head in their books. The receipt of the cheque shall be promptly acknowledged.

8.21.2 The Accounts Officers of the Union Territory Governments will be responsible for initiating action for repayment of loans and advances and payment of interest. These payments will be arranged by sending cheques in favour of the Principal Accounts Officer of the Ministry/Department that sanctioned the loan. For this, the designation and address of the Principal Accounts Officer in whose favour the cheque shall be drawn will be communicated by the concerned Ministry/Department, to the Accounts Officers of the U.T Governments. On receipt of the cheque the Principal Accounts Officer will send it immediately to the bank for credit to the Government account. When the bank scroll is received, credit will be afforded to the loan/interest heads.

8.21.3 If the amount involved for payment of loan or grant is substantial, being over Rs. 1 crore, a slightly modified procedure will be followed. In place of sending demand draft, the Principal Accounts Officer of the Ministry/Department sanctioning the loan or grant will advise Reserve Bank of India, New Delhi, to transfer the amount by telegraphic transfer to the bank account of the concerned Union Territory Government, at their headquarters. Specific instruction will be given to ensure that the debit to the account of the Ministry and credit to the Government account takes place with the least possible time lag. The Union Territory Governments will follow similar procedure for repayment of amounts involving more than Rs. 1 crore. The underlying intention behind this arrangement being that, since both the debits and credits are taken ultimately to the Central Government cash balance, the transfer will not deplete the cash balance until the receiving bank affords credit to Government account.

8.21.4 The Principal Accounts Offices of the Ministry/Department are responsible for maintaining detailed accounts of the loans sanctioned by the Central Government to Union Territory Governments, and watching the recovery of instalments of principal and interest.

8.21.5 Procedure stated in paras 8.19.3 to 8.19.5 above will also be applicable to the Union Territory Governments and Union Territory Administrations, whose accounts have not been separated except that Minor head "TDS Suspense" below the major head "8658-Suspense Accounts" shall be operated in the Central Section of the books of the Accountant General.

8.22 PROCEDURE FOR DRAWING BY UNION TERRITORY ADMINISTRATIONS AGAINST DEMANDS FOR GRANTS OF CENTRAL MINISTRIES/DEPARTMENTS (OTHER THAN THE AREA DEMAND) FOR WHICH PROVISION DOES NOT EXIST IN THE UNION TERRITORY BUDGET, AND CASH SETTLEMENT FOR IT.

8.22.1 Government of India does not give Loans or grants to the Union Territory Administration under the head 3601. For them, budget provision is made by the Ministries/Departments under the relevant functional major heads in the Revenue and Capital sections of the Demands for Grants. The relevant departmental officers have been authorized to incur expenditure against these heads in the Demands for Grants. In such cases, each withdrawal by the departmental officer of the Union Territory Administration shall be on the basis of the administrative approval and expenditure sanction accorded by the main Ministry/ Department concerned.

On the basis of such sanctions and administrative approvals, in cases where the accounts of Union Territory Administrations have not been separated, the concerned Accountant General will classify the transactions as debit to the head "8658-Suspense Accounts-PAO Suspense-Transactions adjustable by the" quoting reference to the sanctions accorded by the Central Ministry/Department for enabling the withdrawal. The Accountant General will claim reimbursement from the Pay and Accounts Officer of the Ministry/Department concerned in the usual manner, and clear the suspense head on realization of the cheque.

8.22.2 In the case of Union Territory Administrations whose accounts have already been separated, the Pay & Accounts Officer of the concerned Central Ministry / Department will book the expenditure directly against the Demands for Grants of the Ministry/Department, by adopting the procedure prescribed in para 8.5 above.

8.23 PROCEDURE FOR ADJUSTMENT OF ITEMS OF CENTRAL CIVIL RECEIPTS/EXPENDITURE ARISING IN THE BOOKS OF POSTS, TELECOMMUNICATIONS, RAILWAYS AND DEFENCE.

8.23.1 In respect of transactions for which the relevant Civil Ministry/Department do not have to maintain detailed individual wise accounts of the receipts and payments, they will be finally accounted for under the concerned Major etc. (Civil) heads of account in the books of Posts, Telecommunications, Railways and Defence Departments. Such transactions may arise in connection with any scheme/subject etc. applicable to all the employees of the Government of India, including civilians paid out of Defence Estimates, Posts or Telecommunications. The following heads are a few examples of this type of transaction-0020-Corporation Tax; 0021-Taxes on Income other than Corporation Tax; 2047-Other Fiscal Services; 2049-Interest payments and 7610-Loans to Government servants, etc.

Note- However, even though individual account is maintained in the cases of licence fee for Government quarters that are a part of the General Pool accommodation managed by the Director of Estates, no monetary settlement is to be effected. Such recoveries are required to be booked directly against the final head in the books of Posts/Telecommunications/ Railways Departments.

[Authority: Principal Accounts Office, Min. of Urban Development, New Delhi's OM No. G-25011/1/91-92/ Pr.A.O./ T&C/293 -98 dated 9th April, 92.]

8.23.2 The receipts and payments relating to civil estimates under the Major Heads 0059 - Public Works, 0075 - Misc. General Services, 0210 - Medical and Public Health; 0216 - Housing, 2052 - Sectt. General Services, 2059 - Public Works, 2216 - Housing, 4059 - Capital Outlay on Public Works and 4216 - Capital Outlay on Housing shall be adjusted to the final head in the books of the Defence Department, without any monetary settlement with the concerned Civil accounting authority. The authority consolidating the accounts of these departments shall render a monthly statement of receipts and payments including progressive figures for the financial year to the Accounting Authority of the concerned Ministry. The same shall be sent to the Controller of Accounts of the Ministry/Department concerned along with the details of scheme/subject. While submitting the monthly accounts, the figures under the relevant minor/ sub-head will also be furnished to the C.G.A organization. Following are a few examples- the statements in respect of Corporation Tax and Income Tax recoveries are to be rendered to the Pr.CCA, C.B.D.T, and receipts/payments under Government Employees' Insurance Scheme under Major Heads 0235 and 2235 or Loans to Government servants under Major Head 7610 will be rendered to C.C.A. Ministry of Finance. The budget forecast for the receipt and expenditure based on actual figures will be furnished by Postal Board, Telecom Board and F.A. Defence, to the respective Civil Ministry/Department in connection with the preparation of Budget Estimates and Revised Estimates as well as for the administration/control of the relevant composite Demand for Grant. The accounting authority in the Central Civil Ministry/Department is required to watch the receipt of such monthly/annual statements. He shall consider these reported figures for calculating the expenditure figures, and preparation and finalization of Appropriation Accounts for the relevant Demands for Grants under his accounting control.

ANNEXURES TO CHAPTER - 8

ANNEXURE 1 (Refer para 8.18.1)

DETAILED INSTRUCTIONS IN REGARD TO THE PROCEDURAL ASPECTS RELATING TO ACTION IN THE MINISTRY/DEPARTMENT AND THEIR PRINCIPAL ACCOUNTS OFFICES AND ACCOUNTANTS GENERAL OFFICES

A.- Payment of loans/grants to State Governments by the Central Government

(i) The Ministries/Departments of the Government of India should endorse copies of the sanctions for payment of loans and grants to the state Governments, to the Principal Accounts Officer of the Ministry/Department. Finance Department of the State and the A.G. of the State Government concerned.

(ii) On receipt of the sanction, the Principal Accounts Officer of the Ministry/Department concerned would directly advise the Central Accounts Section of the Reserve Bank of India, Nagpur immediately (in any case within two days at the most) for crediting the balance of the State Government by debit to the balance of the Central Government. Simultaneously the Principal Accounts Officer will pass an entry in his books debiting the appropriate final head of Account e.g. Major Heads 3601, 7601 etc. and crediting "8658-Suspense Accounts-Central Accounts Office R.B. Suspense". Such advices may be sent by Fax followed by post copies through Speed Post on the same or next day of advice.

(iii) A copy of the advice at (ii) above alongwith a copy of the sanction should be sent by the Principal Accounts Officer of the Ministry/Department to the Deputy Accountant General by name and the Finance Departments of the State Government concerned. Full particulars, i.e. the no. and date of the sanction, the scheme for which loan/grant etc. has been sanctioned, amount etc. should be indicated clearly in the advice.

(iv) On receipt of the advice from the Principal Accounts Officer of the Ministry/Department in Central Accounts Section, Nagpur, the Reserve Bank of India will credit the balance of the concerned State Government and pass on the debit through the Reserve Bank of India Central Account to the office of the RBI maintaining the accounts of the Ministry/Department, giving reference to the no. and date of the advice. Copies of the clearance memorandum after making the adjustments should be sent by the Central Accounts Section of the RBI, Nagpur to the concerned State Accountant General and to the Principal Accounts Officer of the Ministry/Department concerned, giving particulars of the advice on the basis of which the adjustments have been carried out.

(v) On receipt of the clearance memorandum from the Central Accounts section of the Reserve Bank of India, Nagpur the Suspense Head mentioned at (ii) above will be cleared by the Principal accounts Officer of the Ministry/Department by minus credit by per contra credit to the head '8675 Deposits with Reserve Bank-Central-Civil-Reserve Bank-Central Accounts Office'.

(vi) The office of the Reserve Bank of India maintaining the accounts of the Ministry/Department, will include the debit advised by the Central Accounts Section of the Reserve Bank of India, Nagpur as a distinct item in the monthly statement sent to the Principal Accounts Officer. The Principal Accounts Officer should ensure that the amount debited in the monthly account sent by the R.B.I. tallies with the amount of the advice sent by him to the Central Accounts section of the R.B.I. at Nagpur. CCA/C.A. should also review the Register of Advices maintained by Pr. Accounts Office on 10th of each month.

(Authority:-Ministry of Finance (Deptt. of Exp.) O.M. NO. F2(45)/76-SC dated 22-2-1977 on file No. T-14013/1/78/MFCGA/Codes).

Note:- "The procedure for release of ways and means advance by the Plan Finance Division of the Ministry of finance to the State Governments has been discontinued and from the financial year 1977-78 onwards the Ministries themselves will release funds to the State Governments directly for the centrally sponsored schemes and others administered by them and maintain all the necessary accounts. As the Ministries, themselves will be directly releasing the funds to the State Governments, their Principal Accounts Officers would arrange to make the payment of loans and grants on this account also in accordance with the procedure prescribed in the Ministry of Finance, Deptt. of expenditure Special cell O.M. No. F.2(45)/76-Special Cell dated 22-2-77 reproduced as Para A above).

(Authority:-MOF (DE) O.M. No. 10 (1)-PFI/76 dated 22.1.1977 and G-26035/1/77-MF-CGA dated 17.5.1977 on file No. T-14013/6/78/MF-CGA/Codes).

B.- Repayment of Loans and payment of interest thereon by State Governments in respect of Loans from Central Government

(i) The Accountant General of the concerned State Governments will as before arrange for such payments on the due dates by issuing advice to the Central Accounts Section of the R.B.I. at Nagpur for crediting the balance of the Central Government by debit to the balance of the State Governments concerned.

(ii) The advices sent by the State Accountants General to the Reserve Bank of India should clearly indicate the name of the Ministry and Department and the Principal Accounts Officer, in whose books the amounts are creditable. Copies of the advices sent by the Accountants General to the Central Accounts Section of the R.B.I. should invariably be endorsed to the Principal Accounts Officer of the Central Ministry/Department in whose accounts the amounts are adjustable, as indicated in the form given below together with a statement, giving the following information.

- i. No. and date of the sanction for the original Loan
- ii. Amount of the Loan.
- iii. Rate of interest applicable.
- iv. Repayment of Principal.
 - a. Date on which due;
 - b. Amount of repayment;
 - c. Reasons for delay, if any.
- v. Payment of interest.
 - (a) Date on which due;
 - (b) Amount paid and rate at which calculated;
 - (c) Reasons for delay, if any.

(iii) On receipt of the advice from the Accountant General, the Central Accounts Section of the R.B.I. will debit the balance of the concerned State Government and pass on the credit to Central Government through the Reserve Bank of India Central Account to the Office of the Reserve Bank of India maintaining the account of the Ministry/Department concerned, supported by full particulars relating to the advice. A copy of the clearance memo after making the adjustment should also be sent to the Principal Accounts Officer of the Ministry/Department concerned supported by full particulars relating to the advice.

(iv) On receipt of the copy of the advice from the AG referred to in para (ii) above, the Principal Accounts Officer will take credit under the appropriate loan/interest head by contra debit to Reserve Bank Suspense. On receipt of the clearance memo from the R.B.I. the Principal Accounts Officer should link it with the copy of the advice received from the Accountant General and clear the

suspense head by per contra debit to the head 8675-Deposits with Reserve bank-Central-Civil-(CAS)."

(v) The office of the Reserve Bank of India maintaining the accounts of the Ministries/Departments will include the credit passed on by the Central Accounts Section in the periodical statements of accounts rendered to the Principal Accounts Officer. It should be ensured by the Principal Accounts Officer that the relevant credits appear in these statements as early as possible after receipt of clearance memo form the central Accounts Section.

(vi) Though the State Accountants General will be initiating action as above for repayment of loans and advances and payment of interest, the Principal Accounts Officer of respective lending Ministries/departments, will be responsible for maintaining necessary loan ledgers and ensuring that the central loans and advances to the states are repaid in the manner prescribed on due dates and payment of instalments of interest are also made correctly and on due dates. The detailed accounts of the loans will be kept by the Principal Accounts Officers as required in para 8.18.5 of this chapter. Cases of default or delay in repayment of loans or payment of interest should be promptly taken up with the Governments concerned. The position should also be reported to the Controller General of Accounts, Ministry of Finance in such form and at such intervals as may be prescribed by him.

[Authority:- MOF (Department of Expenditure) O.M. No. F. 2(45)/76-Special Cell dated 11-1-1979 on File No. T-14013/1/78-MF-CGA/Codes]

TABLE
(See Part 'B' above)

Nature of loan	Central Ministry/Department in whose accounts repayments of Principal and interest are to be adjusted.
A. In respect of loans as were outstanding at the end of 1978-79	
(a) Consolidated Rehabilitation Scholarship loans	(i) Department of Rehabilitation in respect of loans for relief and rehabilitation of displaced persons, repatriates etc. (ii) Ministry of Education and Social Welfare in respect of loans under National Loan Scholarship Scheme. (iii) Department of Revenue and Banking (Revenue Wing) in respect of loans for relief of displaced gold smiths.
(b) Other Consolidated loans	Ministry of Finance, Department of Economic Affairs.
(c) Loans against net collection of Small Savings collections	Ministry of Finance, Department of Economic Affairs.
(d) Other Loans (i) Bhakra Nangal Project (ii) Hira Kund Stage-I (Orissa)	Ministry of Energy (Department of Power)
B. In respect of loans sanctioned in 1979-80 or thereafter	
(e) Various categories of Plan/Non-Plan loans and Ways and Means Advance	Ministry/Department which sanctioned the loans and advances