



MILITARY ACCOUNTS DEPARTMENT

OFFICE MANUAL

PART III.

MANUAL OF INSTRUCTIONS AND PROCEDURE FOR THE VARIOUS SECTIONS OF CONTROLLERS' OFFICES

Issued by

AUTHORITY OF THE MILITARY ACCOUNTANT GENERAL.

Asstt. Manager, Govt. of Pakistan Press, Lahore.

1961



Book No 22

MILITARY ACCOUNTS DEPARTMENT

OFFICE MANUAL

PART III.



MANUAL OF INSTRUCTIONS AND PROCEDURE FOR THE VARIOUS SECTIONS OF CONTROLLERS' OFFICES

Issued by

AUTHORITY OF THE MILITARY ACCOUNTANT GENERAL

Asstt. Manager, Govt. of Pakistan Press, Lahore.

1961

Register of Corrections

No.	Date	Paragraph Affected.	Initials of Persons by whom posted and the date of posting.	No.	Date	Paragraph Affected	Initials of Persons by whom posted and the date of posting.

Handwritten text in the stamp: Bd, 22



1. This Manual contains detailed instructions for the conduct and disposal of work dealt with in "Local Audit", "Pay", "Stores", "Fund" and "Railway Claims" Sections of a Controller's Office.

2. All Officers and members of the establishment are expected to make themselves fully conversant with the contents of the Manual and ignorance of its provisions will not be accepted as an excuse for any departure from Rules, or failure to comply with them.

3. The rules in the Manual are supplementary to those contained in the Civil and Military Audit and Account Codes, Civil Service Regulations, Pay and Allowances Regulations, Financial Regulations, etc. and should not be quoted to Officers outside the Military Accounts Department. They are intended to be of general application, but Controller's may if necessary, vary them in matters of detail to suit local conditions. Any change which involves a substantial departure from the general principles of the rules, should however, not be effected without the previous approval of the Military Accountant General. Any alterations or additions to the Manual of a general nature, which may be necessary hereafter, will be notified periodically by the Military Accountant General by means of correction slips. Corrections which have a purely local application may be made by Controllers.

4. With the publication of the Manual, the relevant Chapters in the BMAD Procedure Code and Office Manual Part II, and V stand superseded.

FARUQUE WAQAR

(A.U. KALIM)

Military Accountant General

Rawalpindi.

The 10th March 1961.

Dacca

১৯৬১

১৯৬১

মোঃ নফিসুল ইসলাম
 ল. বুক বিল্ডিং
 এ.জি.বি. সিভিল সার্ভিস বোর্ড, ঢাকা-১০০
 এ.জি.বি. দক্ষিণ সেক্টর, ঢাকা-১০০
 মোবাইল-০১৮৮-৪৬৬১২৯, ১৯৬১-৮৮৮৮৮৮

(1)

TABLE OF CONTENTS

CHAPTER I.

L. A. SECTION



Paras:

General	1-2
Audit, Inspection Programme	3
Completion of Reports	4
Visual Charts	5
Super-Review	6-7
✓ Units Moving in/out	8
Reorganisation/Disbandment of Units	9
General State of Accounts	10
Annual Audit Certificates	11
Annual State Verification Certificates	12
Miscellaneous	13-16
Reports and Returns	17
Blank	2-30
Review by S.S.Os.	Annexure 'A'
Visual Chart Register	" 'B'
Register for watching the progress of final closing Audit of Units/Formations under orders of Disbandment/Reorganisation	" 'C'
Register of Financial Irregularities	" 'D'
Register for Watching the receipt of Stock Verification Certificates	" 'E'
List of Reports and Returns due in L.A. Section from LAOs/SLAs	" 'F'
List of Reports and Returns due out from L.A. Section.	" 'G'
List of Registers maintained in L.A. Section.	" 'H'

CHAPTER II

PAY SECTION

Duties of Pay Section	31
Blank	32-35
General	36
Audit of Pay Bills of Officers	37-38
Cantonment Executive Officers	39-42
Audit Register	41
History of Service	42-44
Leave Account	45
Blank	46-47
Maximum amount of leave preparatory to retirement	48
Non-Gazetted Establishment	49
Audit Progress Register	50
Extra Temporary Establishment employed in Ordnance Depots, E.M.E., Workshops etc.	51-53
Conservancy and Hot Weather Establishment	54-56
Post Audit of Establishment Pay Bills of Military Accounts Offices	57-66
Disbursing functions in respect of non-gazetted establishment of P.M.A.D.	67
Pay Claims of Deceased Officers and Establishment	70
Review of Preaudit Bills twice a year	71
Blank	

	Paras
Payment of Bills	78-82
Blank	83-84
Scale Audit	85-88
Recovery of Leave Salary and Pension Contribution	89-94
Claims on Account of Retaining Fee	95
Annual Establishment Returns	96-104
Blank	105-110
Advances and their adjustment	111
House Building Advance	112-114
Advances for the Purchase of Conveyances	115-115A
Advance of Pay	116
General Provident and other Funds	118-125
Recoveries and Credits-General	126
Demand Register	127-130
Blank	131-134
Interest	135
Income Tax	136-138
Recoveries of Rent Electricity and Water charges	139
Hospital Rolls	140
Blank	141-150
Provisional Payments	151-156
Appeals against Audit Decisions	157-161
Last Pay Certificates	162-164
Classifications	165
General Provident and other Fund Schedules	166
Reports and Returns	167
Registers	168-180
Blank	
Directions for the preparation and submission of the Annual Establishment Return	Annexure 'A' ..
Reports and Returns due from Pay Section.	" 'B' ..
Registers maintained in Pay Section.	" 'C' ..

CHAPTER III

STORES SECTION

Distribution of Work	181
Contract Sub-Section - Duties	182
Scrutiny of Tenders etc	183-185
Scrutiny of Contracts	186
Informal Agreements	187
Contractors Bills	188-192
Local Purchase Bills	193-194
Hired Transport Bills	195
Review of Paid Bills	196
Advances	197
Loss of Original Supply Order or Indent	198
Demands Against Contractors	199
Blank	200-201
Test Check and Test Linking of Local Purchase Vouchers and Hired Transport	202
Indents	203-206

Power of Attorney ..	..	..	..	17
Payment of Interest on debentures ..	..	..	..	208
Lapsed Security Deposits ..	..	..	..	209
D.G.D.P. Contract—Payment of ..	..	..	..	210
Blank ..	..	..	..	211—214
Store Audit Sub-Section—Duties ..	..	..	..	215
Payment Issues ..	..	..	..	216
Refund Claims ..	..	..	..	217
Military Farms ..	..	..	..	218—220A
Remount Depots ..	..	..	..	230—233
Armed Forces Medical Store Depot ..	..	..	..	233-A.
Adjustments of issues to Civil Departments, Local Governments, Private Bodies etc.	..	..	..	233-B.
Rates ..	..	..	..	234—235
Imported Stores Procedure ..	..	..	..	236

Blank ..

Reports and Returns due from Store Section.

Annexure 'A'

Registers maintained in Store Section.

CHAPTER IV

FUND SECTION

Provident Fund Account—General ..	..	..	..	331—336
Payment of Advances and their recovery ..	..	..	..	337
Scrutiny of Schedules ..	..	..	..	338—339
Posting in the Ledger Cards ..	..	..	..	340
Scrutiny of Broad Sheet etc. ..	..	..	..	341—344
Issue of Variations ..	..	..	..	345
Closing of Annual Accounts etc. ..	..	..	..	346—347
Settlement of Complaints ..	..	..	..	348
Compilation of Accounts ..	..	..	..	349
Submission of Review of Balances ..	..	..	..	350
Cash requirement estimates under the Fund Head ..	..	..	..	351
Final Payment ..	..	..	..	352—355
Miscellaneous ..	..	..	..	356
Deputationists ..	..	..	..	357—360
Percentage of Checks to be carried out in r/o Various items of work ..	..	..	..	361
Duties of Pay Audit Section ..	..	..	..	362
Registers to be maintained in Fund Section ..	..	..	..	363
Blank ..	..	..	..	364—375
D.S.O.P. Fund—General ..	..	..	..	376—382
Erroneous Credits Register ..	..	..	..	383
Personal Ledgers ..	..	..	..	384
Posting the Ledgers ..	..	..	..	385
Annual Statement of Accounts ..	..	..	..	386
Broad Sheets ..	..	..	..	387—388
Compilation of Accounts ..	..	..	..	389—390
Insurance Policies ..	..	..	..	391
Advances ..	..	..	..	392
Final withdrawal of Accumulations in the Fund ..	..	..	..	393
Budget Estimates ..	..	..	..	394
Registers to be maintained in DSOP Fund Section ..	..	..	..	395
Blank ..	..	..	..	396—400

List of peculiar Registers maintained in GPF Section
 List of peculiar Registers maintained in DSOP Fund Section,
 Reconciliation Statement
 Percentage of Check to be exercised.
 Admission Register.
 Complaint Register.
 Final Payment Register.
 Deputation Register.
 Objection Register.

Annexure 'A' ..
 " 'B' ..
 Appx. 'A' ..
 " 'B' ..
 " 'C' ..
 " 'D' ..
 " 'E' ..
 " 'F' ..
 " 'G' ..

Form (A)

Form (B)

Form (C)

Form (D)

CHAPTER V.

MILITARY RAILWAY CLAIMS SECTION

General	..	..	..	..	..	401-405
Sorting and Classification Group	..	..	..	..	..	406-409
Accounts, Compilation and Claims Group	..	..	..	..	..	410
Bills for Commission Charges	..	..	..	..	..	411
Telegram Bills	..	..	..	..	..	412
Bills for Haulage	..	..	..	..	..	413
Under Charges/Over Charges	✓	..	..	..	..	414-417
Blank	..	..	..	..	..	418-420
Cash Claims	..	..	..	..	..	421
Refund on unused or partly used Railway Warrants	✗	..	..	..	..	422-423
Indents	..	..	..	..	..	424
Audit Group	..	..	..	..	..	425 ✓
Audit of Various Charges	..	..	..	..	..	426-427
Objection Statements	..	..	..	..	..	428
Recoveries	..	..	..	..	..	429
Blank	..	..	..	..	..	430
Review and Scheduling of Vouchers	..	..	..	..	..	431
Fraudulent use of Warrants and Credit Notes	✗	..	..	..	..	432-433
Blank	..	..	..	..	..	434-435
Registers to be maintained in M.R.C. Section	✓	..	..	..	..	436
Blank	..	..	..	..	..	437-500
List of Registers.					Annexure 'A' !	..
Concordance.						

(संख्या ११११/११११)
११, ११, ११११
११११११ (११११) - ११११११
१११११ ११ १११११

CHAPTER I
L.A. SECTION

1. The L.A. Section of a Controller's office is established to watch and guide the activities of the Local Audit Offices in general and :-

- (i) To organise/re-organise Local audit offices, arrange Local audit/review/inspection of the store and Cash Accounts of army units and formations in the Controller's audit area and watch its completion in due time.
- (ii) To arrange Super review of Local audit and Inspection work and progress the result thereof.
- (iii) To collect and scrutinise cases of financial irregularities, their inclusion in the report of General State of Accounts, and watching progress thereof.
- (iv) To collect and vet material (including annual stock verification certificates from units) for incorporation in the Annual Audit Certificates and watch progress of cases included therein ;
- (v) To scrutinise and approve lists of auditable/inspectable documents ;
- (vi) To watch progress of ~~Local Test~~ ^{Central Defence} Audit reports and items included in Audit Report, Defence Services.
- (vii) To devise ways and means to improve efficiency of local audit and issue rulings/directives on matters concerning Local Audit procedure.
- (viii) To deal with cases relating to Local audit procedure raised by L.A.Os. executive authorities etc.
- (ix) To prepare/check strength Demand Statements relating to section and those received from L.A.Os/~~of L.A.~~ and pass them on to General Section.

General.

2. The inspection and local audit of the Cash and store accounts of the army units and formations located in the audit area of a Controller are to be carried out by Local Audit Officers and their staff. Each L.A.O. will be allotted a definite area of work and will be provided with suitable staff divided into audit groups headed by a Superintendent to carry out original local audit of the store accounts of units and formations on monthly, quarterly, half yearly or yearly basis as may be provided for in the rules. All of these audit groups may either be stationed in the L.A.O.'s office or some of them may be attached to relatively larger Depots/Establishments or stationed at out-stations where the quantum of local audit work justifies their whole time employment at the outstation or adjoining stations. The Local audit carried out by the several audit groups will be subject to constant review by the L.A.O. himself, the periodicity of his review being the same as that of the original audit. This review will be carried out concurrently with the original audit as soon as possible thereafter. The original inspection of the public fund cash accounts maintained by units/formations, will, however, be carried out by the L.A.O. himself annually or half yearly as required by the rules. The L.A. Section will be responsible to watch that the Local Audit, Review and Inspection work is carried out by the L.A.Os and their staff regularly and satisfactorily.

Audit, Inspection Programme.

3. L.A.Os/~~S.L.A.~~ will submit quarterly Local audit/Review/Inspection programmes, so as to reach LA Section on or before the 20th of the second month of the preceding quarter. These programmes will be scrutinized by L.A. Section to see :—

- (i) that the audit/review/inspection of all the units and formations, which falls due in the quarter to which the programme relates, has actually been provided for in the programme ;
- (ii) that the period of accounts proposed to be audited/reviewed/inspected in respect of each unit/formation as shown in the programme is correct according to completion entries in the respective visual chart register ;
- (iii) that the proposed audit/review/inspection in respect of each unit/formation extends, as far as possible, upto the month preceding the month in which proposed to be carried out ;
- (iv) that the priority has been given in the programme to the audit/review/inspection work which may fall into arrears during the quarter to which the programme relates ;
- (v) that mandays proposed to be utilised on Audit/Review/Inspection of a particular unit/formation do not exceed those sanctioned by the M.A.G. (on the prescribed form) ;
- (vi) that audit/review/inspection in respect of all the units/formations at any one station is proposed at a stretch except when it is essential in the interest of public service and not more than one visit is proposed to any outstation during a particular quarter ;
- (vii) that transit time claimed for journeys on duty to and from outstations is the minimum necessary ;
- (viii) that timely sanction for exemption from the operation of S.R. 73 is obtained from the competent authority wherever necessary ;
- (ix) that the LAOs do not return to H.Q. every now and then on the plea of office work etc. breaking continuity of halt at outstation.

Completion of reports.

4. The Local audit/Review/Inspection of the store/Cash accounts of units and formations will be carried out by the L.A. O's staff/~~L.A.O.~~ strictly in accordance with the approved programme. Deviations from the approved programme will be permissible subject to prior permission from the Controller. Execution of the programmes will be reported through the medium of monthly Local Audit/Review and inspection completion reports (on the prescribed form) which will be submitted so as to reach the L.A. Section on or before the 6th of month following that to which they relate. The L.A. Section will scrutinise these completion reports to see :—

- (i) that the work has been done according to the approved programme and within the minimum authorised time ;
- (ii) that, as far as practicable, the local audit and the review thereof by the Superintendent and the LAO has been carried out concurrently ;
- (iii) that the objection statements/Review or Inspection Reports have been issued within a week after the completion of the Local audit/review/inspection ;

- (iv) that the completion report is accompanied by the prescribed reconciliation statement showing the No. of total mandays available in a particular Sub office and those actually utilised and the manner in which utilised. This statement shall be carefully checked in the LA Section to ensure that there has not been any wastage of mandays ;
- (v) that the LAO's Review and Inspection completion Report is in addition, accompanied by the Questionnaire duly completed in all respects, and the statement showing particulars of 'E' copies of issue vouchers linked during the month of the report ;
- (vi) that in the case of units/formations whose state of accounts have been shown by the LAO as "unsatisfactory" a special report clearly bringing out the unsatisfactory feature is received from the LAO soon after the submission of the completion report.

Visual charts.

5. After necessary scrutiny the completion reports will be posted into the visual charts registers, which will be maintained by LA Section in the form laid down in Annexure 'B' to this Chapter. Separate visual charts registers will be maintained to watch the progress of local audit/review/inspection/super-review in respect of units and formations located in the audit area(s) of each LAO/SLA or Group of LAOs/SLAs. Each page of this register will be allotted to one particular unit or formation, and may be sub-divided into four cages so that the progress of local audit/review/inspection/super-review/General State of account in respect of the unit/formation in question over a period of 4 years can be recorded on that page. Each cage will be further sub-divided into five parts to separately indicate the progress in respect of Inspection, Local audit and review of Local audit by the LAO., Super-review by S.S.O. and state of accounts. The entries in respect of Inspection will be made in red ink and the rest in black. At the time of the scrutiny of the programme the V.C.R. will be carefully consulted to see that the period of accounts proposed for audit/review/inspection has been correctly shown. The proposed dates of the next audit/review/inspection as shown in the programme will be tentatively recorded in the V.C.R. in pencil. On receipt of the monthly completion report the dates shown in the V.C.R. and those shown in the completion Reports will be compared to ensure that there has not been any serious deviation from the approved programme except with the prior approval of the Controller. The actual dates of completion will then be written in ink over the dates tentatively shown in pencil.

The V.C.Rs. will be frequently reviewed by the Superintendent to keep constant watch over the progress of local audit/review/inspection and devising ways and means, where necessary, to avoid the work falling into arrears. The registers will be submitted to the Group Officer through the O.I.C. LA on the 25th of each month.

Super-Review.

6. Review of the Local audit and Inspection work done by the LAO, will be undertaken by a Superior service officer in accordance with instructions contained in Annexure A to this chapter. Half yearly programmes in respect of Super-review of Local audit to be carried out by S.S.Os. will be chalked out by the LA Section for Controller's approval. These programmes will be prepared in respect of the half-years from July to December and from January to June of each financial year. The programmes will be so arranged that the accounts of all irregular formations and of typical units of all regular formations are super-reviewed at least once during a year. It will further be seen that total number of units reviewed during a particular half year is not less than 20% (except in the case of C.C.M.A. Rawalpindi where this percentage will be 15%) of the total number of units located within the Controller jurisdiction.

A copy of the approved half yearly programme for super-review will be forwarded to the M.A.G. on 25th of the month June and December preceding the respective half year. A half yearly report on the review by S.S.Os. of Local audit and Inspection work will be submitted to the M.A.G. on 1st May and 1st November each year.

7. The S.S.Os' Review reports and the ^{C.S.A. Section 2, H.A.G. Sec. 2} Local Test audit reports will be expeditiously forwarded by the L.A. Section to the respective LAOs and their replies watched through separate registers maintained for the purpose, reminders being issued, where necessary, at frequently intervals. The LAO's replies will be carefully scrutinised and while in the case of S.S.O's Review Reports, settlement will be made by the LA Section, in the case of Local Test Audit Report, consent for settlement of the various items of the report will be obtained from the Local Test Audit authorities. LA Section will watch that action on the part of the parties concerned to regularise irregularities pointed out in the S.S.O's Review Report ^{and the} Local Test Audit Report is upto-date and on the correct lines.

^{and the} A copy of the statement relating to arrears in Local Audit and Inspection required to be appended to the half yearly report on the review of Local Audit and Inspection by S.S.O's will be furnished by Controllers to the ^{ADA} respective ADA/DDA/D.S. The registers referred to above will be submitted to the Group Officer, through O.I/C. LA Section, on 10th of each month.

Units Moving In/Out.

8. (a) Monthly reports will be received from LAOs/^{deleted} ~~SEAs~~ showing particulars of Units moved in/out of their respective areas during the preceding month.

(b) In the case of units moved out of the Controllers jurisdiction, the LA section will call for from the LAO concerned special reports on the accounts of those units and transmit the same to the Controllers' in whose jurisdiction the units have moved. In the case of in coming units the LA Section will watch early receipt of the special reports from the Controllers concerned and transmit them to the respective LAO. In the case of units moved out the fact will be suitably recorded in the V.C.R. indicating the No. and date of the forwarding memo. under which special report has been despatched to the other controller. In respect of the incoming units, the same will be brought on charge in the V.C.R. quoting reference to the inward special report, particulars regarding authorised mandays for audit, review and inspection, period upto which last audited, reviewed, inspected etc. being also recorded.

(c) Special reports of units moving in/out should be scrutinised to see that :—

- (i) the special report is submitted on the proper proforma;
- (ii) the dates of audit and review and the periods upto which accounts have been audited, reviewed, and inspected is given;
- (iii) general state of store and cash accounts is clearly stated;
- (iv) the extracts of unsettled audit objections, review reports and inspection reports etc. have been enclosed duly certified by the Superintendent or the LAO;
- (v) 'E' copies of vouchers for linking together with top sheets are enclosed and their number as mentioned in the special report is correct;
- (vi) Closing balances of the last audited Ration Return, obtained by the Local Audit staff, are enclosed (when the balance of Ration/Forage etc. is required to be deposited with the Local authorities, this is not required).

- (vii) spare copies of the issue voucher, receipted copies of which are awaited are enclosed with the extracts of objections etc. and that other objected vouchers are attached in support of the relevant extracts of objections;
- (viii) list of auditable documents and the documents to be inspected are attached;
- (ix) papers requiring verification on next audit visit, are enclosed.
- (x) the mandays authorised for audit, review and inspection are mentioned in the report;
- (xi) in case the audit review or inspection of the out going unit is in the arrears, the reasons for the same have been stated by the L.A.O.;
- (xii) the acknowledgement of the special report is received from the C.M.A. to whom it is sent within a reasonable time;
- (xiii) in the case of units moving to the audit area of another Controller, extracts from outstanding Review reports of S.S.O and Test Case audit Report, be attached with the special Reports received from L.A.O. before rendition to the respective C.M.A.

Reorganisation/Disbandment of Units.

9. On receipt of orders notifying reorganisation/re-designation/disbandment of a unit or formation in the LA Section, necessary entries will be made in the register, maintained in form given in Annexure 'C' to this chapter, to watch that its final closing audit is carried out by the LAO concerned expeditiously and a special report submitted by him to the L.A. Section. The special report will, on receipt from the LAO be transmitted in the case of disbanded units, to the controller in whose audit jurisdiction the centre and record of the unit is located. On receipt of the special reports by the latter, the same will be forwarded to the LAO auditing the accounts of the Centre and Records for pursuing the outstanding objections to finality. In cases of re-organisation/redesignation, the Controller in whose audit area a particular Unit is located will watch early settlement of the special report.

General State of Accounts.

10. —The cases of financial irregularities, unsatisfactory state of accounts, non maintenance/non production of auditable records and non improper observance of the prescribed accounting procedure reported by the LAOs will be carefully scrutinised to see that the facts as reported establish a *prima facie* case of financial/accounting irregularity and that the facts of the case are such as can be reasonably substantiated, if challenged by the executive. A report in duplicate, duly marked as Original & duplicate embracing the salient features of the irregularity separately in each case will then be sent to the M.A.G. in anticipation of its inclusion in the next monthly report on General State of Accounts. Progress of the cases so included in the report on General State of Accounts will be vigorously watched by LA Section through a register of financial irregularities (proforma given in Annexure 'D') to ensure their speedy settlement.

Annual Audit Certificates.

11. L.A. Section will watch punctual submission of the Annual Audit Certificates from the sub-offices. These certificates will be carefully scrutinized to see that the prescribed statements annexed thereto have been correctly prepared by Sub offices and that the irregularities, omissions, lapses, etc. on the part of units and formation, included in those statements are either corroborated from

evidence already on record in the LA Section, e.g. reports on General State of Accounts Register showing position of Annual stock verification of stores, etc. or that the necessary evidence has now been furnished by the sub-offices along with the Annual Audit Certificates. It shall be ensured that the cases included in the Annual Audit Certificates are unchallengeable and as far as possible, have already been accepted by the executive authorities. Progress of cases included in the Annual Audit Certificates will be vigorously watched by LA Section in communication with LAOs and the executive authorities, where necessary.

Annual Stock Verification Certificates.

12. A register (proforma given in Annexure 'E') will be maintained in the LA Section to watch the receipt through LAOs of Annual Stock Verification Certificates, in respect of each financial year, from Os.C. units and formations. It will be ensured that these certificates are received well in advance of the rendition of the Annual Audit Certificates to the M.A.G.

13. Cases included in the Audit Reports (Defence Services) will be effectively pursued by the LA Section with the respective LAOs and the executive authorities and their speedy settlement watched.

14. LA Section will watch the receipt from LAOs of separate lists (in triplicate) of auditable and inspectable documents in respect of newly raised/reorganised or redesignated units. After approval by the Controller, two copies of the lists will be returned to the LAO and one copy retained and pasted in a suitably indexed guard file.

15. LA Section will call upon and encourage LAOs to submit proposals for improving efficiency of local audit/review/inspection work. The LA Section will also undertake original research in this behalf and submit proposals for the controller's consideration. The Controller will examine such proposals in communication with other controllers and submit his recommendations for M.A.G.'s approval. LAOs conference shall also be held in the controller's office to discuss ways and means to enhance efficiency in the sub-offices and simplify or improve audit procedure. The S.S.Os deputed to carry out super-review will also make special research in this behalf and submit proposals for Controller's consideration.

Controllers will also exchange at frequent interval, points of common interest intimated to them by their sub-offices. The Controllers should report to the M.A.G., whenever any point of real common interest, which is considered sufficiently important and which has not been included in the report on "General state of Accounts", comes to their notice.

16. LA Section will keep a close watch to ensure the punctual submission by the sub-offices of periodical reports and returns. These reports will, on receipt be carefully checked and consolidated, where necessary for transmission to higher authorities. The Monthly Progress Reports will be specially checked to see that local audit/review/inspection work is not allowed to fall into arrears. The progress of settlement of audit objections will also be particularly watched. It will further be seen that state of work in all other fields of activities in the sub-offices e.g., pricing of loss statements and payment issue vrs., linking of invoices, Packing Accounts and Supply Manifests, disposal of correspondence etc. is also current. The explanation given by the LAOs in respect of arrears, if any, will be scrutinized to see that it is real and convincing. The measures adopted by LAOs to clear the arrears will also be invariably examined to see that they are adequate and effective.

17. Reports and Returns due in/from LA Section and the Registers maintained in the Section are detailed in Annexure F.G. & H. respectively.

18 to 30. Blank

ANNEXURE 'A' (REFERRED TO IN PARA 6)

Memorandum of instructions regarding the procedure to be followed in connection with the review by Superior Service Officers of Local Audit and inspection work carried out by the Local Audit Officers.

(Same as Appendix II of O.M.Pt. I).



Annexure 'B'

Name of the Unit..... Year.....

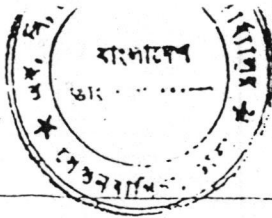
[illegible]

Annexure 'C'

(referred to in para 9)

Register for watching the progress of final closing audit of Units/Formations under orders of disbandment/re-organisation etc.

S. No.	Name of Unit	Whether re-organised/disbanded/re-designated.	No. & date of Govt. Letter.	No. & date of Q11Q Letter.	File No. under which dealt with in L.A. Section.	No. & date of L.A.O./SLAs Letter under which special report received in L.A. Section.	No. of objections/ observations outstanding.	Subsequent reminders.	Remarks.



ANNEXURE 'D'

Register of Financial Irregularities (referred to in para 10)

S. No.	Name of Unit/ Formation.	No. & date of the letter.	Nature of financial irregularity.	Case File No.	How it occurred and when & how it was detected. Why it could not be detected earlier.	Degree of the respon- sibility of the ex-ec- utive & B.M.A.D.	Period over which the irregularity continued.	Amount Involved.	Reasons for delay.	Remedial measures.	Disciplinary Action	Authority for settlement.
1	2	3	4	5	6	7	8	9	10	11	12	13

ANNEXURE 'E'

Register for watching the Receipt of Stock Verification Certificates (Referred to in para 12)

Ann of service

S. No.	Name of the Unit/formation.	Station.	L.A.O. QSLA	No. & date of raising/re-organisation etc, letter under which raised or re-organised and No. and date of C.M.A. letter under which special report has been received, in the case of units moved in from other commands.	No. and date of the letter under which stock verification certificates have been received: 1957-58		1959-1960	
					No. & date of the Unit.	No. & date of the L.A.O.	No. & date of the L.A.O.	Etc. Etc.
1	2.	3	4	5	6	7	8	Etc, Etc.

Annexure 'F'

List of Reports & Returns due in LA Section from LAOs/SLAs.

(All such reports are detailed on pages 38 to 42 of LAO's Hand Book (Army Pt. I (1952)).

Annexure 'G'

List of Reports & Returns due out from LA Section.

S.No.	Reports & Return	To whom submitted	Date of submission
<i>Monthly.</i>			
1.	Units moving between Commands (change statements only).	All CsMA	15th of each month.
2.	General State of Accounts.	'G' Section.	3rd of each month.
<i>Quarterly.</i>			
<i>Half Yearly.</i>			
1.	Half yearly report on the review by S.S.Os.	M.A.G.	1st of August and February.
<i>Yearly.</i>			
1.	Units moving between commands.	All Cs.M.A.	1st of Jan.
2.	Annual audit certificate.	'G' Section.	15th September

Annexure 'H'

List of Registers maintained in LA Section.

S.No.	Name of Register.	Date of submission.
1.	Register for watching settlement of S.S.Os. review Reports.	10th of each month.
2.	Register showing progress of final closing audit of units/formations under order of disbandment/re-organisations.	1st week of each month.
3.	Register of Financial Irregularities.	15th of each month.
4.	Visual Chart Register.	25th of each month.
5.	Register for watching the Receipt of stock verification certificate.	25th of each month.

12

CHAPTER II
'PAY SECTION'
SECTION I



✓ 31. Duties of Pay Section.

The duties and responsibilities of 'PAY' Section of a Controllers office comprise of :—

- (i) Audit and payment of all claims of pay and allowances excluding travelling and daily allowances of civilian Gazetted Officers and maintenance of leave accounts and history of Gazetted service.
- (ii) Audit and payment of all claims of Pay and Allowances other than TA/DA of civilian Non-Gazetted establishments serving with various units and formations.
- (iii) Preliminary audit and disbursement of Pay and Allowances of the officers and establishment of the B.M.A.D.
- ✓✓ (iv) Post-audit of Pay bills of the establishment employed in Military Accounts Offices.
- (v) Scale audit.
- (vi) Recovery of leave salary and pension contribution in respect of officers and others proceeding on deputation/foreign service.
- (vii) Payment of Retaining fee to the P.N.G. Officers.
- (viii) Audit of Annual Establishment returns of permanent civilian establishment and their submission to EMA & P-Tabore PG Sec
- (ix) Verification of service :— ↑ respective C.S.M.A.
 - (a) for the last three years in respect of individuals who are due to retire on pension. "PG Sec. 7 retrospective"
 - (b) any other periods of service

(vii) Payment of compensation for death or injury of Govt. travelling by Air on office duty."

SECTION II

✓ AUDIT OF PAY BILLS

36. General.

The audit of pay bills will be conducted with reference to :—

1. Entries in the Audit Register in case of Gazetted officers and the last audited paybills in case of non-gazetted staff.
2. Last observation and subsequent correspondence, casualties notified in Gazette Notifications, Part II Orders etc.

In addition to the rules governing the admissibility of Pay and Allowances to officers and others as laid down in various regulations, books, codes and Government orders, the following instructions will be observed when auditing the pay-bills :—

- (i) The paybills bear the genuine signatures of the officers authorised to sign them, specimens of whose signature are recorded in the relevant registers.
- (ii) The Paybills are duly affixed where necessary, with Revenue stamps.
- (iii) The rates of pay and allowances claimed are correct and are in accordance with those sanctioned with due regard to the date before/after the appointed dates, if any, notified by the Government.
- (iv) In the case of the first charge it will be seen that :—
 - (a) Person newly appointed to a post in Government Service :
The first Pay claim is supported by a medical certificate of health in the form prescribed vide Art. 49 C.S.R. and the appointment has been duly sanctioned and notified in Pt. II orders/Gazette and a copy of the former is attached with the claim.
 - (b) Persons transferred to the Audit Area.
The LPC from the previous audit or other officers is attached to the paybills and the rates claimed are in accordance with the L.P.C. and the joining time is covered by the relevant rules on the subject and that the unauthorised period of absence if any, has been dealt with under the orders of C.F.A.
- (v) Where an annual increment has been claimed the paybill is supported by the relevant and duly sanctioned documents and the date of last increment is verified from the audited paybill or with the date shown in the L.P.C.
- (vi) Demand Register maintained in the section is consulted and any outstanding demand is recovered according to rules (item Nos. and page Nos. of the registers should be quoted in the paybills against the entries in respect of the relevant demands).
- (vii) The deductions on account of G.P. Fund and other funds subscriptions and on account of premium on P.L. Insurance Policies are regularly and correctly made and that the correct No. of accounts/Policies are carried over in the Paybills from month to month.
- (viii) When arrears on account of promotion or increment have been claimed it should be seen that the claim is supported by the appropriate authority and by the D.O.Pt. II (Necessary notes of the payment of arrears should be made against the relevant items of the months paybill).
- (ix) Income Tax is correctly levied on the estimated annual income under salaries and the amounts due for recovery monthly, are duly recovered.

Note.—1. A Statement showing how the monthly rate of income tax is arrived at will be prepared and attached to the Paybill for June. This statement will require revision on every major change of estimated annual income.

Note.—2. Rebate of Income Tax on Insurance Premium of policies other than those financed from Provident Funds will be allowed on the strength of the declaration to be furnished in May each year or immediately on appointment by the individuals concerned specifying the amount expected to be paid during the ensuing financial year (Premium receipts need not be called for by paying authorities).

AUTHORITY :—Rule 35 FR Pt. II and PAO No. 618/49

- (x) In the case of the establishments, not covered by the authorised establishment for the period concerned, necessary sanction of the competent financial authority has been received in the office and duly audited.

37. Audit of Paybills of Officers.

All Officers are required to prepare their individual paybills on BAFA-35. Paybills will be submitted so as to reach Centroller's office not later than 25th of the month/22nd in the case of February.

38. In addition to the check referred to in para 36 the following points will be kept in view while conducting audit :—

- (i) The Paybills will be checked with reference to the entries in the Audit Register and when necessary with reference to the fundamental data e.g., last pay certificate, rules in C.S.R., A.I.s. (P) and other Government orders issued from time to time.
- (ii) It should be seen from the paybills for a month for a formation as a whole that two or more individuals have not drawn pay, additional pay, special pay etc. for the same period against the same appointment.
- (iii) Originals or extracts of special orders regarding recurring allowances etc. admissible to an officer should be filed in his/her personal file after a note thereof has been made in the Audit Register.
- (iv) Payment of non-recurring charges such as outfit allowances, fees, honoraria etc., should be posted in the Register of Miscellaneous non-recurring charges (BAFA-514) to avoid double payments.
- (v) The clearance of objections should be watched through the objection register. (B.A.F.A-473).
- (vi) To obviate frequent reference to the History of Service, Audit Register etc., a slip showing the following particulars should be kept in the P.C. file of each officer.
 - (a) Rank and name.
 - (b) Appointment.
 - (c) Date of birth.
 - (d) Date of 1st appointment.
 - (e) Date of completion of tenure on tour of services, superannuation and termination of employment/re-employment.

- (vii) All paybills of an officer shall be recorded month by month in a single file, a guard file (one file per officer) to facilitate reference for purposes of verification of services, calculation of leave salary etc.

Note.—At the close of the year the paid bills for September and March will be segregated and placed in separate file, the file being prominently marked as "Paybill for September March 19— record for 35 years".

- (viii) Particulars of leave availed of should be entered in the History of service of the officer concerned.

39. Cantonment Executive Officers.

(a) The salaries (including cost of living and other allowances viz., T.A. concession during leave and expatriation allowance but excluding conveyance allowance) and leave salaries of Cantt. Executive Officers shall be paid to them in full by the Controller of Military Accounts concerned.

(b) Half the Salary (excluding Expatriation allowance) half the T.A. concession during leave, half the leave salary and the cost of living allowance in full payable to officers is recoverable from Cantt. Board. M.R.O. for the amount due will be issued to the Cantt. Board each month with the request that the amount assessed be deposited in the Treasury. The receipt of T.R. shall be watched through the prescribed register maintained for the purpose.

(c) The Cantt. Boards shall always maintain with the CMA concerned an advance deposit equal to the amount payable by the Boards on account of their contribution towards pay and allowances in respect of an Executive officer for the next three months.

(d) A register will be maintained in each Controller's office, Cantt. wise, to watch the payment made, against the advances received from the Board.

AUTHORITY:—Government of Pakistan, Ministry of Defence No. 64/1/G/D5/51 dated 24-12-1953 and MAG (P) No. AT/Pro/119 dated 8-6-1955.

40. With a view to complying with the requirements of para 91 Military audit Code the following records are maintained.

- (i) Audit register (B.A.F.A.-510).
- (ii) History of Services.
- (iii) Leave Account.

41. Audit Register (B.A.F.A.-510).

- (i) The register will be maintained in BAFA-510 and is intended to be a record for 3 years. The audit of pay claims of Gazetted Officers will be conducted with reference to the entries in this register.
- (ii) An index showing the names of the officers in alphabetical order and indicating the folio No. against each name will be maintained to facilitate references.
- (iii) When a new register is opened the names of all the effective officers will be brought forward from the old register and cross referred. All details as to pay, any unexpired leave, any transfer orders but not carried out and any disallowance not adjusted will be entered into the new register. The new register will then be submitted to the officer incharge alongwith the old register, who will see that the particulars have been correctly transferred and set his initials against the total charge in the 1st money column as authority for and guide to the auditing clerk.

- (v) All orders regarding appointment, promotion, reversion, posting, transfers and leaves will be entered in the columns under "orders respecting allowance" and initialled by the officer Incharge.
- (vi) The money column will be completed on the authority of these orders and will be initialled by the officer Incharge. The money column will be linked to the orders in the appropriate column.
- (vii) Any provisional payment and overpayment will be noted in the column "particulars of objection" in the Audit Register and when the payment is finally admitted in audit/recoveries effected, a remark to this effect will be made in red ink against the entry or the recovery indicated in relevant column.
- (viii) A note of Dr. or Credit balance, if any, shown on the L.P.C. will be made in the Audit Register.
- (ix) Debits, if any, received through I.D. Schedules will be noted in the Audit Register.
- (x) All corrections and alterations in the Audit Register will be attested by the officer Incharge.
- (xi) When an officer's name is entered for the first time in the Audit Register the following particulars will be noted on the top of that page :—
 - (a) Specimen signature (to be pasted on the top left hand corner of the page).
 - (b) Particulars of appointment.
 - (c) (1) date of birth.
 - (2) date of appointment.
 - (3) date of present rank.
 - (4) Personal file number of the officer.
 - (5) Name of banker or agent.
 - (6) Head of classification of pay of officer.
 - (7) Place of origin/Domicile.
- (xii) To ensure that pay and allowances are not admitted beyond the prescribed period in the case of tenure temporary appointments, a red ink line will be drawn in the payment cage of the month following that in which the tenure of appointment will be completed.
- (xiii) Income Tax Card sufficient to contain information for three years will be kept separately with each page of the audit register and posted concurrently as paybills are audited and passed.
- (xiv) Date of payment of premium on which rebate of income tax is allowed will be entered in the column provided for the purpose.
- (xv) When an officer is transferred to the audit area of another audit officer a diagonal line will be drawn across the payment cage next to that in which particulars of last payment are recorded. A similar line will also be drawn across the next money cage which will be linked with the entry regarding transfer vide instruction No. 4 above. Particulars of L.P.C. etc., will be recorded in the appropriate cages on the right hand page.

- (xv) Audit progress will be recorded under the heading "date of payment" in the cage of the month for which the pay is due and not of month in which it is issued. The name of the treasury from payment is taken should be recorded above the payment, but this entry need not be repeated each month unless there is a change of treasury.
- (xvi) Only the gross amount of the bill and date of payment will be shown in the payment cage, when there is no change in the amount of the previous month, it is sufficient to note the date of payment. When an officer draws in his paybill, allowances that vary frequently or arrears of pay etc., this should be explained in the space provided for explanatory notes.
- (xvii) When an officer's pay is revised with retrospective effect, the money columns already made out for the period under revision should be cancelled in red ink and new columns made out from the date of revision, all being initialled by officer-in-charge of the section.
- (xviii) Objections in audit will be entered only in the cage for objections and nowhere else.
- (xix) Demands the recoveries of which extend over a No. of months e.g., House Building Advance, Motor Car Advance, Advances from G.P. Fund will be noted in the Audit Register in the manner indicated in para 130 of this manual.
- (xx) The register will be submitted to the officer in charge by the 5th of each month and to the G.O. once in a quarter. ✓

History of Service.

42. The record of service maintained by the Audit officer in accordance with Art. 815. C.S.R. in respect of each Gazetted officer is termed as the History of Service. The following particulars should be shown at the top of the record besides name of the officer:—

- (1) Date of birth.
- (2) Date of superannuation.
- (3) Whether on Prescribed or existing/modified scale of pay. —
- (4) The scale of pay of the appointment held.
- (5) Whether on old or new pension terms and benefit.

43. The History of service is intended to be a complete record of all facts in the official career of a Government servant which have a bearing on pay, promotion, leave, or pension. Full particulars of service qualifying/non-qualifying for pension will be recorded with authority. Leave of all kinds, absence without leave, or in excess of leave or of joining time should be noted. If any period is allowed to count as service which is not ordinarily allowed by rules or if any special privilege or disability affecting pay, pension or leave attaches to the office the fact should be recorded with authority (i.e., Government orders etc.).

Note:— (i) Entries relating to punitive action taken in regard to an officer cannot be made without special orders of the Government.

(ii) Particulars of war service affecting pay, promotion, leave or pension will also be recorded in the History of Service.

(iii) Periods of joining leave will be recorded in all cases.

44. When a Gazetted officer is transferred from the audit jurisdiction of one audit officer to that of another audit officer his History of Service will be passed on to the latter.

45. Leave Accounts. ✓

Under Article 841(a) C.S.R. before a Gazetted officer is allowed to proceed on leave a report upon the title of the applicant to leave is obtained from the audit officer. For this purpose a leave account in the prescribed proforma will be maintained in respect of each officer, separate account being maintained for each type of leave e.g., Leave on Average Pay and Leave on half Average Pay. The following particulars will invariably be noted at the top of leave account of each Officer :—

- (1) Name of the officer.
- (2) Unit/Formation/Department.
- (3) His date of superannuation (See Art. 234 C.S.R.).
- (4) Leave Rules applicable to the Officer.
- (5) Nature of leave.

46 and 47. Blank.

48. Maximum amount of leave preparatory to retirement in the case of Superior Government Servants will be one year. This will be partly leave on average pay and partly leave on half average pay as below :—

Leave on average pay upto 4 months (if due) and another two month's leave on average pay can be taken (if due) provided the officer goes abroad for that period for pilgrimage and recreation. The extra two months on average pay should not be allowed on medical certificate as the officer goes abroad for that period for pilgrimage and recreation. (The extra two months on average pay should not be allowed on medical certificate as the officer will not be returning to duty on the conclusion of the leave). The balance of the leave upto one year (i.e. 8 months or 6 months as the case may be) will be leave on half average pay.

Authority :—Government of Pakistan, Ministry of Finance O.M. No. F. 23 (38) R.I. (2)/55 dated 21-5-57.

Non-Gazetted Establishment.

49. Besides the checks referred to in para 36 above and para 125 Military Audit Code, the pay and allowances claimed will be compared with those admitted in the last audited bill and if there are any variations it will be seen that they are supported by the necessary authority, and are otherwise in order. Entries in remarks column will be closely scrutinized and checked with reference to the supporting orders, certificates or other vouchers. It will further be seen that :—

- (i) in case of those employed on meretric rates of pay, the pay etc., is drawn at the correct rates as notified in the station orders for the station at which employed;
- (ii) the horizontal/vertical totals are correct on each page of the paybills and correctly brought forward in the summaries and that the totals of the summary are also correct;
- (iii) the No. of personnel paid under each category falls within the authorised establishment or the sanction of the C.F.A. exists for the additional staff.

(iv) in regard to the Religious Teachers, it should also be seen that their No. is correct with reference to the authorised establishment of the combatants of the particulars of religious (A.I.I.213 of 1942).

N.B.—The pay bills of Non-Gazetted establishment as also of Gazette officers of M.E.S. formations will be received direct from the formations and not through the UA's attached to them.

(Authority :—M.A.G's. No A.T./PC/4926/13 dated 7-2-59).

✓ Audit Progress Register.

50. For the purpose of watching receipt and payment, of monthly bill and also for safeguarding against double payments an audit Progress Register will be maintained by the Section/Sub Section/Group in the following proforma :—

Name of Unit.	Date of receipt of the paybill.	Date of payment.	Amount of the paybills.
1	2	3	4
Amount passed for payment.	Remarks (Any abnormal variation being explained).		
5	6		

Note :—It will be ensured that the information in regard to the Unit Formations required to be noted in column 1 is complete-particulars of incoming and out-going units being recorded simultaneously with the receipt of information.

EXTRA TEMPORARY ESTABLISHMENT EMPLOYED IN ORDNANCE DEPOTS, EME WORKSHOPS ETC.

51. The extra temporary establishment employed in Ordnance Depots and EME Workshops etc. is paid out of the advances drawn for the purpose by the head of the formations concerned from the audit officer on monthly requisitions. On receipt of the requisition it will be seen that the advance is reasonably correct with reference to the previous figures of monthly expenditure on this account, and that the requisition has been signed by the authorised officer whose signature agrees with that on record in the Register of specimen signatures maintained in the section.

52. The advances will be noted in the Demand Register before they are actually paid, with a view to watching their adjustment with reference to the abstract of Temporary Labour Bills (BAFA 40, (Small)) received from each formation through the LAO concerned. The temporary Labour Bill *inter alia* contains an account of receipts (e.g., advances from CMA recoveries from the ETE etc.) and disbursements. A treasury receipt is submitted for the balance along with the Temporary Labour Bill. The details shown on the Temporary Labour Bill are checked by the LAO concerned before transmission to the CMA. The demand on account of advance is cleared from the Demand Register on the authority of the Temporary Labour Bill and the T.R. received from the formation.

53. Necessary post audit check over the pay accounts of the ETE conducted by the LAO concerned.

Conservancy and Hot Weather Establishment.

54. Allotments for expenditure on conservancy are sanctioned by the Government. It is distributed by G.H.Q. between Divisions who in turn distribute it between Brigades etc. and eventually it is apportioned to units and formations at various stations.

- (ii) On receipt of orders regarding allotment of funds, the amounts allotted will be noted in a Conservancy Allotment Register (B.A.F.A.-512) in which a separate page will be given to each unit/formation. All payments against conservancy allotment will be entered in this register against the allotment concerned and it will be seen before each payment is made that the allotments are not exceeded.

55. When making payment in respect of this establishment, it will be seen that the nerrick rates of pay as notified in the station orders for the station and the strength of the conservancy-establishment as authorised by the S.S.O. for the units or formations are not exceeded.

56. As a check over the possibility of a double claims the two charges will be carefully linked, the previous bill being endorsed with the remarks Next charge paid under the dated initials of the auditor and the Superintendent. A rubber stamp as under may be utilized for the purpose.

Next Charge Paid.

Linked with the previous charge. @

Auditor _____

Sup:d. _____

To be scored through whichever is not relevant.

POST AUDIT OF THE ESTABLISHMENT PAYBILLS OF MILITARY ACCOUNTS OFFICERS

57. Post audit of the establishment pay bills of B.M.A.D. is carried out by the undermentioned Auditing Controllers:-

① CMA Dhaka

② C.A.F.A. Dacca

- Establishment of

- ① CMA, Bogra
② COFA, Gazipur
③ C.A.F.A. Dacca
④ MAJ
⑤ CMA Dacca ⑥ CMA Dacca

(2) CMA & P Lahore Cantt.

(3) CAAF Lahore Cantt.

58. The following procedure will be followed in conducting post audit of the paybills of B.M.A.D. establishment.

- (a) 33-1/3 per cent of the paybills of one month in each quarter will be subjected to post audit.
- (b) For the remaining months absentee statements will be subjected to audit. It will be seen that they are correctly prepared and the effect of the entries therein has been correctly reflected in the relevant paybills.

- (c) The particular month's paybill to be subject to audit will be selected by the section or group officer after all the paybills of the quarter have been received.

59. The detailed procedure for audit laid down in the Military Audit Code and para 36, 49, and 50 of this Manual will be generally observed. In addition the Entries in the paybill selected for audit will be checked against those in the last audited paybill. In the event of there being discrepancy between the two items the alterations will be traced back to the intervening paybills where they first originated and verified with the office orders, increment statements etc.

60. A brief statement of the result of audit will be forwarded to MAG's office by the auditing controller where the paybills show gross carelessness in their preparation.

(Authority:—M.A.G.(I) No. 398/AT/P dated 8-1-1947. *MS*)

61 (a)

61. (a) The following controllers perform disbursing functions in res-

61(a) Respective Controller will perform the duties of disbursing officers for officers of his own office including their respective Sub Officers, CMA Dacca will function as disbursing officer for officers of mag's office.

22

pect

(b) Central Pay Audit Section of the MAG's office is responsible for the post audit of personal claims of all Gazetted officers of the BMAD except those serving in MAG's office in whose case ~~FCMA, Lahore~~ ^{FCMA, Lahore} can't function as audit officer.

(Authority:—Government of Pakistan, Ministry of Finance, Karachi Letter No. M-325-M Accts. dated 5-1-1956)

62. It is the responsibility of a Disbursing Controller to ensure that a preliminary audit check is exercised over all claims of Pay and Allowances, T.A. and medical charges of BMAD Officers before they are paid. Post audit of the claims is conducted by the Audit Officer. (viz., CPA Section of the MAG's office/ ~~AP-Section of FGMA, Lahore~~ ^{CPA Section of the MAG's office}).

63. The preliminary audit check referred to above will comprise of the following:—

- (i) Testing the formal completeness of a voucher, and
- (ii) A broad general scrutiny over the claims. In the case of an officer on leave it is necessary that the leave has been granted by the competent authority and that the leave allowances claimed are covered by the rules applicable to the case.

64. Disbursing Controllers are not authorised to make any payment to an officer (other than on account of T.A. and medical charges) except on the authority issued by the audit offices viz., CPA Section of MAG's office or AP Section of FGMA, Lahore in the case of officers serving in MAG's Office. Disbursement of Pay and Allowances will be strictly in accordance with the rates of pay and allowances shown in the relevant Pay slip. Increased rates of pay and allowances cannot be paid to an officer unless a revised pay slip is issued by the

Audit officer concerned. In the case of newly appointed/promoted officer the first paybill will be rendered to the Audit officer for preaudit and issue of a payslip.

(Government of Pakistan, Ministry of Finance Karachi No. M-325/2872-M.Accs dated 5-1-56 and MAGS No. AT/SP/35-IV dated 23-2-56 and 18-10-56).

65. All personal claims of PMAD Officers paid by disbursing Controllers will be rendered to the Audit officer (CPA Section of the MAG's office/AP Section of FCMA Lahore) as under :—

- (i) All TA bills and medical bills paid in a month by the 20th of the following month i.e., bills paid in September will be submitted by 20th of October.
- (ii) All regular paybills relating to a month payable on the 1st of the following month by the 20th of that month i.e., paybills for September (Vrs. for October) will be rendered by 20th October.
- (iii) Supplementary paybills paid during a month will be rendered as 2nd batch by the 20th of the following month i.e., supplementary paybills, if any paid in October will be rendered by 20th November (MAG's No. CPA/01 dated 14-9-1957).

66. Disbursing Controllers will render a certificate in the following terms by the 30th of the following months :—

"Certified that the total amounts of paid bills/vouchers (Pay TA and Medical bills) for ——— (Month) relating to PMAD Officers paid during ——— forwarded for post audit, agree with the relevant figures appearing in the detailed compilation of vouchers for that month except as explained below, and that no bills paid during the month have been withheld/omitted to be forwarded for post audit."

Any discrepancies coming to notice will be reconciled under advice to the CPA Section of the MAG's office.

~~(Authority :—MAG's No. CPA/01 dated 20-8-1957)~~

Disbursing Functions in respect of Non-Gazetted Estt. of BMAD.

67. Each Controller functions as disbursing officer in respect of Non-gazetted establishment serving in his office including sub offices.

68. A preliminary audit check on the lines indicated in para 63 above will be exercised over all Establishment Paybills before they are paid subject to post audit by the Auditing Controllers vide para 61.

69. Disbursing Controllers will ensure that there is no delay whatever in the submission of the paybills to the Auditing Controllers.

Pay claims of Deceased officers and Establishment.

70. The pay and allowances claimed on behalf of a deceased officer or a non-gazetted employee will be disposed of in the manner laid down in Rule 44 F.R. Part II (Art. 39/b) Civil Account Code Vol. I/Rule 233 and 234 Treasury Rules. In the case of a deceased person belonging to Military Accounts Department.

Review of pre-audit bills twice a year.

71. This check will be exercised with a view to a periodical test being applied over sanctions or rules in respect of recurring charges admitted in Audit.

A list of preaudited bills for one selected month should be prepared and submitted to the G.O. by the Section to select the bills for review. The bills thus selected should then be submitted to him with the relevant orders for the review. Bills reviewed by the G.O. will be marked "Reviewed" under his dated initials.

The check will be so applied as to ensure that the work is spread over the whole year i.e. if there are 12 units the bills of the units will be reviewed in a month in such a manner so as to ensure that the accounts of the unit are not

reviewed over again in the same half year. A report on completion of each cycle will be submitted to the Control.

72 to 77 Blank

SECTION III PAYMENT OF BILLS

78. On receipt from the Record Section the pay bills will be distributed to the various audit groups and in turn to the auditors concerned in the prescribed manner. After being entered by the auditors in their respective work books, the paybills will be audited in accordance with the general rules and instructions given in the Military Audit Code.

79. When fully satisfied as to the correctness of the paybills in every respect the auditor will pass it for payment completing the audit encasement and classification and submit the paybills to the Superintendent together with the previous paybills and the last observation memo for review and submission to the officer incharge.

80. The following procedure will be observed when the paybills are passed for payment :—

- (i) The payment encasement will be initialled by the auditor and by the Supdt. and will be signed by the officer incharge, any alteration in the encasement being suitably attested by the signatures (not initials) of the officer incharge.
- (ii) The alteration made in the paybills as a result of audit will be intimated to the officers concerned.

Note.—Ordinarily no payment will be made in excess of the amounts actually claimed and receipted for, Arithmetical inaccuracies and obvyous mistakes may, however, be corrected, after obtaining the orders of the officer incharge.

- (iii) The auditor will attach to the paybill the relevant cheque slips (PAFA-223) giving brief particulars of the amounts paid and the address to which the cheque is to be sent.
- (iv) A copy of the Punching Medium endorsed on the paybill will be prepared by the auditor and attached to the paybill for submission to the Hollerith Section for compilation.

Note.—The copy of the Punching Medium plays a very important part in the accounting procedure. Great care, must therefore, be taken to ensure that it contains no mistakes. The office copy (endorsed on the paybill) will be initialled by the auditor and the Superintendent in token of their having ensured that the fair copy of the Punching Media is complete and correct.

- (v) On receipt of the paybills duly passed by the officer incharge, consolidated lists (in triplicate) of such bills will be prepared by each group in the section and two copies thereof along with the passed bills handed over to the Punching Media clerk. The amounts passed together with the bank or treasury on which the cheque is to be issued the payees name will (except in the case of the Establishment paybills of the MES formations and temporary establishment of Military Dairy Farms which are paid out of cash assignment *vide* (x) and (xi) below) be entered in the Daily Payment Sheets (PAFA-728). The voucher Nos. allotted to the paybills will be noted against each in the lists and one copy thereof returned to the groups concerned for marking of the duplicate diaries and work books of the auditors.

(vi) (a) The daily payment sheets (FA-728) will be scrutinised and signed by the Supdt. Alterations in this document also require attestation by the signatures (not initials) of Superintendent who signed the D.P. Sheet. Before signing the daily payment sheet it should be seen that a line is drawn across the unused portion to avoid interpolations.

(b) (i) All 'No payment Bills' (including those not requiring account adjustment) should be entered in the Daily Payment Sheets but need not accompany them when the sheets are sent to the D. Section.

(ii) At the close of the day a separate 'Daily Payment Sheet' will be prepared for such bills passed in audit section during the course of the day and will be marked 'No payment' prominently, at the top. This daily payment sheet will be signed by the Officer in Charge, Audit Section, concerned at both the places provided for the signature of the Officer-in-Charge Audit and 'D' Sections. The original copy will be sent with vouchers direct to Accounts Section for the preparation of I-D. Schedules and return in due course.

(iii) If and when the number of such bills is small, they may be entered in the Daily Payment Sheets in the ordinary way instead of on a separate sheet, in the interest of economy but the words 'No Payment' should be prominently marked against the entries in the sheets. The Vouchers will be passed on to the Accounts Section as above.

Authority:—M.A.G. (I) Audit Decision No. 500, No. AT/C/1844
Dated 7/10/1936).

(vii) The paybills will be allotted a voucher No. (as per punching media register) for the appropriate month. This No. will be entered on the paybill, the daily payment sheet and the copy of the punching medium. ✓

(viii) Daily payment sheet, together with the paybill, will be sent to the 'D' Sec. in a locked box, for issuing cheques.

(ix) It should be seen that GP and other funds and the PLI schedules (duly completed) are attached to the paybills where necessary. After scrutiny of the entries in the schedules a certificate will be endorsed on the schedules over the signatures of the Superintendent to the effect that the amounts shown thereon agree with those accounted for in the paybills.

(x) Cheques will not be issued in payment of establishment paybills of the MES formations and temporary establishment of Military Dairy Farms. These paybills will be audited and the amount actually admissible will be authorised for payment out of cash assignments and the retrenchments, if any, explained by means of an observation memo. The payment enforcement cage on those paybills will show the amounts authorised for payment from the cash assignments and also the No. and Date of the memo. issued from the audit office. The observation memo will show the amount admitted in figures as well as in words and will issue under the signatures of the officer-in-charge and with the original statement.

- (xi) Classification and preparation of Punching Medium in respect of MES and MEO is the responsibility of the unit accountants attached to their formations who submit the Punching Media direct to MAG (H) Section (Rawalpindi). Copies of relevant daily payment sheets in respect of paybills of gazetted officers of MES are sent to the Unit Accountants concerned by the Pay Section dealing with MES; civilian officers pay claims to enable the Unit Accountant to prepare Punching Media and submit the same to the (Hollerith) section for necessary action.
- (xii) The superintendents will see that the paybills are dealt with so as to ensure that the cheques in payment thereof are issued in sufficient time to reach the bankers etc on or before the first day of the following month.

81. A register will be maintained in each sub-section, showing the pay bills, due, dates on which they are actually received and actually paid. From the register, a report will be compiled and submitted to the head of the office on the 28th of each month showing the :—

1. No. of paybills due for payment.
2. No. of paybills actually received upto date.
3. No. of paybills actually paid out.
4. No. of paybills in hand, and
5. No. of paybills awaited from units and formations. This report will be submitted to the G.O. (Pay) till the month is over.

82. When the paid vouchers are received back from D Section (through the Accounts Section) they will be distributed to the auditors concerned to be examined unit-formation wise and recorded properly.

(83) Weekly Progress report on Monday of each week to be submitted to the COMA by the Pay/G-2 Section in the following form - bills/letters etc received from - - - - - but could not be disposed of bill - - - -

Sl. No.	Particulars	opened	Receipt	Total	disposed	Closing bal	Out date	Remarks
1.	Pre-Audit bill.							
2.	Post n							
3.	Signal/Telegram							
4.	Sp. letters.							
5.	Reminder.							
6.	Ordinary letters.							
7.	Legal letters.							
8.	Scale Audit case.							
9.	Misc.							

Name of unit or formation.	Description of the appointment.	No. of posts sanctioned with authority.
1	2	3
	1. 2. 3. 4.	<p>ਰੋਜ਼ਾਨਾ ਰਾਮੀਕੀ ਫਸ, ਫਸ, ਫਸ, ਫਸ ਅਰੰਭਿਤਕ (ਮਿਲਿਟਰੀ) ਕਾਮਾਂ ਲਈ ਸ਼ਹਿਰੀਕ: ਅਰੰਭਿਤਕ, ਫਸ।</p>
No. of officers actually paid.	Deficiencies or surpluses.	Remarks (including how surpluses if any actually regularized).
4	5	6

88. The establishment of each unit is generally sanctioned separately. It is, therefore, possible for the controllers to exercise the above check in all cases before pay claims are admitted in audit. In the case of MES (Army) however, all Pakistan establishment is sanctioned and placed at the disposal of E-in-C, who is authorized to distribute the establishment over the various units on the basis of work load. It is not, therefore, possible for the regional Cs. M.A. to exercise this check in this case of M.E.S. (Army) Establishment and Gazetted officers. The scale audit in respect of M.E.S. (Army) is, therefore, carried out centrally by the C.C.M.A., Rawalpindi. To enable C.C.M.A., Rawalpindi to conduct this check, regional Cs. M.A. will render monthly reports to him indicating No. of each category of establishment officers actually paid by them. The C.C.M.A., Rawalpindi will consolidate the reports and ensure that the total No. of each category of establishment/officers actually paid by the Cs.M.A. Discrepancies coming to his notice will be reported to the E-in-C, A.H.Q., Rawalpindi for taking action for regularization whenever required.

(ii) Scale Audit in respect of establishment and officers of M.E.S. (Air and (Navy) will be carried out by the C.A.A.F. and C.N.A. respectively.

(Authority:—M.A.G. No. AT/Pro/6538-I, dated 17-7-57).

Note 1:—In the case of B.M.A.D. (Non-Gazetted Establishment paybills) the auditing Controller is responsible for the detailed scale audit of the particular months' establishment paybills which are selected for post audit in each quarter.

(M.A.G.'s. No. AT/SP/35-III, dated 17-10-1955).

Note 2:—In the case of officers of the B.M.A.D. (including those serving in M.A.G.'s. office) the scale audit is conducted centrally by the C.P.A. Section of the M.A.G.'s. Office.

(Authority:—M.A.G.'s. AT/SP/35-IV dated 18-10-1956).

RECOVERY OF LEAVE SALARY AND PENSION CONTRIBUTION

89. In accordance with the provisions of Art. 765 C.S.R. leave salary and pension contributions are recoverable when an officer is transferred to 'Foreign Service'. The term 'Foreign Service' as defined in Art. 27 C.S.R. does not include service under the Deptt./Ministry of Central Government and the Provinces as the Government servant concerned continues to be paid from the state

revenues. As, however, the Defence Department is treated in this matter like Commercial Departments (vide Annexure to Chapter V Accounts Code Vol. I) recovery of leave salary contribution or allocation of leave salary and pension contribution as the case may be, is required to be carried out in all cases of deputation outside Defence Department.

90. The procedure and the rates for the recovery of leave and pensionary charges are as under :—

(a) *Leave Salary* :—(i) Rates for the monthly contribution of leave salary payable during active foreign service (i.e., other than periods of leave) in respect of Government servants subject to leave rules contained in C.S.R. are as under :—

- | | |
|---|--|
| (1) Members of the All Pakistan Class I Central Services subject to the ordinary leave rules. | 15% of the pay drawn in foreign services. |
| (2) Members of Class II and subordinate Central Service. | 12-1/2% of the pay drawn in foreign service. |

(ii) In the case of civilian Government servants who are subject to Revised Leave Rules 1933 Leave Salary contribution at 11 per cent of pay drawn during active service on deputation is recoverable from the borrowing Government/Department etc. Leave allowances for the leave earned on deputation are a charge against the lending Government/Department.

(Annexure to Appx. 11-A.F.R. & S.R. Vol. II).

(iii) Leave salary contribution in the case of Government servants subject to prescribed leave Rules 1955 is recoverable at the rate of 12-1/2 percent of the pay drawn during active foreign service (Authority Government of Pakistan Ministry of Finance O.M. No. F. (10-R.II (II)/57 dated 13-1-58).

(b) *Pension Contribution*. The principle to be followed is the apportionment of pensionary charges on a proportionate basis in accordance with the length of service between the lending and borrowing Government/Departments. The details of service of the Government servant under the various Governments are entered in the record of service and this enables the Accounts Officer to distribute the pension according to the length of service under each Government.

(M.A.C's. No. AT/S/524-II dated 10-6-55).

91. The rates and orders for the recovery of salary and pension contribution are contained in Appendix II-A of the Fundamental and Supplementary Rules Vol. II.

92. For detailed instructions regarding incidence of (i) Pay and allowance, (ii) Leave Salary and (iii) contributions of leave salary and pensions, please refer to Appendix II Military Accounts Code.

93. A register in PAF (C.M.A.)-164 will be maintained to watch recovery of leave salary and pension contribution in respect of officers and others lent to foreign service from the audit area of a Controller. Instructions and procedure in regard to the maintenance of the register etc. as contained in paras 89 and 90 Military Audit Code, will be rigidly followed.

94. As soon as orders of placing the services of an officer or a non-Gazetted employee at the disposal of a Provincial Government/Central Civil Department or Quasi-Govt. concerns e.g., a corporation are received, full particulars on page 1 of P.A.F. (C.M.A.) 164 (Revised) in items 1 to 15 and 17 and 18 will be recorded. Thereafter action should be taken by the 15th of the following

month for the recovery of Pension and/or leave salary contribution. In the case of Deputation to a Provincial Govt. Central Civil Deptt. the amount recoverable on account of leave salary will be debited to Provincial A.G. A.G. R. Karachi and the fact reported to the A.G. concerned and his acknowledgement obtained and recorded along with relevant Columns of the register. In the case of transfer to semi Govt. concerns the amount recoverable on account of leave salary and pension contribution will be recovered in cash and return of the T.R. watched through this Register. As the rates of pension contribution varies periodically (rate being determined with reference to the year of service of the individual concerned) it should be ensured that the period upto which the rate quoted against, item 18 (c) of the register is invariably quoted to ensure revision of rate year after year or periodically as may be required.

The register will be submitted to the O.I/c. of the Section on the 7th of each month and to the G.O. quarterly.

95. *Claims on account of Retaining Fee.*—P.N.G. Officers (unembodied) are entitled to a Retaining Fee of Rs. 120/- per annum vide para 4 Schedule III of the Pakistan National Guard Rules 1951 (reproduced in Ministry of defence Gazette Notification No. 973/51 dated 19-12-1951). The claims on this account are submitted duly supported by the prescribed certificates by the claimants and signed by the Div. Commander. A record of such claims will be maintained in the following proforma:—

Name of the Officer.	Date of Commission.	Unit with Station to which attached.	Particulars of claims rendered with period and amount.	Remarks
1	2	3	4	5

(P.A.O.473/48 as amended by Corr. No. 109/54).

Note—Claims on account of retaining fee in respect of Reserve Officers are dealt with in the office of C.M.A. (O).

Annual Establishment Returns.

96. In accordance with Art. 62 Civil Account Code Volume 1 (para 11 of G.F.R. Volume 1) read with Rule 67 F.R. Part II and P.A.O. 312/53 heads of Civilian Establishment will render to the Controller concerned early in July each year (not later than 15th August) detailed statements in P.A.F.A.-461 of the civilian establishment entitled to pension serving under them as they stand on that date. The statement will be supported by detailed statements of new names etc. in P.A.F.A.-162 and abstract scales of establishments in P.A.F.A.-463.

97. With a view to ensuring that the return is received from all units and formations a broad sheet will be prepared annually in which the following information will be recorded:

- (i) Name of the units/formations.
- (ii) Date of receipt of the return.
- (iii) Date of completion of audit check.

If the return is not received from a unit/formation within reasonable time the same will be called for.

98. The annual establishment returns on receipt in a Controllers' office will be audited with reference to the previous year's returns and the audited

pay bills for the year. It will, *inter-alia*, be seen :

- (a) that the increase in the establishment has been explained with the authority of Government orders.
- (b) all variations e.g., additions of new name, transfers etc., are duly explained.
- (c) in cases where acting allowances count towards pension under art. 486(b) C.S.R. such acting allowances are entered in the annual establishment return.

99. After the audit is completed in the light of the above and the provisions contained in paras 115 to 117 Military Audit Code the words "verified" or certificate "inspected" as the case may be, should be noted by the Supdt. under his dated initials in red ink on the statements. The statements together with those for the previous year will then be submitted to a Gazetted Officer who will review a sufficient No. of pages chosen at random and initial the pages checked by him.

100. The directions of the Auditor General with regard to the preparation and submission of these returns are contained in Appendix 7 G.F.R. Vol. II. (Please see annexure 'A' to this Chapter for these instructions).

101. When the audit of annual establishment returns for the year is completed, the previous year's return will be sent to the C.M.A. & Pension and his acknowledgement obtained and recorded.

x P.G. Section responsible C.M.A.

102. On or before 1st September each year i.e., as soon as possible after the examination of the annual establishment returns Controllers of Military Accounts are required to render to the authorities concerned reports in the case of those who during next official year are due to retire under the rules in C.S.R. The reports should be forwarded to the authorities empowered to grant extension of service of all non-Gazetted Government servants other than Ministerial employed under them who will attain the age of 55 years or whose extensions of service will expire during the next official year.

Note.—The above report in respect of officers of the Pakistan Military Accounts Department will be rendered by the C.P.A. Section of the M.A.G's office/A.P. Section of F.C.M.A. Lahore to M.A.G.

103. Verification of service is required to be carried out with reference to the audited paybills for the period concerned. In the statement (P.A.F.A.-357) the following will be shown :—

- (i) Rate of pay (substantive, as well as officiating Pay actually paid as per audited paybills).
- (ii) Rate of Dearness allowance actually paid.
- (iii) Rate of any other allowance (actually paid) counting towards pension.
- (iv) A certificate to the effect that the verification has been carried out with reference to the audited Paybills on record in the office and that the individual did not have any leave other than P.L./E.L. (as the case may be) except as shown thereon.

104. Security Deposits of Civilian Employees (other than MES) will be released for payment to the individuals concerned on receipt of a No Demand Certificate from the Administrative authorities concerned. The No Demand Certificate in such cases will also be supported by a certificate to the effect that the Store/Cash accounts have been audited upto the date the individual ceased to hold charge of Cash/Stores and that there is no demand against him *vide* Rule 193 F.R. Part I.

105 to 110. Blank

SECTION V

ADVANCES AND THEIR ADJUSTMENT

111. The following type of advances are generally dealt with by the Section.

- (a) House Building Advance.
- (b) Motor Car/Motor Cycle Advance.
- (c) Bicycle Advance.
- (d) Advance of Pay.
- (e) Advance from G.P. Fund.
- (f) Advance from the G.P. Fund for periodical payment of insurance premia in respect of Life Insurance Policies.

Besides the test as to the correctness of the vouchers *vide* para 29 Military Audit Code, the procedure of audit of claims for these advances is briefly described in the following paras.

House Building Advance.

112. The claims on account of House Building Advance will be audited to see that:—

- (i) the advance has been sanctioned by the Competent authority,
- (ii) funds are available.

Note.—Before a claim is paid a certificate as to the availability of funds will invariably be obtained from the Accounts Section in each case.

- (iii) the total amount of advance sanctioned does not exceed ²⁴ 18 months pay;

Note.—The term 'pay' for this purpose will mean "substantive Pay" and the 'Officiating Pay' provided the individual is likely to officiate during the recovery is in progress, but NOT temporary pay.

(Authority:—M.A.G's. No. AT/P/313 dated 8-5-51).

Note 2.—The House Building advance is also admissible to Class IV Government Servants. In their cases if the 18 months pay comes to less than 1000/- they may be paid advances upto a maximum of Rs. 1000/- and the recovery will be effected in 144 instalments.

(Government of Pakistan, Ministry of Fin. OM No. F 25 (5)-R.1/57 dated 2-4-1956).

- (iv) in cases where the full amount of advance has been sanctioned the Government servant concerned is less than 49 years of age,
- (v) in the case of temporary employees who have put in at least 4 years continuous service the claim is supported by:—
 - (a) security from two permanent Government servants,
 - (b) a Certificate from the head of the Department that
 - (i) the Employee is held against a regular post and has been declared fit for permanent retention.
 - (ii) that he is eligible for permanent retention in the post in accordance with the Government orders.

113. It shall also be seen that:-

- (i) the advance is drawn in instalments, the amount of each instalment being such as is likely to be required for expenditure, in the next three months. Claim for such instalment must be supported by the following certificate from the claimants controlling/ Drawing Officer :

"Certified that the amount (Rs.) being the instalment towards the house building advance granted to Mr. is likely to be required for expenditure in next three months and that I am satisfied that the amount previously advanced has actually been utilised for the purpose for which it was drawn.

Signature of the Controlling/
Drawing Officer.

- (ii) the amount of advance in each case will be noted in the Demand Register and the Demand Item No. and Page No. will be noted on the claim before it is paid. When the first instalment is paid, the total amount of advance, the rate & No. of instalments in which it is to be recovered and the month from which recovery is to commence shall also be noted in the Demand Register
- (iii) when the 1st instalment is drawn for the purchase of land the claim is supported by an agreement in the prescribed form.
- (iv) Mortgage Deed in the prescribed form is rendered within 4 months duly registered before any further advance is drawn for the purpose of constructing house.
- (v) the recovery of advance is commenced from the 4th issue of pay after the 1st instalment is taken.
- (vi) (a) Rate of recovery is 15% of the pay or 1/120th of the total amount sanctioned.

Note.—In cases where the amount of advance sanctioned to a Government servant is less than 18 months' pay the recovery may not be insisted upon at 15% of the pay but should be made in 120 instalments of the total amount sanctioned.

(Authority :—MAG's No. AT/PC/5773-II dated 19-5-58).

- (b) The rate of recovery in the case of Government servants whose 18 months pay comes to Rs. 2000/- will be 1/144th of the total amount sanctioned (i.e., 12 years instead of 10 years).
- (c) In the case of Government servants who are more than 45 years of age but less than 49 years the No. of instalment for recovery shall be such lesser No. than 120 as will ensure recovery of total amount of advance and interest thereon before the officer reaches the age of 55 years.
- (vii) The house is completed within 12 months from the date of drawal of the 1st instalment for construction and a certificate to this effect is rendered within one month of the expiry of that period.

Note.—In cases where houses are not completed within the prescribed time but have been built upto the plinth level and mortgaged to the President of Pakistan,

recovery of the outstanding balances of the house building advance may be made at the rate of 1/3rd of the pay of the Government servant concerned.

(Authority:—MAG letter No. AT/P/313-III dated 20-10-56 AT/PO/5769-II, 95 dated 1-6-59).

Revision of House Building Advance.

114. The House Building advance once sanctioned may be revised if so desired by the Government servant concerned provided that :—

- (i) the increase in pay otherwise than by accrual of the scale increments is not less than 30%.
- (ii) the net amount payable against the revised sanction is arrived at after adjustment of any amount drawn against the original sanction, whether the amount or any portion thereof has been repaid.
- (iii) instalments of recovery shall be refixed so as to recover the total amount minus the amount already repaid within the maximum period originally prescribed.

(Ministry of Finance No. F.30(1)R.I./52 Dated 4-3-1952).

72

ADVANCES FOR THE PURCHASE OF CONVEYANCES.

115. (i) The claims on account of advances for the purchase of Motor Cars and Motor Cycles will be audited to see that :

- (a) the advance has been sanctioned by competent authority,
- (b) that the amount of advance is correct and that funds are available.

Note 1.—A certificate as to the availability of funds will invariably be obtained from the accounts section in each case before a claim is paid.

Note 2.—The maximum amount of advances admissible is six months pay or Rs. 12,000/- for the purchase of a Motor Car and Rs. 5,000/- for a Motor Cycle whichever is less.

- (c) That the claim is supported by an agreement in the prescribed form duly executed by the claimant.

(Authority:—Government of Pakistan, Ministry of Finance Nos.—

- (1) F.31(10)R.1/56 dated 27/30th Jan. 1956.
- (2) F.31(11)R.1/56 dated 13-3-56.

(ii) the advance so sanctioned is recoverable in 48 equal instalments commencing from the 1st issue of pay after the advance is drawn,

(iii) the amount of advance in each case will be noted in the Demand Register and the Demand item No. and page No. will be noted in the claim before it is paid,

(iv) after the advance is paid compliance of the following requirements will be watched in audit :—

- (a) that the individual concerned renders proof of purchase within one month of the drawal of the advance i.e., Dealers receipt,
- (b) that the mortgage Bond is rendered promptly.

Note.—The mortgage Bond after necessary scrutiny will be passed on to Accounts Section for retention until the demand is liquidated.

(c) that the Motor Car/Motor Cycle is insured against full loss by fire, theft or accident and proof to this effect is rendered.

(v) Failure to comply with requirements referred to in clause (iv) above renders the Government servant concerned liable for the refund of advance with accrued interest unless good reason is shown to the contrary.

Bicycle Advance.

115 (A) (i) The above advance is admissible to those Governments servants whose pay does not exceed Rs. 200/- p.m. and who are stationed at Karachi, Lahore, Rawalpindi, Peshawar, Quetta, Dacca and Chittagong and who reside at a distance of more than a mile from their place of duty.

(ii) The maximum amount of advance admissible is Rs. 250/- recoverable in instalments not exceeding 30 in the case of permanent Government servants and 15 in the case of temporary Government servants.

(Authority:—Government of Pakistan Ministry of Finance No. F.31(I) R.1/55 dated 13-3-1956).

(iii) The claim for an advance from a temporary Government servant will be supported by Surety Bond in the prescribed form from a Permanent Government servant.

(iv) The amount of advance after verification as to the availability of funds from Accounts Section will be noted in the Demand Register before the claim is paid.

(v) The recovery of advance will commence from the 1st issue of pay after the advance is drawn.

Advance of Pay.

116. Advance of pay may be paid to a Government servant under orders of transfer. The amount of advance will not exceed one months basic pay of the Government servant concerned. Under the existing orders the advance is admissible both to permanent and temporary Government servants.

117. The claim for an advance of pay will be audited to see :—

(a) that it is supported by a copy of the movement order.

(b) that the amount of advance does not exceed the limit referred to in para 116 and does not include any element like, C.L.A., House Rent allowance etc.

(ii) The advance will be recorded on the Government servants L.P.C. It will be recovered in not more than 3 instalments. The recovery will commence from the 1st issue of pay and/or leave salary after joining new office.

GENERAL PROVIDENT AND OTHER FUNDS.

118. (i) Recoveries on account of General Provident and other funds will be made with reference to the last audited accounts in which necessary notes will be kept upto date in regard to commencement and increase or decrease of the amounts of subscription.

(ii) Subscription to the General Provident Fund under the compulsory saving scheme, is compulsory for all permanent servants (including Class IV) and temporary employees who have put in more than 2 years service. Those temporary employees who have put in service of two years or less are permitted to join the Fund as optional subscribers.

119. As soon as a Government servant becomes eligible to join the Provident Fund by reason of confirmation in a permanent post or having completed

more than 2 years temporary service or applies to join as an optional subscriber he will be called upon to render application for admission to the Fund as also his Nomination Forms. The documents will be received in duplicate through the Head of the Unit/formation concerned. The documents when received will be examined to see that :—

- The applicant is eligible to join the Fund.
- The Declaration Form (Nominating the Heir) submitted has been properly completed and share of each nominee specified.
- The rate of pay shown in the application form is correct.
- The rate of monthly subscription is not less than the minimum prescribed rate and is in whole rupees.

Note. ~~The minimum rate of subscription is at present as follows~~

Pay.	Rate of Recovery.
1. Upto Rs. 500/-	6 paisa per rupee.
2. Rs. 501—1000/-	9 paisa per rupee.
3. Over Rs. 1000/-	12 paisa per rupee.

(ii) The application form and Declaration form duly enclosed with the words 'Checked and found correct' under the signature of a Gazetted officer, will then be passed on to Fund Section for allotment of Account No. and retention of the Declaration Forms.

(iii) On receipt back of one copy of the application form from Fund Section with the account number duly allotted, the particulars will be noted in the Register/List of Account Numbers of Fund subscribers, maintained in the section. Recovery of fund subscription shall be commenced with effect from the due date.

(iv) Payment/Recovery Schedule for all fund payments/recoveries shall be made on the prescribed form complete in all respects and forwarded to fund section through Accounts Sections.

CHANGE IN THE RATE OF SUBSCRIPTION.

120. The change in the rate of subscription is permissible once a year, from the pay for June payable in July or, in case a subscriber is on leave on the 31st March and has elected not to subscribe during such leave or was under suspension on that date, from the first of the month he draws pay after his return to duty. A subscriber can also increase or decrease his rate of subscription during the currency of a financial year if there is a change in his emoluments by not less than 20% in consequence of promotion or demotion etc. The pay Audit Section will watch that intimation regarding change in the rate of subscription is received from the Admin. Authorities in due time. On receipt of the intimation for change in rate it will be scrutinized to see that the proposed rate does not fall below the minimum rate prescribed. The change statement (Form A) will then be forwarded to Fund Section for noting the revised rate in the respective ledger cards in the column provided for the purpose. It will be watched that recovery at revised rates is commenced from the due date.

120A. Discontinuance of Fund Subscriptions during leave etc. will be intimated to Fund Section through Form E.

Note.—Reversions to or transfers from Departments outside the Defence Services will be included in this statement.

120B. (a) As soon as subscriber is discharged, retires, dies or proceeds on leave preparatory to retirement, the Unit/Formation (C.M.A. in case of P.M.-A.D. Personnel) will address the Fund Section maintaining the individuals account giving the following information :—

Name of Subscriber.

Appointment held (where Gazetted or Non Gazetted).

G.P. Fund Account No.

Date of discharge/retirement/proceeding on leave preparatory to retirement/death.

Last month's paybill from which recovery of G.P. Fund Account has been made.

(b) A copy of the letter should be endorsed to the pay audit section concerned with the following documents :—

(i) A certificate in the following form from the sanctioning authority in regard to advance if any taken from the funds :—

(a) In respect of a subscriber who was a Non-Gazetted Officer "Certified that no advance from the _____ Fund was granted to Mr. _____ and that he has not drawn any amount either for the payment of Insurance Premium or for financing a new Insurance Policy during the last 12 months prior to the date of his retirement, quitting the service/death, except _____

(b) In respect of subscriber who held a Gazetted Post. "Certified that no temporary advance was granted to and drawn by Mr. _____ during the last 12 months prior to the date of his retirement, except death
quitting the service

and advance of Rs. _____ sanctioned to him in the month of _____.

(c) The subscriber who held Gazetted appointment should also give the following certificate :—
"Certified that I have not drawn any amount during the period of 12 months prior to the date of my retirement/discharge/resignation for the payments of Premium of Life Insurance Policies or for the purchase of new policies except the amount/amounts shown below during the months noted against each :—

1. _____
2. _____
3. _____

Note.—The certificate at (i) (a) and (b) above will be signed by the authority competent to sanction advances in ordinary circumstance.

(d) On receipt of the above letter & certificates the Pay audit section concerned will verify the correctness of the particulars and forward the certificate duly verified with reference to the Demand Register etc. to the Fund Section under the signature of the O. I/c Pay Audit Section.

(Authority :—MAG's U.O. No. GP-P/Mist/FP dated 4-8-56; reproduced in PAO 638/56).

120C. *Objections*—The Fund Section issues objections on schedules forwarded to it for posting in ledger accounts. These objections are generally of the following nature :—

- (i) Account number not shown on the recovery/payment schedule either through inadvertence or for want of an account number to newly admitted subscribers.
- (ii) Amount of recovery differing from that authorised to be made.
- (iii) Amount compiled but supporting schedules not forwarded.
- (iv) Wrong account number or name quoted.

These objections mostly arise on account of sufficient care not being exercised over preparation checking of the schedules. Pay Audit section will ensure that recovery/payments schedules are checked with care and completed where necessary before transmission to Fund Section. Objections received will be promptly attended to and steps taken to avoid similar mistakes in future. Adjustments will be carried out wherever necessary. (Please also see para 165 of this Manual).

ADVANCES FROM G.P. FUND DEPOSITS.

121. Claims for such advances are submitted on contingent bill forms (PAFA-115) duly stamped with Revenue stamp. While dealing with such claims, it should be seen that :—

- (i) The advance claimed is for purposes authorised under C.P. Fund Rules.
- (ii) It has been sanctioned by the authority competent to sanction it under the above rules.
- (iii) It is within the limits prescribed in those rules.
- (iv) The amount is actually available from the account concerned. The claim will be supported by the subscribers, annual account for the preceding year.
- (v) The recovery of the advance is ordered in authorised No. of instalments. Each instalment is in whole rupees.

Before submission of the claim to the Supt., the auditor will note the amount in the Demand Register and quote the item and page No. thereon. The details of the amount paid will be intimated to Fund Section through Form B. Recovery of the amount advanced and interest due thereon will be worked out through the Demand Register. Particulars of all cases in which final recovery of an advance has been completed in a month will be intimated to Fund Section on Form C by the 7th of the month following.

122. The policy of a Subscriber assigned to the President & Governor under any rules existing before the coming into force of these rules i.e., G.P. Fund rules-1979, shall now be reassigned and made over to the Subscriber or to the Subscriber and the Joint assured, as the case may be, in the form set forth in the fourth schedule together with a signed notice of assignment addressed to the Insurance authority.

125. Subject to the conditions contained, the amount standing to the credit of a subscriber in the fund or a portion thereof may be withdrawn to make a payment towards a Policy of life Insurance: Provided that amount withdrawn shall be rounded to the nearest whole taka. Provided further that no amount shall be withdrawn -

(a) before the details of the proposed policy have been submitted to the Accounts Officer and accepted by him as suitable or -

(b) to meet any payment towards a policy effected more than twelve months before the withdrawals or

(c) in excess of the amount required to meet a premium actually due for payment within six months of the date of withdrawal, or

(d) to meet any payment in respect of a policy due for maturity in whole or in part before the subscriber attains the age of 52 yrs.

(e) in respect of a policy assigned, surrendered or converted into a paid up policy or the terms of which have been altered or which has been exchanged for another policy without prior consent of the Accounts Officer.

Rule - 15 of G.P. Fund Rules - 1929.

125. Claims for advances from G.P. Fund for House-building purposes will be dealt and audited to see:—

- (i) that the total amount of advance sanctioned does not exceed 80% of the credit balance in his account.
- (ii) that the amount of advance including the amount drawn from Government, if any, does not exceed 18 months pay of the Government Servant concerned.
- (iii) that the other conditions in regard to the grant of House Building Advance e.g., rendition of Mortgage Deed within 4 months duly registered etc., are duly complied with.
- (iv) that the recovery of the advance will be effected at 5% of pay of the Government servant after the advance from Government together with interest thereon has been paid off.

N.B.—For detailed instructions and orders in regard to the house building Advances from Government please refer to paras 112 to 114 of this manual.

The amount paid will be noted in the demand register and the page and item No. of the Demand Register will be noted on the claim. Recovery of amount advanced and interest due thereon will be watched in the usual manner.

SECTION VI

RECOVERIES AND CREDITS

GENERAL

126. In dealing with the recoveries and credits to Government, it will be seen :—

- (a) that the amounts credited to Government are correct and properly vouchered;
 - (b) that there has been no delay in crediting the amounts;
 - (c) that the amounts credited to Government are noted in the appropriate registers of documents.
- Please also see para 62 Military Audit Code.

Demand Register.

127. A record of all amounts recoverable from the Civilian Gazetted officers and Civilian Establishments paid by (Pay Section) in respect of advances paid or overpayments, will be maintained in the Demand Register (P.A.F.A.-590). For this purpose the entries in this register will be made by the auditor and attested by the Superintendents :—

- (i) Before submission of the claim for advances etc. for approval of the Officer Incharge.
- (ii) On receipt of last Pay Certificates showing demands outstanding
- (iii) On receipt of debit schedules from the Civil department through the Accounts Section.
- (iv) On receipt of loss statements, cash requisition or letters intimating demands due from the individuals

Note.—Record of advances of T.A. drawn at the time of transfer is kept in the T. Section. Consequently the Pay Section will see that such advances are noted and a note to that effect is made by the former on L.P.C's etc.

128. At the time of audit of claims this register will be consulted by the auditor and the Superintendent with a view to ensuring that the amounts due to Government are being recovered from the individuals concerned, by proper instalments and in accordance with the rules. The amounts actually recovered will be entered in the Demand Register in the appropriate column under the dated initials of the Supdts.

129. The form of Audit Register (P.A.F.A.-510) maintained in respect of officers provides separate columns for recording particulars etc. of the demands on account of overpayment coming to notice as a result of audit, and demands on account of advances of Motor Cars etc. The intention is that all demands in respect of officers must find place in the Audit Registers.

130. The following procedure will be adopted in the matter of demands relating to Gazetted Officers :—

- (a) All Demands should be noted in the appropriate column of the Audit Register.
- (b) Demands on account of House Building Advance, Motor Car Advances etc., which are recovered in monthly instalments should

also be noted in the Demand Registers. The item No. of demand and folio No. of the Audit Register should be cross-linked, and the monthly recoveries watched through the former. When the demand is fully recovered a note to this effect is made in the Audit Register.

- (c) Other demands not falling in (b) above which are recoverable in one month/in lump i.e., demands on account of overissue of pay and allowance, debit balances of T.A. advance are noted direct in the Audit Register. Such demands do not find place in the Demand Registers.

(M.A.G. No. AT/Pro/6575 dated 29-7-57.)

131 to 134. Blank.

Interest.

135. Recoveries of interest in respect of the interest bearing advances will be made in instalments after the advance has been fully recovered from the recipients. The amount of interest recovered will be compiled to the appropriate cash head.

Income Tax.

136. Recoveries on account of Income Tax are made with reference to the Income Tax Act 1923 and with reference to the Government orders issued from time to time.

Refund of Excess Recovery of Income Tax.

137. No cash refund of income tax excess recovered during any year can be allowed by Pakistan Military Accounts Department without an authority from the Income Tax Deptt. All claims for excess recoveries have to be made on the I.T.O., direct by claimants concerned on rendition of necessary return on the prescribed form. (Please also see para 78 Military Audit Code).

138. The audit of recoveries of income tax will be conducted to see that the Income Tax is recovered or adjusted at the appropriate rate.

Recoveries of Rent, Electricity and Water charges.

139. (i) The rent bills are received in duplicate from the Unit Acctts. attached to MES formations (GES office). Recoveries in respect of these rent bills will be verified from the paybills when received. If not already recovered by the agency preparing the paybills, the amount will be debited by the audit office and that agency informed. The lower portion of the rent bills will be completed. The original copy of the rent bill will be retained as a supporting voucher to the paybill and the duplicate will be returned to the Unit Acctt. concerned over the signature of the Supdt., as soon as recovery has been made or verified.

(ii) The amount billed for by the UAGE is recovered from the pay of the individual concerned even if he contends that there are discrepancies in the bill. Please also see para 458 MES Regulations.

(iii) Refund of excess recoveries in the previous months due to discrepancies etc. are allowed only when refund rent bills are received from UA concerned.

(iv) If for one reason or the other recoveries of rent etc., have fallen into arrears the recoveries will not be made, unless the Government servant concerned himself desires otherwise, for more than two months, charges at a time i.e., recoveries for the current month plus recoveries of such charges for another month out of the period for which such charges have fallen into arrears.

Hospital Rolls.

140. (i) Recoveries of hospital stoppages as per Hospital Rolls received in a Controllars office will be effected from the pay of the individuals concerned in the same month in which they are received.

(ii) After the close of each month the C.M.A. receiving the Hospital Stoppage Rolls should issue a certificate indicating the Serial No. date and amount of Hospital Rolls received during the month to the LAO/SLAs in whose audit area the hospital is located and their acknowledgement obtained. This certificate should be prepared separately for each hospital and issued over the signature of Gazetted Officer. The certificate should always bear the stamps of the office of issue.

The LAOs/SLAs will link these certificates cent percent with the copies of the Hospital Stoppages Rolls on record in the hospitals.

Any discrepancy coming to light will be reconciled in consultation with the audit section responsible for the recovery/adjustment of the Hospital Stoppage Rolls. 141; 142 — As per Cts. no. 9/69 attached, 13 to 150. Blank

SECTION VII MISCELLANEOUS

151. *Provisional Payments.*—(i) Normally all claims which cannot be accepted in audit for want of certain requirements are straightaway rejected and returned to the parties concerned unpassed. Sometime, however, in certain cases a request is made by the administrative authorities for provisional payment. This may be due to non-receipt of L.P.C., from the previous audit officer or any other cause. Payments in all such cases can be made only under the personal orders of Controller of Military Accounts. Please also see para 27 Military Audit Code.

(ii) Provisional payments under para 27 Military Audit Code are permissible only in those cases where there is no doubt about the admissibility of a charge and delay in payment will cause undue hardship to the claimant. Where any of these factors is not operative i.e., payment of arrears or payment of a claim, which is doubtful provisional payment is not permissible. In any case as provisional payment is made under the personal orders of a Controller, he has to satisfy himself by a close scrutiny of the facts of the case with a due sense of his own responsibility that his authorisation in a particular case is justifiable and that he has no doubt that the charge is a normal one and is otherwise acceptable in audit and that the wanting audit requirement will be met in due course.

(iii) Claims where provisional payment is required for want of LPCs from the previous audit officer will be rendered duly supported by a personal certificate of the individual concerned (duly countersigned, by the Head of the office/unit/formation concerned) indicating the rate of pay DA/CLA etc., last drawn, date upto which paid, the audit office by whom paid, the recoveries on account of G.P. Fund, P.L.I. and any advance (e.g., House Building, Motor Car/Cycle etc.) and particulars of all demands outstanding. Rule 155 F.R. Part I refers.

(iv) Such cases will be recorded in the Register of LPCs awaited. Vigorous steps should be taken to see that final L.P.Cs are received and necessary adjustments made at an early date. Provisional payment made for want of any other requirements will be recorded in the Register of Provisional Payments.

On receipt of the LPCs the particulars shown therein will be compared with those shown in the personal certificate. Any variation will be brought to

the personal notice of the head of the office/Unit/formation concerned and readjustments if any required will be carried out.

(v) Provisional payment to their own establishment for whom they function as disbursing Controllers can be authorized by Controllers in terms of para 27 Military Audit Code.

(Authority:—M.A.G. No. AT/PC/4831 dated 12-3-1958).

152. Controllers functioning as disbursing officers in respect of B.M.A.D. Officers are not authorised to allow provisional payment in any case unless approval of the audit officer (MAG CPA Section) is obtained.

Appeals Against Audit Decisions.

153. The following procedure will be followed with a view to minimizing controversial correspondence with units/formations in regard to the interpretation of rules and orders:—

- (i) All new orders and doubtful interpretation of existing rules and orders should be discussed in a group conference in accordance with the orders in force before they are applied in audit.
- (ii) Clarification on any point of doubt should be sought by submitting the case to Controller for decision or advice.
- (iii) If Controller considers that the correct implication of the orders cannot be decided upon without reference to MAG/Ministry of Defence (Finance Division) he will refer the case to the M.A.G. with his own views after obtaining views and practice followed by other Controllers.
- (iv) Pending a final decision a safer view will be taken in dealing with the case and administrative authorities concerned informed about the action taken in the matter.

154. When a party has replied to an audit objection audit interpretation of a rule or order and the objection/audit interpretation after careful consideration of the reply has been upheld by the audit officer no further correspondence should be allowed and the attention of the party concerned should be drawn to the course prescribed in Instruction No. 396 R.A.I. (Instruction).

155. If the validity or propriety of an audit objection is challenged on grounds of some defect in any rule or order, on which the objection is based or if it is agreed that the application of the rule or order will cause hardship it should be tactfully pointed out to the aggrieved party that audit officer has no discretion to relax or alter in any way the provisions of the rules and orders.

156. All cases of appeals against audit decision received in accordance with procedure laid down in Instructions 396 R.A.I. (Instructions) should be referred to M.A.G. under the personal signature of the Controller.

Last Pay Certificates.

157. A last pay certificate is normally issued by the audit officer in the case of Gazetted officer and by the administrative authorities in the case of non-gazetted establishment in the following cases:—

- (a) Transfer on permanent or temporary duty to another office, unit or formation in or out of ~~Pakistan~~ *anywhere*
- (b) Deputation to another establishment in or out of ~~Pakistan~~ *anywhere*
- (c) Officers proceeding out of ~~Pakistan~~ *anywhere* on study leave, leave on private affairs (including furlough).
- (d) Transfer of an individual to Pension Establishment.

Note :—(i) No L.P.C., will be issued in cases when officers proceed on course of instruction, training, deputation or other temporary duty if the period of stay in U.K. is less than 3 months. *Payment of Pay and Allowances in such cases will be authorised by a letter of authority, addressed to the High Commissioner for Pakistan in U.K. London.

(ii) In the case of officers proceeding on temporary duty, training, courses of instructions, and deputation to countries other than U.K. payment of pay and allowances will be arranged through a letter of authority. No. L.P.C., in such cases will be issued.

(iii) To avoid the possibility of fraudulent payments, ^{Ben Cadell} Pakistan Missions abroad will be provided with specimen seals and signatures of all officers who are authorised to issue payment authorities. The Mission abroad will honour only such authorities as are found to bear genuine seals and signatures. A copy of the authority for payment so issued will be furnished to A.G.P.R. ^{AG} ~~Karachi~~, who will after verification of the seal and signatures issue confirmation letter to the Pakistan Mission concerned. It will be only on the receipt of this confirmatory letter of the ~~A.G.P.R. Karachi~~ that the Mission concerned will finalize the payment already made on the basis of the authority received from the Account officer concerned.

(Government of Pakistan, Ministry of Finance letter No. F.15 (6)-IF-11/57 dated 8-7-57 circulated under MAGs No. AT/PC/4616-I dated 24-8-1957).

(iv) The Special payment authority seal and the L.P.C. seal will be kept under lock and key under the personal charge of an officer.

158. (i) In the case of non-gazetted establishment the LPC prepared by the Head of office, O.C. of the unit or formation concerned will be received in duplicate. After countersignature by the O.I/c. of the Section, the original will be forwarded to the Head of the Office/O.C. of the Unit/formation to which the individual is transferred and the duplicate to the new audit officer concerned.

(ii) In the case of officer the original copy will either be handed over or sent to the officer concerned. The duplicate copy will be sent to the new audit officer.

(iii) In the case of Officers of the Pakistan Military Accounts Department the original copy of the Last Pay Certificate will be handed over to the officer concerned by the Disbursing Controller and the duplicate copy will be sent to the audit officer concerned for check and countersignature. The audit officer will check the correctness of the rate etc.

159. Before an LPC is signed/countersigned and affixed with the special payment authority seal it will be seen that :—

- (i) the rate of pay and allowances and the date upto which last paid are correct with reference to the latest paybill,
- (ii) the demands against the individual as per Demand Register maintained in Pay and T.A. Sections have been duly and correctly noted on the L.P.C.

Note .—In the case of individual who has drawn a G.P. Fund advance, a House Building Advance, an advance for the purchase of a vehicle the LPC issued to the new audit office will show the following particulars :—

- (i) Original amount of advance and the rate of recovery.
- (ii) the amount repaid.
- (iii) the balance and
- (iv) the interest accrued.

- (iii) In the case of individuals liable to income tax, an Income Tax statement showing the rate of tax, recoveries actually made upto date during each month of the financial year, is attached.
 - (iv) Nos. of G.P. Fund Account, Postal Life Insurance policies and the rate of subscription/premium etc., are duly and correctly noted.
 - (v) A proper note has been kept on the Pay Audit Register and/or last paybill as a safeguard against any further payment.
 - (vi) Stock Register of Policies maintained in the Section is consulted with a view to the individuals policy/policies, if any, being despatched under registered and Insured cover to the new audit offices soon after the issue of the L.P.C.
160. Cases in which LPC is not required to be countersigned.—LPC of an individual is not required to be countersigned in the following cases :—
- (i) When the transfer of an individual to a new office/unit or formation does not involve a change of audit officer also i.e., when the transfer is within the same audit area.
 - (ii) The LPC prepared by the Unit Accountants attached to unit or formation. The correctness of the LPCs will, however, be checked and omissions if any rectified by intimation to the new audit officer.
 - (iii) Except in the case of transfers to and from MAGs office in the case of B.M.A.D. Officers when the LPC will be issued by the CPA Section, of the MAGs office or the AP Section of the F.C.M.A. Lahore as the case may be, the LPCs, issued by one disbursing Controller to another do not require countersignatures of the audit officer. (Please see para 60 ante.).

161. If due to one reason or the other it is not possible to issue a final L.P.C. in respect of an individual a provisional LPC will be issued to the new audit officer with a view to enabling the individual concerned to draw his pay and allowances from the new audit officer. With a view to watching finalization of such cases particulars of all such LPC's will be recorded in the Register of LPC's to be issued.

CLASSIFICATION.

162. (i) The general rules regarding incidence of pay and allowances are contained in para 38, and Appex. II, Military Account Code.

(ii) The expenditure and recoveries as per paybills will be classified to the appropriate code heads as given in classification Hand Book and the Pamphlet of Revenue, Debt and Remittance Head respectively.

163. Instructions for the preparation and check of Punching Media (PAF(CMA)-336) are laid down in Chapters 15 and 16 and Appendix III Military Accounts Code. To ensure correct classification and to avoid operation of fictitious code heads the Superintendents and auditors should keep upto date extract from classification Hand Book and the Pamphlet of Revenue, Debt and Remittance Heads pertaining to respective jobs. A punching Medium when prepared will be checked to see that :—

- (a) The classification code heads operated upon are correct keeping in view all orders regarding amendments etc. to the existing code heads.

- (b) The totals of the receipts and charges sides of the PM agree.
- (c) The compilation is in accord with the details of the relevant paybill(s).

164. *Despatch of Punching Media to Hollerith Section.*—After the bills are received from the officer in charge with the payment order 'duly signed by him, the P.M. are allotted voucher No. The original copies of the P.M. together with Daily Payments Sheets when received back from 'D' Section will be despatched to H. Section in batches as under:—

1st Batch .. 15th of the Month.
2nd Batch .. 25th of the Month.
3rd Batch .. 3rd of the following Month.

The instructions and orders in regard to check etc., before actual despatch as contained in paras 329 to 331 and para 28 Appendix III Military Accounts Code will be carefully and rigidly followed.

GENERAL PROVIDENT AND OTHER FUND SCHEDULES.

165. The Fund Schedules will be checked to see with reference to the "List of Account Nos. of Fund subscribers within the audit area" that the Accounts Nos. quoted in the schedules are correct and the certificate as to the correctness of the recoveries as per paybills signed by the Supdt.

(i) After the paybills have been passed for payment by the O/C, the original copies of Fund Schedules will be passed on to the Central Group responsible for their check and transmission to the Fund Section (Local) Fund Section MAG's Office, Rawalpindi. The duplicate copy of the schedule will be retained as office copy along with the relevant paybills for reference.

(ii) Before transmission of the Fund schedules the following checks will be exercised to ensure their accuracy:—

- That account No. is quoted against the name of each subscriber.
- That the total amount of recoveries as per each schedule or number of schedules agrees with the amount compiled to the Fund Code head as per relevant Punching Medium and that total amount of the batch of schedules agree with the total amount compiled during a month.

Reports and returns.

166. A list of reports and returns due from Pay Section is given in Annexure 'B' to this Chapter. The Supdt. of Pay Section will be held primarily responsible that each report and return is correct and upto date in every particular, and it is despatched on or before the date on which it is due.

Registers.

167. A list of Register to be maintained in Pay Section is given in Annexure 'C' to this Chapter. Fly Leaf Instructions approved by the M.A.G. will be pasted at the beginning of each register and the registers posted in strict accordance therewith.

168 to 180. Blank.

ANNEXURE 'A'

(Please see para 100)

Directions for the preparation and submission of the Annual Establishment Return.

1. The detailed statement of permanent non-gazetted establishment commonly known as the Annual Establishment Return will be prepared in Form G.F.R. 19. It will show accurately the establishment as it exists on 1st July.

Note :—No return is required in respect of a non-pensionable establishment.

2. The particulars in respect of all members of the establishment holding permanent posts, whether on duty or absent on foreign service, leave or deputation, or in temporary posts elsewhere, or under suspension or in transit to another office should be entered in the appropriate columns; with the exception of the following classes of Government servants :—

- (a) Government servants for whom records of service are maintained in the Audit Office.
- (b) Government servants for whom service books are not required to be maintained.

3. The return should show accurately the sanctioned scale of permanent establishment and so will include every post, whether filled or not. If a post be vacant, the word "Vacant" should be set against it in the column "Name of incumbent". Posts sanctioned but not filled should be detailed at the foot of the return.

4. There should be a separate return for each permanent establishment and not more than one establishment should be exhibited on a single page.

5. The name should be entered in order of sections of the establishment. There should be a separate total for each section and a grand total for the whole establishment.

6. (a). In column 1 the general orders should be entered once only, any other order should be entered against every entry which it supports.

(b) The date to be entered in column 2 is the date from which the Government servant has held the post continuously in an officiating, provisionally substantive or substantive capacity as the case may be.

(c) Personal pay should be shown on a separate line immediately below the entry of pay in column 8, the orders of the competent authority sanctioning it being quoted in column 1.

If the pay entered in column 8 includes an increment allowed with effect from 1st July, the entry should be checked with the increment certificate which would accompany the July bill.

7. When the pay of an establishment or of an individual Government servant is met partly by Government and partly by local or other funds the whole pay should be shown in the return and the portion payable from each source specified in a footnote.

8. The name of a Government servant officiating in a post and the amount of additional pay for officiating drawn by him need not be shown unless the additional pay for officiating counts for pension.

In the case of an establishment on a time scale of pay, the names of all Government servants not belonging permanently to the cadre but officiating in permanent posts or holding temporary posts should be included with an indication of the nature of the vacancies they fill.

9. If a Government servant on the establishment has attained the age of compulsory retirement, the number and date of the orders of the competent authority permitting his retention in service should be quoted in a note at the foot of the return. The period for which retention has been authorised or for which leave beyond the age of compulsory retirement has been granted should also be mentioned. If no orders for his retention have been received, the number and date of the application for sanction to his retention should be noted.

10. A statement in Form G.F.R. 20 should be appended to the return, showing with relevant particulars the names which did not appear in the return of the previous year and those which appeared in the return of the previous year but are now omitted, as well as the names of Government servants who were on leave or under suspension during the previous year.

If a Government servant was transferred more than once in the preceding year, the name of each office and post in which he was employed during the year should be mentioned with dates in column 2 of the statement.

11. As the return will be the chief authority by which pension claims will be tested later, both the statements (Forms GFR 19 and 20) should after completion be checked carefully with the service books, and a certificate of this check should be endorsed on each.

12. In the case of establishments borne on a Provincial or amalgamated cadre separate returns should be furnished to the Controlling Officer, who should consolidate them into one return. The certificate of comparison with service books on the consolidated return should be as follows :—

"Certified by Heads of Offices to have been verified with service books".

13. The return should be transmitted to the Accountant General as early as possible after 1st July, and, in any case, not later than 15th August.

Note.—In the case of establishments on time-scales of pay, the Accountant General may require the submission of the return in duplicate.

14. These directions apply equally in respect of local funds establishments, the claims to pension for which are submitted to the Accountant General for verification of service and report.

মোঃ রফিকুল ইসলাম
 এ.জি.বি. সিনিয়র সেক্রেটারি
 এ.জি.বি. সিনিয়র সেক্রেটারি
 মোবাইল: ০১৮২-৪৬৬১২২, ১৯১-৮৩৫১

ANNEXURE 'B' **Monthly Reports**

Name	To whom	Date
1. Review of all Pak. Compilation of Defence Services Receipt and Charges.	A/E Section	25th of the following month.
2. Payment of Pension, Provident Fund and Leave Salary etc. of displaced persons in India and Pakistan.	G' Section	Last day of each month.
3. Compilation of Defence Accounts.	A/E Section	First week of each month.
4. Certificate on account of clearance of outstanding claims under suspense head.	-do-	-do-
5. Monthly Report of Sterling overseas Pay.	Acct. Division of HC for Pak. in UK.	5th of each month.
6. Procedure for payment by Foreign Govt.	A/E Section	3rd -do-
7. Appearance of Minus Figures in all Pak: Compilation.	-do-	-do-
8. OLAC Important points to be observed in preparation.	-do-	25th -do-
9. Inclusion of details of delegation deputation out of Pak. in audit report.	A/E Section	15th -do-
10. Budget Estimate under Head 2 (I) Milly. Accounts Offices.	G' Section	First -do-

Quarterly

1. Expatriation allowance.	A/E Section	2nd of every Qr.
2. Implementation Agreement report relation	G' Section	15th March 15th June 15th Sept. 15th Dec.
3. Annual Audit Certificate progress of item of objections.	G' Section	-do-

yearly

১৯৬৩-৬৪

Name	To whom	Date
1. Ex-gratia payment in appropriation accounts of Defence Services.	G' Section.	10th September.
2. Infructuous Expenditure exceeding Rs. 10,000/-	-do-	-do-
3. Submission of list of Civilian Officers due to retire during the next official year.	MAG.	15th September.
4. Annual Audit Certificate.	G' Section.	15th November.
5. Statement showing losses of Cash Overpayments etc. written off by the CFA (Other than Govt. of Pak.) and authorities at (GHQ) and claims abandoned as irrecoverable etc. exceeding Rs. 25,000/- in each case and in aggregate of all such losses exceeding Rs. 10/- but below Rs. 5,000/- in each case.	G' Section.	10th September
6. Preliminary Report under Head 2(i) PMAD for current year.	G' Section.	1st September.
7. Preliminary Revised estimate current year.	G' Section.	8th November.
8. Forecast under Head 2(i) PMAD for the ensuing year.	-do-	-do-
9. Revised Estimate Head 2(i)MAD for current year.	G' Section.	8th December.
10. Budget Estimate under Head 2(i) PMAD ensuing year.	-do-	-do-
11. Annual Returns under I/Tax.	ITO.	31st July.
12. Instances of Heavy and Hurried expenditure towards the close of the year to be mentioned in the appropriation Accounts.	A/E Section.	Within one month of the receipt of June (Supply) compilation.

ANNEXURE 'C'

List of Registers Maintained in 'Pay' Section

Sr. No.	Name of Register.	Date of Submission.
1.	L. P. Cs. awaited	5th of each month to O.I/C & quarterly to G. O.
2.	Stock Register Insurance Policies	25th of each month and quarterly to G. O.
3.	L. P. Cs. Issued.	5th of each month to O. I/C quarterly to G. O.
4.	Premium payment of Insurance Policies.	15th of each month.
5.	Register showing payments made on a/c of Ex-patriation allowance.	10th of Jan., April, July & Oct.
6.	Register showing payments made on a/c of Medical Charges to MAD Estt: & Officers.	6th -do-
7.	Register of Tv. Sanctions accorded by the authorities subordinate to Govt: of Pakistan.	5th of each month to O.I/C and quarterly to G. O.
8.	Review of Pre-audit bills-civilians.	15th of each month.
9.	Leave Salary and Pension Contribution.	7th of each month to O. I/C and 10th of Jan. April, July and Oct. to G.O.
10.	Register of Financial irregularity.	15th of each month to O.I/C and quarterly to G.O.
11.	Register for objections waived and irrecoverable overpayment written off by the MAD Officers under Rule 165 FRI Pt.-I.	10th of each month and quarterly to G.O.
12.	Audit Registers.	As and when payments are made.
13.	Register for watching allotment of conservancy and Hot Weather Establishment.	15th of each month.

Sr. No.	Name of Register.	Date of submission.
14.	Audit Progress Register (Post Audit prepared on PAFA-473).	10th of each month.
15.	Provisional Payment Register.	15th -do-
16.	Exhibition of Ex-gratia payment in the Appropriation accounts of Defence Services.	10th of each month.
17.	Register of inclusion of details regarding deputations out of the man in the audit report on a/c of Central Govt. <i>By <u> </u></i>	30th -do-
18.	Infructuous Expenditure register exceeding Rs. 10,000/-	20th -do-
19.	Complaints lodged by Mily. authorities H. Qrs. Unit/Informations.	10th of each month.
20.	I. D. Schedules Register.	20th -do-
21.	Watching the receipt of certificates of correctness of amount claimed by Cantt. Boards on a/c of half salary.	15th -do-
22.	Demand Register.	20th of each month to O.I/C & quarterly to G. Os.
23.	Specimen signatures.	5th of every month.
24.	Disbursement voucher.	-do-
25.	Transfer entry.	10th of every month.
26.	Register to watch corrections to regulations books.	-do-
27.	Scale audit register.	-do-
28.	Register showing the No. of paybills due, received, paid and awaited etc.	Daily from 22th till the month is closed.

CHAPTER III STORES SECTION.

Distribution of Work.

181. The Store Section deals with contracts for supplies made and services rendered to the Army, audit of bills for such supplies and services from Contractors and other sources, cash accounts of Farms and Remount Depots and issues made on payment, sales accounts, pricing of vouchers and invoices of stores received from abroad etc.

The work in the Section is arranged in sub-sections as follows :—

- (a) Contract Sub-Section.
- (b) Store Audit Sub-Section.

CONTRACT SUB-SECTION.

DUTIES.

182. The duties of the Contract Sub-Section are :—

- (1) to deal with all bills from contractors for supplies made or services rendered,
- (2) to scrutinize comparative statements of tenders for certain classes of contracts, before the contracts are sanctioned and executed by the administrative authorities,
- (3) to deal with all work connected with the receipt and refund of security deposits of contractors.

✓ SCRUTINY OF TENDERS.

183. Supplies and services required by Government are generally arranged for by contract for which tenders are invited. Comparative Statements of tenders are received in the Controller's office for scrutiny, before the contracts are sanctioned and finally executed by Army authorities.

184. The following points should be observed in dealing with the comparative statements :—

- (1) That they are in conformity with the rules in Financial Regulations Part I.
- (2) That no local purchases of stores are arranged, supplies of which are made by a central purchasing authority, except with the concurrence of that authority.

After scrutiny, and remarks if necessary, the comparative statements will be returned to the officer from whom they were received. All comparative statements of tenders will be treated as "Confidential". When despatching the statement of tenders it should be seen that the inner cover is sealed and addressed to the officer concerned by name or to the senior officer present and the left hand corner endorsed in red ink "comparative statement", and the outer cover with his official designation only.

185. As soon as contracts are concluded, the A.S.C. Officer will send the originals of P.A.F.Z.-2137-A, 2120 and 2121 or in the case of transport contracts, cyclostyled schedule attached to P.A.F.Z.-2121-A (Special conditions) together with a certified true copy of those forms and security deposit to the C.M.A. who will return the original forms after comparing them with the certified true copies. It will be seen that the necessary security deposits have been obtained under the terms of Rule 190 Financial Regulations Part I (1952).

✓(xv) the rates accepted are the same as were noted in the comparative statement and have not been tampered with ;

✓(xvi) the duplicate copy agrees with the original contract deed in every respect and is duly attested by the administrative authorities ;

✓(xvii) the amount of security deposit is noted on the schedule and is correctly calculated in accordance with the terms of the contract and the rules laid down in F.R. Part I ;

✓(xviii) if the security is waived sanction of the Quartermaster General is necessary.

Ship
Informal Agreements.

187. According to Rule 206 F.R. Part I ordinarily supply/services are required to be obtained by regular contracts but when they are required in an emergency/for immediate delivery, informal agreements on P.A.F.Z.-2123 are concluded.

188. General Checks required to be exercised while scrutinising the Informal Agreements are as follows :—

In addition to the checks prescribed for the scrutiny of contracts in para 186 above, it will be seen in the scrutiny of the Informal Agreements that :—

- (i) sanction has been accorded by the authority within whose competence the amount falls. The C.F.A. will be the same as in the case of regular contracts ;
- (ii) it is advantageous to split the Informal Agreements ;
- ✓(iii) Informal Agreement has been placed only after tenders have been invited and when it has not been done Government sanction has been obtained ;
- (iv) special conditions, if any and specifications have been attached with the Informal Agreement and signed by the contractor ;
- (v) the Original copy of the Informal Agreement has been signed by the contractor, the witness and the officer concluding the agreement. All amendments, erasures and corrections have been signed by the contractor as well as the authority concluding the Informal Agreement.

CONTRACTORS BILLS

GENERAL

189. Contractors bills are divided into two main classes as follows :—

- (i) Bills for stores purchased locally for stock in supply or store Depots and for direct delivery to consuming units.
- (ii) Bills for hired transport including carriage of personal luggage on transport indents and of Military Passengers and their baggage on the authority of road and river warrants.

Note .— The term "Store Depot" as used in this chapter includes an Arsenal, Ordnance, Clothing, Medical Store and Remount Depots, a Heavy Repair shop and a Mechanical Transport Store Depot. The term "Supply Depot" means the HQrs. Depot of a supply Depot cty., or any Sub-depot thereof holding separate stocks of stores.

190. All Contractors bills should be paid as soon as possible. After audit they will be entered in the Income Tax Register by an auditor. The entries in the bills and Income Tax Register will be checked by the Supdt. and the register and bills submitted to the officer incharge of the section for scrutiny and approval. After the bills have been passed by the officer incharge of the section, they will be forwarded to the Disbursement Section alongwith the Daily Payment Sheet P.A.F.A.-728 duly supported by cheque slips PAF (CMA) 223.

Before preparation of the Daily Payment Sheet, the bills will be arranged station-wise, and disbursement voucher numbers will also be allotted to them in a serial order from the 'Numbering Register'. The total amount of the Daily Payment Sheet will be computed and signed by the officer incharge. The Daily Payment Sheets and the bills alongwith their Schedule III will be returned by the disbursement section after the cheques have been issued, through Accounts Section.

191. The bills preferred on the authority of warrants, should be paid after preliminary audit of the supporting warrants. The warrants duly supported by a schedule in duplicate for each bill, should be passed on to the 'T' Section, which will return the duplicate schedule in lieu of receipt. After the warrants have been finally audited by the 'T' Section they will be returned alongwith the original copy of the schedule to the Store (C) Section, where they will be filed with the covering bills.

(B) Audit Procedure.

192. In auditing a contractor's bill the following main points should be observed :—

- ✓ (1) That the bills (prepared in ink) and vouchers are in the prescribed forms, are in original, and are prepared by persons authorised to do so.
- ✓ (2) That the purchase of stores has been sanctioned by competent authority.
- ✓ (3) That the arithmetical calculations are correct, and that the totals are expressed in words as well as in figures.
- ✓ (4) That vernacular signatures are transliterated into English and thumb impressions attested by some well-known persons.
- ✓ (5) That signatures are in ink.
- ✓ (6) That Revenue stamps are affixed for sums in excess of Rs. 200/- and are defaced.
- * ✓ (7) That the supporting vouchers bear an endorsement by the depot or unit concerned as to the month's Account; or the particular return in which the stores have been brought on charge by the officer commanding the Unit or Formation.
- ✓ (8) That the rates charged agree with those in the Register of sanctioned tenders. In the case of purchases of stores by units or depots for which no contract has been entered into, the rates agree with those on the supply orders accompanying the bills and that the rates have been certified as being correct. Supply orders (P.A.F.Z.-2135) are endorsed with a certificate by the O.I/c. supplies to the effect that the purchases have been made at the lowest market rates.
- ✓ (9) That the ratio in the supply of fresh items, which may appear in the special conditions of the contract, and may be susceptible of check on the basis of each bill, is adhered to.

মোঃ সফিকুল ইসলাম
জ. বক. বিভাগ

- ✓ (10) That no supplies have been made after the expiry of the period of a contract.
- ✓ (11) That in the case of supplies made by a party or agency other than the person with whom a contract exists the penalties prescribed in the regulations or in the agreement have been exacted from the defaulting contractor.
- ✓ (12) That in the case of bills for local purchase of stores by an Ordnance Depot or Medical Store Depot, the following documents are furnished in support :—
- (a) a copy of the informal agreement duly sanctioned by the competent authority, if no contract exists for the supply of stores.
- (b) a copy of the inspection note with a certificate endorsed by the Depot concerned that the stores have been brought on charge.
- ✓ (13) That P.A.F.S-1520 or supply order or inspection note bears the serial number, and further that P.A.F.S-1520 (prepared separately for each unit and each month) has been signed both by the officer receiving the stores and the supplier.
- ✓ (14) That the total payments made against a particular contract, do not exceed the amount of contract by more than 5% and where there is an excess, the sanction of CFA is obtained *vide* Rule 210 F.R.I. This check will be exercised through the medium of the Income Tax Register.
- ✓ (15) That the signatures on the bills and vouchers should agree with those given in the contract deed. In the case of casual suppliers, the signatures should be attested by the officer to whom supplies/services were made/rendered.
- ✓ (16) When an agent is appointed to carry out the provisions of the contract, a properly executed power of attorney will be necessary before his signatures are accepted in audit on vouchers, bills etc.
- ✓ (17) In the case of a firm having two or more partners either all the partners should sign the bill or they should authorise one of them with properly executed power of attorney to execute the contract and sign bills, receipts etc.
- (18) Security deposits as ordered by the authorities sanctioning the contract deed have been deposited within the stipulated time as specified in the tender forms or contract deed.
- ✓ (19) The description of the articles billed for should agree with the nomenclature used in the contract deed/informal agreement as well as in the supply order.
- ✓ (20) In the case of hospital and spasmodic supplies prior sanction of the CFA is obtained and submitted in support of the claim. The No. and date of such sanction should also be noted on the supply order.
- (21) In the case of risk purchases, risk purchases statement has been immediately submitted to the CMA for effecting recovery and the contractors concerned have been informed accordingly.

193. Bills for stores purchased locally by the officer-in-charge Medical Stores Depot, ordinary fall under the following categories:—

- (1) Purchase of stores for which annual contracts have been concluded.
- (2) Purchase of stores for which no contract has been concluded.

The bills will be audited in accordance with the general rules laid down in Military Audit Code. In addition it will be seen that:—

- (1) the purchases are within the financial powers of the officer-in-charge Armed Forces Medical Stores, Depot or Director General, Medical Services as the case may be, and that the sanction of the latter is obtained when necessary;
- (2) the rates charged agree with those in the contract Register of rate lists or with those sanctioned by the Director General, Medical Services.

Note.—For purchases from abroad see para 210.

193A. Other bills that are received for audit are:—

- (1) Repairs to surgical instruments carried out by outside agency.
- (2) Cartage haulage etc., for the conveyance of stores.
- (3) Sea freight charges.

Services under (1) and (2) above are arranged by contract and the bills received from the contractors are dealt with in the same way as in the case of bills for stores purchased. Sea freight bills are received from the shipping Companies supported by bills of lading. It will be seen that the rates charged have been sanctioned by Government.

Note.—Sea freight charges are being dealt with centrally by C.M.A., Karachi.

194. (i) When a local purchase bill has been passed for payment by the officer, and before it is sent to the Disbursement Section, the auditor will detach the "Supply orders" etc. and enter the total number (not the serial numbers) on a proforma, "Monthly summary" of Local purchase vouchers etc. will be kept in a loose pad, until the end of the month.

(ii) At the end of the month, the auditor, will add up the total number of vouchers, and make sure that the number is actually in his pad. He will then sort the supply orders, etc., by units and prepare a simple forwarding memo (P.A.F.Z-2014) (hereinafter called "Sub List") for each unit, entering simply the name of the unit and the total number of vouchers pertaining to each unit. He will not quote serial numbers and dates of the individual vouchers. No office copies of sub lists need be prepared.

(iii) The sub lists, with the vouchers attached will then be sorted by Local Audit Group, and a "top list", again on P.A.F.Z-2014 prepared in duplicate for each local audit group, specifying only the names of the units concerned and the total number of Vouchers forwarded with that top list.

(iv) The scheduling clerk will then endorse upon the proforma a simple reconciliation statement showing that the No. of vouchers scheduled outward to the Local Audit Groups under the "top lists", agrees with the total at the foot of the form. The superintendent will initial this reconciliation before signing the top lists.

(v) All copies of the top lists, all copies of sub lists and all the supply orders etc. will then be stamped with the section's outward date stamp in the top right corner, and the top lists will also be date-stamped on the top right hand corner of the acknowledgement portion of the form.

(vi) Before despatching the top list, sub lists and the supply order etc. the auditor will endorse a simple serial No. (1, 2, 3, 4, 5 etc.) on each voucher, in ink attached to each "sub list". This is to prepare the way for selection by the consignee's LAO of vouchers for "test linking". As acknowledgements are received, they will be pasted on the reverse of the relative "top lists" in the file.

(vii) The supply orders etc. after linking will be recorded finally in the offices of the Local Audit Groups concerned (like the issue vouchers of transfer transactions and Central Purchase transactions) and the store section's responsibility for these supply orders etc. will cease as soon as they have received the acknowledgements of the local Audit Group.

195. In auditing bills for hired transport the following additional points will be observed:—

- ✓ (1) That the bills are countersigned by the Station Transport Officer.
- ✓ (2) That the indents (P.A.F.Z-2150) bear the indent register number by the transport officer.
- ✓ (3) That the officer to whom the stores were consigned or any other person authorised by him has recorded a certificate on the requisition that the transport requisitioned for, was actually supplied.
- ✓ (4) That in indents for Annual Transport and A.T. Carts for conveyance of stores, etc. or coolies, the number of hours during which they were actually utilised is specified.
- ✓ (5) That when loading and unloading of railway wagons is done by a contractor, in addition to the carriage supplied for the conveyance of stores, a certificate signed by a commissioned officer is endorsed on the indent in the following terms:—
"Consignments booked at vehicle rates, and loading and unloading done by the Contractor".
- ✓ (6) That the number and date of the Division/L of C Sub Area Brigade or Station Order authorising the engagement of A.T. and coolies for hired standing transport duties is quoted on the indents.
- ✓ (7) That the bills for hired transport for the MES are verified by the GE or the accounting officer concerned and the head of account to which the cost is chargeable is noted on them.
- ✓ (8) That the services have been rendered under the correct clause of the contract Deed.
- ✓ (9) That the most favourable clause to Government has been applied in cases where both mile/maundage and cart rates exist in the contract.
- ✓ (10) That the distance for which the mile/maundage rate is claimed is correct with reference to the distance given in Polymetrical Table or supporting certificate of the G.E. concerned.
- ✓ (11) That a reference to the monthly contingent return in which expenditure for despatch of stores, etc. has been accounted for, has been noted on the indent.

- (12) That bills preferred by contractors for the carriage of passengers and personal baggage on the authority of road warrants are supported by the warrants and that the accommodation charged for is as shown in col. 3 of the warrant.
- (13) Units which are already in receipt of standing duty transport, should not normally require additional transport and if in unavoidable cases, additional transport is required, sanction of the CFA should be furnished with the indent.
- (14) In the case of transport utilised for the full month, relevant station order giving the sanction for the same must be quoted in part I of the indent.
- (15) Description of stores conveyed, whether bulky or non-bulky is clearly shown on the indents.
- (16) That the detailed instructions for the preparation of transport indents, their disposal by the S.T.O. & completion of various parts thereof as laid down in para 144 A.S.C. Regulations are strictly observed by all concerned.
- (17) That indents sent in support of the bills should be conspicuously marked as "Original" either in ink or with rubber stamp over the dated signatures of the officer concerned.
- (18) Statement of duties performed daily by the standing duty transport should be attached with the monthly indents.

Review of Paid Bills.

196. Before the paid bills, the Local purchase vouchers and hired transport indents, duly cancelled, are forwarded to the Test Audit Staff for audit, 5% of all the bills (irrespective of their value) audited and paid during a month should be reviewed by the group officer. In token of having reviewed the bills upto the above percentage, the group officer will endorse the word "Reviewed" under his dated initials, both on the bills and the Disbursement Voucher Register.

Advances.

197. Advances paid to A.S.C. or other departmental officers for local purchase of Stores, or for payment to the Civil authorities for the supply of stores and carriage of troops on the line of march should be noted in the Demand Register (P.A.F.A-590). When bills are received in adjustment of these advances, it should be seen that they are duly endorsed with the number and date of the cheque by which the advance was paid, and a corresponding entry made in the demand register after the usual audit check.

Loss of Original Supply Order or Indent.

198. In the case of duplicate supply orders (P.A.F.A-2135 and P.A.F.S-1520) or indents etc, being forwarded in support of bills, the provisions of Rule 75 F.R. Part II will be observed.

Demands against Contractors.

199. All amounts due from contractors on account of default or for any other cause will be entered in the demand register and their recovery watched therefrom. Recoveries will be effected either from bills submitted subsequently, or in cash, or from the security deposit of the contractor. R. & E. Vouchers should invariably be linked with supply orders so as to ensure recovery of the correct amount from the Contractor. These vouchers should always be submitted

to the Officer Incharge and finally recorded over his signatures so that the correctness of the amount, shown in H. & E. vouchers and its linking with the relevant entry in the demand register is checked by him.

200 & 201. Blank.

202. Local purchase vouchers and hired transport indents with the D.V. No. and month of the paid bill endorsed thereon and duly cancelled are received daily and collected till the end of the month to which they pertain. The same are then arranged stationwise and sent to Test Audit for Test Check. After Test Audit these will be scheduled to LAGs for verification of the credit of stores, duly accompanied by a Sub List for each unit/formation and a Top List for each LAO. Sub List Top List and Supply Orders etc., will be stamped with the "Outward date stamp" in the top right hand corner. The supply order etc. attached to each Sub List will indicate specifically all items of Rs. 500/- or over to facilitate selection of vouchers for Test Linking.

The acknowledgements from LAOs are watched.

Security Deposits.

203. (a). General.—Security Deposits are tendered in one of the following forms :—

- (1) Cash.
- (2) Bank Deposit Receipts.
- (3) G.P. Notes, Post Office Savings Bank Deposits, Municipal Debentures, etc.

204. All security deposits on receipt will be recorded in the Security Deposit Register which will be maintained in two parts on (P.A.F.A.-525) for security deposits tendered in cash and the other (P.A.F.A.-285) for all other security deposits. All transactions must be noted at the time of their occurrence, and a receipt on P.A.F.A.-299 granted to the depositor. Each depositor will have a separate folio allotted to him and the security deposits will be proved annually in P.A.F.A.-287.

204A. An agreement will be effected between the figures on account of security deposits appearing in the printed compilation, received from the Hollerith Section through the Accounts Section, and those in the cash security deposit register (P.A.F.A.-525). The Accounts section will be furnished with the necessary agreed figures for the purpose of the annual Review of Balances.

Balances outstanding as a result of the security deposits remaining un-refunded on the last date of each financial year will be verified direct from the entries in the two registers (P.A.F.A.-525 and P.A.F.A.-285).

As soon as the balances have been proved (for the purpose of the Review of Balances) a certificate to that effect will be endorsed in both the registers—P.A.F.A.-525 and 285 under the signature of the officer-in-charge, section and submitted to the GO for his information.

205. The different forms of security deposits will be dealt with as under :—

Cash Security.

(i) Deposits tendered in cash will be paid by the tenderers into the Local Treasury on the authority of a receivable orders, and the Treasury receipt forwarded to the Controller for adjustment.

Bank Deposit Receipts.

(ii) Fixed deposit receipts from any bank—except where otherwise specially provided for which in the opinion of the Div. Commander L of C Sub Area Commr. is of sufficient respectability and standing to warrant acceptance of its receipts or deposits as valid security and which publishes regular accounts, should be accepted. The acceptance of receipts from any bank will be contingent on the contractors agreeing to bear any loss which may occur in the event of the bank's failure. Interest on Bank deposits should not pass through the Government Accounts; depositors should make their own arrangement for receiving it, when due, direct from the Bank on a letter from the officer who received the deposit authorising the Bank to pay the interest due.

G.P. Notes P.O.S.B. Deposits Etc.

(iii) As regards G.P. Notes P.O.S.B. Deposits Municipal Debentures, etc. instructions in Rule 196 *et seq.* Financial Regulations, Part I should be followed.

Refund of Security Deposits.

206. On the expiry of a contract and after fulfilling all undertakings the refund of security deposits will be made to a contractor on the production of a no demand certificate P.A.F.A.-451 duly completed in all respects. Before the refund is actually made, it will be ascertained from the ASC or other departmental officer concerned as well as from the demand register that there are no demands against the contractor. The necessary entries should be made in the security deposit register P.A.F.A.-285 or P.A.F.A.-525 as the case may be and initialled by the O.I/c. of the Section.

Power of Attorney.

207. Payments in respect of bills, interest, etc. and refund of security deposits should be made only to the contractors or agent concerned; but such payments and refunds may be made to another party if he or she, as the case may be, has been granted full and legal power of attorney, probate, or letters of administration, etc. authorising him or her to receive any money, security deposits etc. due to the original contractor or agent. Particulars of all powers of attorney, probates, etc. should be noted in the register of sanctioned tenders and the register of security deposits.

208. For payment of interest on provincial and municipal debentures, the procedure laid down in Rule 197 Financial Regulations Part I should be followed.

Lapsed Security Deposits.

209. At the close of each official year, all security deposits remaining unclaimed for three years, exclusive of the year in which the deposit was made, and all balances of not more than one rupee in amount, will be transferred to the credit of Government (under XLVII—Defence Services Main Head VII-D or XI-C Miscellaneous as the case may be) by the Controller in whose books the amounts appear, a note of the transfer being made against the entry in the Register of security deposits. In the case of security deposits, the Controller will inform the administrative officer concerned, in order that the latter may make the necessary entries of such transfers in his registers. Sums credited to Government as above will not be refunded without the sanction of the Controller.

D.G.D.P. Contract—Payment of.

210. Responsibility for the audit and payment of bills in respect of stores Centrally purchased by the DGDP rests with CMA Karachi. In these cases bills will be submitted by the Contractors direct to CMA Karachi without the

countersignature of DGDP. In case of any doubt in respect of a bill the matter will immediately be taken up by CMA, Karachi with DGDP and payment of the bill will be withheld till satisfaction of the doubtful points is obtained.

Contract agreements will be kept amended upto date by the CMA, Karachi as and when an amendment is received. The recovery of any claims against contractor as intimated by DGDP through Ministry of Finance D.P. will be carefully watched by him.

C.M.A., Karachi while auditing the bill, besides other audit points, also see :—

- (a) that the signatures of the consignee on the inspection note tally with the specimen signature on record ;
- (b) signatures of the supplier of the bill tally with the specimen signature available on the contract.

Note.—The payment of such bills is to be made invariably through a crossed cheque—“accounts payee only”.

211 to 214. Blank.

Store Audit Sub Section.

215. The Store Audit Sub Section deals with :—

- (1) Payment issue schedules [P.A.F. (CMA-615)] in respect of issues made by Store Depots to Non-Military Departments Stores and private individuals, received from the L.A.Os.
- (2) Adjustment and disposal of payment issue vouchers and T.Rs. relating to Clothing, equipment and A.S.C. Articles (with the exception of those pertaining to Annual Training Grant Misc. Allotments and Conservancy allotments).
- (3) Refund claims in respect of stores returned by Non-Military Departments.
- (4) The cash accounts and the Annual Trading Accounts of Farms and Remount Depots.
- (5) The maintenance of Statistics in connection with the publication and revision of the rate lists for stores locally purchased and those supplied by bakeries, butcheries etc.
- (6) The pricing of vouchers and loss statements as laid down in Section V.S.A.I.
- (7) The comparison of invoices of Stores received from abroad with the Packing Accounts and their submission to the Mission concerned abroad.
- (8) The scrutiny of Loss Statements.
- (9) Compilation of Annual Statements of Stores lost.

Payment Issues

216. Payment issue schedules along with priced vouchers prepared categorywise separately as laid down in Section IV LAO's Hand Book will be sent by the LAOs concerned on the 10th of the following month. These schedules will be placed in the guard file of payment issue schedules separately for each category so that outstanding payment issues of each category could be ascertained readily for prompt action towards their clearance.

00

In the case of schedules marked "ADVANCE PAYMENT" Treasury Receipts for the amounts representing cost of stores etc. are also sent by the LAO with the payment issue schedules. There should therefore, be no outstanding item in the guard file of payment issue marked "Advance Payment".

In the case of issues to Civil Departments where cash payment has not been made, debits should be passed on to the Civil Deptt. concerned on receipt of the receipted copies of vouchers. Necessary notes to this effect should be made in the guard file against the items concerned, mentioning the month's account in which the debits are raised.

Note 1.—The unit/formation forwarding a treasury receipt/P.A.F.C.-844, P.A.F.A.-498 or any other form used, to the CMA or the FPO as the case may be, should invariably mention in the forwarding memo the No. and date of the treasury receipt/P.A.F.C.-844 P.A.F.A.-498 or any other form used as loss statement and the amount thereof.

Note 2.—The CMA/FPO receiving the treasury receipt/P.A.F.C.-844, P.A.F.A.-498 or any other form used as loss statement should issue its acknowledgement in a memo form specifying therein the No. and date and the amount of treasury receipt/P.A.F.C.-844, P.A.F.A.-498 or any other form used as loss statement. The memo should be issued in duplicate i.e., one copy should be sent to the unit/formation forwarding the T.Rs. etc. and the second copy should be endorsed to the LAO in whose audit area the unit/formation is located. Such memos should invariably be issued over the signatures of a section officer or the FPO himself.

Note 3.—The LAO should compare the letter of acknowledgement produced by the executive authorities with the copy thereof received by him direct from the issuing authority to ensure the genuineness of the one produced by the unit.

Note 4.—Office rubber stamps of the office of issue should also be affixed on such communications.

Note 5.—At the time of review of Stores Accounts and Inspection of Cash Accounts of unit/formation the L.A.O. should prepare a list of all the treasury receipts/P.A.F.C.-844 and acknowledgements of the C.M.A./F.P.O. (irrespective of the monetary limits involved) for the period covered by his audit and forward the same to the C.M.A./F.P.O. concerned invariably under registered cover (confidential) for verification.

Confirmation of verification from the C.M.A./F.P.O. should be watched by the L.A.O.

Refund Claims: ✓

217. When stores originally issued on payment are returned by non-Military departments, M.E.S. etc., a copy of the voucher on which they are returned will be forwarded to the C.M.A. by the receiving establishment. Such vouchers will be priced according to the conditions of the stores on receipt back in the supplying department, and credit afforded to the department concerned.

(ii) In the case, however, of Stores returned by states acceded to Pakistan/Civil Armed Forces, credit will not be passed on, but the amount due will be paid on receipt of a contingent bill supported by a copy of the voucher duly receipted by the receiving establishment with a certificate endorsed thereon that the Stores were originally obtained on payment and quoting the numbers and dates of the vouchers on which the stores were originally issued. The claim will be submitted to the resident local audit staff, who will verify that the stores referred in the claim have been brought on charge. They will then pass the claim on to the C.M.A.

(Stores Section). The store audit section will pay the claim after verifying that the value of stores originally issued has been recovered. In the case of refunds authorised under paragraphs 143 and 146 Equipment Regulations, (I) Part 1, the contingent bill need not be supported by copies of receipted vouchers but the Nos. and dates of the receipt voucher should be endorsed thereon. The amount of custom duty realised on the stores returned is treated as revenue of the Defence Services.

Military Farms.

218. In the case of Military Farms, assignments on treasuries are made in the name of executive officers who make payments by cheques drawn against their assignments and render cash accounts to the audit officer of the area in which the Farm is located by the 10th of the following month.

219. (i) The Cash accounts P.A.F. (D.F.)-16 are required to be accompanied by the following schedules and should be sent through the Director of Remount Veterinary and Farms, ADMF Okara in case of Military Farms located at Okara by Managers in charge:—

- (a) List (in duplicate) of cheques drawn from treasuries/banks on P.A.F.A.-129.
- (b) List of remittances to Bank/Treasuries supported with original T.Rs.
- (c) Monthly Schedule of Cash vouchers paid—PAF(DF)-61.
- (d) Cash balance report PAF(DF)-162.
- (e) Statement showing the amounts paid to establishment and deductions made therefrom on PAFA(DF)-39.
- (f) List of cheques cancelled during the month on PAFA-133.
- (g) Statement PAFA(DF)-45 showing figures required in connection with monthly cash account not included in any of the above statements.

Note:—Farms situated at long distance from their headquarters namely Bannu, Quetta etc. and also those which have to amalgamate the accounts of their depots and parent Farm, may submit their accounts so as to reach the C.M.A.'s Office not later than the 15th of the following month.

(ii) The cost of Railway Warrants and Military Credit Notes issued by the Military Farms and paid to the Railways will be adjusted by the C.M.A. (M.R.C. Section) Lahore and C.M.A. East Pakistan (M.R.C. Section) Dacca for P.W. Railway and P.E. Railway respectively. The amount paid on this account and compiled will be intimated to the Military Dairy Farms by the respective "M.R.C. Sections" in the form of Monthly Statement enabling them to take it into their Financial/Commercial Accounts.

220. On receipt of these accounts the cash transactions paid out of the Cash assignments will be classified under different heads and sub heads of classification in the Punching Media and the same will be forwarded to the Hollerith Section in the manner prescribed in para 28 of Appx. III to Military Account Code (1950).

221. The Cash Book exhibits cash transactions and book adjustments separately; the entries therein will be made in the following manner:—

- (a) All cash transactions will be made in black ink against the heading "Cash transactions" under the relevant columns of the Cash book.

- (b) Transactions with the civil departments, in respect of which debit will be raised against or credit passed on to that Department through the exchange accounts, will also be shown in black ink as cash transactions under the appropriate columns of the cash book, the corresponding contra credit or debit being shown as a separate entry under the heading "Transactions with the Civil Departments etc." on the receipt and charge sides of the Cash Book. These entries should be supported by vouchers in original and complete in every respect.
- (c) All cost items, in respect of which neither cash payment nor book adjustment through the exchange accounts is made on account of supplies or services received from or rendered to the Army, will be exhibited in the Cash Book in red ink under the relevant columns. The contra credit or debit will be shown under the columns "Government" on the receipts and charges sides of the cash book.
- (d) The figures appearing in the cash book will be compiled under the correct heads as shown in the 'Classification Hand Book'.
- (e) Only Cash transactions will be classified in the abstract of receipts and charges. Items under book transfer treated as cash, for which debit has to be raised against the Civil Department as an original item, should be adjusted by transfer entry. Credit items of the above nature appearing in the Cash Account will be compiled through I.D. Schedules, as and when received.
- (f) Payments made by Railway Claims Section of C.M.A. & P. ~~Cahore and C.M.A. Dacca~~ on account of Railway Warrant and credit note charges, although included in the Cash Account for statistical purposes will not be compiled in other controllers offices.

222. The following points will be observed in checking the cash account :-

- (1) Check the opening balances with the closing balances of the previous month.
- (2) Check the progressive totals.
- (3) See that the balance of cash at the end of each month as shown in the cash Book, is within the limit prescribed by the Director

of Remounts, Veterinary and Farms or the A.D.R.V. & F.S. & A. & P.
Source OKara as the case may be as the case may be

223. (i) Sale proceeds of coupons of Military Farms are credited initially in Defence Services accounts to Head "Misc. Deposits" which head is subsequently relieved by contra credit to "Main Head III Manufacturing Establishment Sub Head 'B' Military Farms (i)"—proceeds from sale of dairy produce, on the redemption of the relevant coupons.

(ii) A "Misc. Deposit Register" will be maintained by "Stores Section" to keep an account of the sale and redemption of coupons in respect of Military Farms. Periodical reconciliation of figures will be carried out in accordance with the procedure analogous to that prescribed for the Security Deposits vide paras 67 and 372 Military Account Code.

224. In order to effect these adjustments, Military Farms will submit monthly a coupon account showing the value of Dairy produce sold during the month, the value of money refunded to the customers for unused coupons returned by them, the value of coupons sold and the balance in hand at the end of the month.

225. The value of refunds made for unused coupons must be compiled by deduction from receipts from sale of coupons. Refunds made for deposits received for bottles lent to customers which are credited in the first instance under "Miscellaneous receipts" of the Cash book, are charged off by the Manager in his Cash Book under column "Miscellaneous Stores" when empty bottles are returned by customers.

226. Refunds for unused coupons only are shown under column 68 "Refunds of coupons". The term 'deposit' shown in this heading is intended for refund of deposit money received from non-official customers, clubs and hotels, etc. When such deposit money is received, it is credited under column 17 of the cash book.

227. To enable the audit section to certify the correctness of the value of unredeemed coupons outstanding at the end of each year, an annual account of coupon will be called for from the Managers of Military Farms and the closing balance shown therein checked and agreed with that arrived at from the monthly Compilations.

✓ 228. The following annual accounts and subsidiary accounts pertaining to Military Farms are received in Stores Section duly audited and endorsed as such by the L.A.O. concerned.

- U.P.C.
- (1) Trading Account (PAF(DF)-24).
 - (2) Capital Account (PAF(DF)-26).
 - (3) Balance Sheet -do-
 - (4) Herd Statistics.
 - (5) Renewal Reserve Fund Account (PAF(DF)-58).
 - (6) Reserve Fund Account (PAF(DF)-56).
 - (7) Statement showing sales of Dairy Produce (PAF(DF)-55).
 - (8) Reconciliation statement of dairy produce sold with the amount realised (PAF(DF)-73).
 - (9) Produce and disposal statement of dairy produce (PAF(DF)-28).

229. On receipt of the above mentioned Annual Accounts, the capital account and Renewal Reserve Fund account only will be checked in the Controller's office in order to see that the closing balance of Renewal Reserve Fund Account is correct.

In case the balance is found to be incorrect, the renewal reserve fund account should be returned to the L.A.O. concerned for resubmission to the Controller's Office after getting the mistake rectified by the Farm authorities.

Security Deposits.

229A. The rates of Security Deposits for clerks and store-keepers employed in Military Farms, Medical Store Depots etc. and the manner in which they should be lodged are laid down in Rule 203 F.R. Part I (1950) as inserted *vide* C.S. No. 78/IV/59.

Remount Depots.

230. Executive Officers in charge of Remount Depots are also granted assignments on treasuries. Payments are made by cheques drawn against such assignments and monthly cash accounts rendered to the audit office. The cash accounts are required to be accompanied by the schedules and other documents referred to in Rule 304 (b) Financial Regulations Part II, *vide* also paras 162 and 163 Military Audit Code.

231. The monthly cash accounts are due in the Controller's office on the 10th of the month following that to which they pertain. On receipt in the audit office, they should be classified under the various heads and sub-heads of classification.

232. The general rules for the audit of cash expenditure are applicable to these cash accounts. In addition, the following points should also be observed :—

- (1) That the rates for stores purchased locally by O.C. D.R.O. of Remount Depots under their financial powers have been approved by the Director of Remounts ; Vet. and Farms
- (2) That purchases of miscellaneous stores ; etc. above Rs. 200/- in value at a time, are supported by the sanction of the Director of Remounts ; Vet. and Farms.
- (3) That the rates for stores supplied by contract which have been sanctioned by the Director of Remounts Vet. and Farms, are verified with the rates noted in the register of sanctioned tenders (P.A.F. 532).
- (4) That in the case of animals sold or destroyed the order of Director of Remount Vet. Farms are obtained on the casting roll.
- (5) That vouchers for stores purchased departmentally, as well as through the agency of contractors, the cost of which charged through the cash accounts are sent to L.A.O., concerned for verification with the returns of the Depots.

233. As soon as a charger is sold to an officer, the officer commanding Remount Depot, will forward the payment issue voucher in triplicate to the C.M.A. in whose audit area the depot is located. The voucher will be received in the Store Audit Section and dealt within the manner indicated in Store Accounting Instructions. If the officer is not in the payment of the Local C.M.A. the latter will intimate the particulars of the demand to the C.M.A. concerned for effecting recovery. An acknowledgement of such intimations should invariably be obtained.

As soon as a charger is issued on hire, an intimation to that effect will be sent by the Officer Commanding, Remount Depot, to the C.M.A. in whose areas the depot is located. The C.M.A. will, on receipt of this intimation, take necessary action to recover the hire charges at the prescribed rate from the Officer concerned until receipt of information from the Officer Commanding, Remount Depot, to the effect that the animal has been returned to the Depot. If the officer is not in the payment of the local C.M.A. the latter will intimate the particulars of the demand to the C.M.A. concerned and obtain an acknowledgement.

Armed Forces Medical Store Depot.

233A. The work in Stores Section in connection with the accounts of a Medical Stores Depot consists of :—

- (1) Receipt and disposal of Part IV Trading Accounts.
- (2) Receipt and disposal of Invoices/Packing Accounts in respect of Imported Stores.
- (3) Receipts and disposal Stock Verification Reports.
- (4) Adjustment of transactions relating to Stores issued on payment.
- (5) Receipt and Disposal of I.D. Schedules.

233B. To enable the Controller to make necessary adjustments in respect of issues to Civil Departments, Local Governments etc., the L.A.O. will send to him every month copies of the Schedules with supporting vouchers. The receipted copies of vouchers should accompany the schedules sent to the Controller. If these copies have not been received by the L.A.O. in time and consequently have not been sent with the account, action should be taken to obtain them. On receipt of the Schedules with receipted copies of vouchers; the amounts shown in the schedules should be checked with those in the vouchers and transfer entries made debiting the Department concerned.

In the case of issues to private bodies e.g. Mission Hospitals, Local Fund Hospitals etc. cash recovery will be made. T.R. will be forwarded by the A.F. M.S.D. through the L.A.O. to the C.M.A. who will adjust the same in his accounts.

✓ Rates.

234. Vocabulary or stock book rates for the various classes of Military Stores are published, as specified below :—

Articles of A.S.C. Supply. (a) Articles purchased in the United Kingdom or by the Director General Defence Purchases.

Rates for free and payment issues are published annually by the Military Finance Department in the stock Book Rate List of centrally purchased articles of A.S.C. Supply.

Articles Purchased Locally. (b) (i) Rates for free issues are published annually by Controllers of Military Accounts. The rates are calculated with reference to running contracts or if contracts do not exist, with reference to the average of the latest purchase rates prevailing in the Area or Division as the case may be. No addition to free issue rates will be made on account of departmental charges. The rates once fixed will not ordinarily be changed during the course of the year.

(ii) Recovery rates for articles of A.S.C. Supply purchased locally are worked out annually for each station on the basis of the running contract rates as soon as such rates are available and are published annually in Area or Division Orders. The rates are revised in cases where there is a change in the running contract rates and the revised rates are also notified in Area/Div. Orders. The revised rates take effect from the 1st of the month following that in which they are notified.

In the case of articles which are received from contractors at the supply depots and not direct at the unit ration stands, the transportation charges from the supply depots to ration stand are also included in these rates.

(iii) Rates for issue of ice on payment from M.E.S. Ice Factory are published annually in Army Instructions.

(c) The free as well as the payment issue rates of bread, meat, fodder etc. will be worked out as laid down in Section VI of S.A.I.

(d) In order to obviate delay in promulgation of payment issue rates of the locally purchased A.S.C. articles, Military authorities are required to adopt the following procedure :—

(1) As soon as a contract is sanctioned, a copy of the contract deed will be forwarded to the C.M.A. concerned. This should reach the C.M.A.'s office in the first week of June.

(2) If due to unavoidable circumstances delay is anticipated in the conclusion of a contract in respect of any articles, C.M.A. concerned will be informed so that he does not withhold the publication of the rates of other articles. The contract deed will be forwarded to C.M.A. as soon as contract is concluded.

(3) The C.M.A. will :—

- (i) Notify the payment issue rates of locally purchased articles, to Cs.A.S.C. for which the contract deeds are received by him for publication in Div/L of C Sub Area Orders by the end of the outgoing financial year.
- (ii) Piece-meal rates may be notified to Cs.A.S.C. as and when contract deeds for the remaining articles are received by him. ✓

235. The rules relating to valuation of stores and authorities responsible for pricing the vouchers and loss statements are as laid down in Section V.S.A.I.

✓ 236. Shipping documents/Packing Accounts/Comprehensive Invoices/Packing Lists for imported stores in respect of Army Consignments are centrally received in the office of the C.M.A., ~~Karachi~~ from the procurement agencies abroad. The C.M.A., ~~Karachi~~ will be responsible for keeping records of receipt of the invoices/Packing Account and Lists and for taking proper action with Embassy/Mission for obtaining missing invoices, if any. He will also be responsible for further distribution of invoices relating to Army consignments amongst the various Controllers concerned.

The following action will be taken on receipt of the invoices in the Controllers' Office in whose audit jurisdiction the Consignee is located :— ✓

- (i) The invoices/Packing Accounts/Packing Lists will be examined to see that all stores detailed therein are for the Army Units/Depots and pertain to the accounts dealt with by them. If any item pertains to any other wing of Defence Services namely Air Force, Navy, Factory or Units/Formations not located in his audit area, the Controller will at once send the invoices/extracts from them to the audit officer concerned, showing the amount of extracts, the proportion of freight etc. chargeable on the Stores.
- (ii) The calculations in the invoices/Packing accounts will be checked to the extent of 10% of the items of the each invoice under the orders of the Officer Incharge of the Section. This percentage may be enhanced, if the number of errors noticed is large. Errors and discrepancies of greater value than one shilling in each invoice will be reported by the Controller to the procurement agencies abroad who will remove the discrepancy in the invoices by forwarding amended invoices, the receipt of which should be watched.
- (iii) The receipt of the 'Returnable Copy' from the L.A.O. will be watched through the registers/outstanding lists and on receipt of the returnable copy, the C.M.A. will :—
 - (a) pair the same with the original invoices (received by him from the C.M.A., ~~Karachi~~);
 - (b) note on the invoices/Packing Accounts the corresponding C.R.V.S. on which the stores have been brought to account by the Consignee;
 - (c) complete the invoice register;
 - (d) forward the duplicate copy to the Government representative abroad; and
 - (e) watch the final action on the discrepancies/deficiencies noted on the Returnable Copy through the Invoice Register.

237 to 330. Blank.

238 → see C.S. 24/70

ANNEXURE 'A' **LIST OF REPORTS AND RETURNS DUE OUT FROM** **STORE SECTION.**

Sl. No.	Particulars of Reports & Returns	To whom due	Date on which due.
FORTNIGHTLY			
1.	Progress Report of O/S Invoices.	G. O.	1st & 15th of month.
MONTHLY			
1.	Appearance of Manus Figures.	A/E Section	5th " "
2.	Certificate reg. opening and closing bal. of Milly Farm & Remount Depots.	'H' Section	3rd " "
3.	Schedule III of Milly Farm and Remount Depots	-do-	-do-
4.	P. M. Certificate.	-do-	-do-
QUARTERLY			
1.	Income Tax Return.	I.T. Commissioner	15th of each quarter.
2.	Recovery rate of A.S.C. Articles.	Station H.Q.	1st of Jan. Apr., July, and Oct.
3.	Report regarding the progress made in linking of invoices received from the Embassy/Mission etc. on account of Stores supplied to Pakistan by them.	M.A.G.	10th of Apr., July, Oct. and Jan.
YEARLY			
1.	Instances of heavy and hurried expenditure towards the close of the year.	A/E Section.	10th April.
2.	Appropriation of Defence Expenditure.	M.A.G.	15th September
3.	State of Infructuous expenditure.	-do-	-do-
4.	State showing the losses off Cash/Overpayment etc. written off by the CFA Exceeding Rs. 2,500/- in each case.	-do-	1st July.
5.	Annual Audit Certificate on the expenditure of Army & MES.	'G' Section	15th Sep
6.	Free Issue rate of bread & A.S.C. articles purchased locally.	-do-	2nd Sep.

Annex - E LIST OF REGISTERS MAINTAINED IN STORE SECTION.

Sl. No.	Name of the Register.	Form on which maintained.	When submitted.
✓ 1.	Demand Register.	PAFA-590	20th of each month to O.I/C & GO.
✓ 2.	Register of Punching Media (Mistakes)	Manuscript.	1st of each month to O.I/C " " " quarter to G.O.
✓ 3.	Register of Infructuous Expenditure.	-do-	1st of each month to O.I/C & GO.
✓ 4.	Audit Progress Register.	PAFA-473.	20th of each month to O.I/C and GO.
✓ 5.	Register of Ty. Sanctions.	PAF (CMA) 176(B).	5th of month to O.I/C. " " " quarter to G.O.
✓ 6.	Register of sanctioned Tenders.	Manuscript.	10th of month to O.I/C. " " " quarter to G.O.
7.	Ex-Gratia Payment Register.	-do-	25th of each month to O.I/C & GO
✓ 8.	Cash Security Deposit Register.	PAFA-525	Last date of each month to O.I/C & G.O.
✓ 9.	Guard File of payment Issues.	PAF(CMA-615)	1st week of each month to O.I/C " " " " " quarter to G.O.
10.	Register of Invoices Ex-U.S.A.	-Manuscript	5th of each month.
11.	-do- Ex-U. K.	-do-	-do-
12.	Register of Categories 3 and 4.	-do-	10th of each month.
13.	Cash Assignment Register.	PAFA-277.	15th -do-
14.	Non-recurring charges Register.	PAFA-514.	20th -do-
15.	Misc. Deposit Register.	PAFA-525.	28th -do-

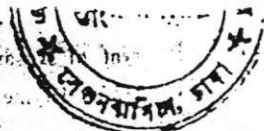
Sl. No.	Name of the Register.	Form on which maintained.	When Submitted.
16.	Register for recording Spl. items of work.	Manuscript.	Last day of the month.
17.	Appropriation Accts. Register.	PAF(CMA)341.	-do-
18.	Register of coupon A/c Mily. Farms.	Manuscript.	30th of each month.
19.	Register of objection statts: on cash A/c of Remount Depots.	PAFA-473.	-do-
20.	Register of Audit of Sanctions.	Manuscript.	Last week of the month.
21.	Register of Approved and Black listed contractors.	-do-	-do-
22.	Register of losses.	PAF(CMA)182.	10th of each month.
23.	Income Tax Register.	PAF(CMA)153.	5th of each month.
24.	Control over Def. Expenditure Register.	Manuscript.	5th of each month to O.I/C. 5th of each quarter to G.O.
25.	Register of Cancelled cheques.	-do-	Last week of the each month.
26.	Register of Financial Irregularities.	-do-	15th of each month.

Annex C

For the purpose of the following table, the
 names of the registers are given in the
 order of their importance in the
 financial management of the
 Government.

CHAPTER IV

PROVIDENT FUND ACCOUNTS.



331. The general rules regarding the constitution of the fund, the conditions of admission thereto, rates of subscription realization of subscription, accrual of interest, grant of advances from the Fund, payments towards Insurance premia and final withdrawal of accumulation in the Fund, are contained in G.P. Fund Rules as amended from time to time.

332. The accounts of the G.P. Fund subscribers are maintained by the various offices as under:—

- (i) Civilians of Ordnance Factories and Directorate Excluding those on A.F.H.Q. roster .. C.O.F.A.
- (ii) Civilians of Air Force, excluding those on A.F.H.Q. roster .. C.A.A.F. C.A.F.A.
- (iii) Civilians of the Navy excluding those on A.F.H.Q. roster .. C.N.A.
- (iv) All other eligible civilians subscribers including those of Military Accounts Department and those on A.F.H.Q. roster .. Fund Section 9
C.C.M.As. Office
C.A.A. and C.N.A. Branch

333. Blank.

334. On receipt of the application from the pay audit section (see para 362) the documents will be generally scrutinised and if in order, the individual will be formally admitted to the fund and allotted an account number. The application will be entered in the Admission Register and serial No. in the register will form the account number of the members. The name of the subscriber and Account No. allotted to him are also noted in the Alphabetical Register and a personal ledger card opened at the same time. The nomination form and the contingent Notice of cancellation will be detached from the application and kept in safe custody by the officer Incharge Fund Section under lock and key and will not be shown to any unauthorised person.

Thereafter one copy of the application indicating the following information will be returned to the individual through pay audit section concerned.

- (a) The Account No. allotted to him.
- (b) The rate of subscription as accepted for recovery.
- (c) The months paybill through which the first recovery is to be effected.

The pay audit section/office will ensure that recoveries are effected from the paybills of the individuals concerned from the due date are compiled to the appropriate code head and schedules therefor are forwarded to the Fund Section duly agreed with the amount compiled.

335. Sums due to the fund on account of subscriptions do not become time-barred. The accounts officers are empowered to effect recovery of all subscription due, however old, and however small they may be.

The Fund Section will continue to give notice when subscriptions or arrears are due but failure to give such a notice will not be accepted as any reason for waiving recovery of subscription.

336. On receipt of annual statements of change in rate of subscription (see para 362) they will be generally scrutinized and the revised rate noted in the ledger card in the column provided for the purpose.

Payment of Advances and their Recovery.

337. Payments of advances for authorised purposes are made and recovery affected by pay audit section concerned (see para 362). Intimation regarding payment of advances from Fund Accounts are received in Fund Section on forms B.C. & D. On receipt, these are generally scrutinized and noted in the remarks column of Ledger Account over the signature of the Supdt. This is intended to ensure that necessary debits/credits are received and posted in the card in due course and not omitted for any reason.

Scrutiny of Schedules.

338. The Accounts Section will collect all copies of payment/recovery schedules from pay audit sections concerned and reconcile reconsider the amount shown in the detailed compilation of vouchers received from Hollerith Section with those appearing in the Schedules. Thereafter it will pass the schedules to Fund Section alongwith certificate that the amount of schedules tallies with the amount compiled in the accounts and that if any schedules to be specified are missing these will be forwarded separately. On receipt of the detailed compilation of vouchers supported by the recovery/payment schedules from Accounts section the Fund Section will exercise the following checks.

- (i) That the amount has been correctly compiled to Fund Code Head.
- (ii) That schedules have been received for total amounts shown in the detailed compilation of vouchers and that the total of each schedule is correct and corresponds to the amount shown against that voucher in the detailed compilation.
- (iii) That the schedules have been prepared in the prescribed form and are legible and complete in all respects.
- (iv) That the voucher Nos. have been endorsed on each sheet of the recovery/payment schedule.
- (v) That the names and account Nos. have been correctly shown. This is ascertained with reference to the previous months schedules with which the schedule under scrutiny is compared. In the case of new comers, the name and account No. is verified from the admission register and the rate of subscription from the admission form.
- (vi) That the audit certificate to the effect that recoveries from payments to the subscribers have been made through paybill for a particular month and A/c Nos. have been correctly shown in the schedules in the columns provided for the purpose, has been endorsed on the recovery/payment schedules by the Pay Audit Section concerned.

339. All objections as a result of the above scrutiny are concurrently taken down in the objection statement (PAFA-565). All items in the schedules placed under objection are prominently marked as 'objected' and initialled by the clerk concerned, so that these are not posted. Items found to be correct in scrutiny are ticked off and each page of the schedule is endorsed 'scrutinized' by the clerk concerned under his initials. Thereafter, the schedules with the objection statement are put up to the Supdt. who test checks the items in the schedules. All items test checked are prominently marked as 'T.C.' and initialled by the Supdt. All items placed under objection are completely checked by the Supdt. The objection statement is then initialled by the Supdt. and returned to the clerk concerned and the schedules are passed for posting in the Ledger.

Posting in the Ledger Cards.

340. The scrutinized schedules are then posted mechanically into the ledger accounts card. The ledger cards are picked out from the Card cabins in the same order in which they appear in the schedule and handed over along with the schedule to the Machinist. As the postings are made in the ledger cards these are also transcribed by carbon process on a separate sheet called the broad sheet. The broad sheet is a consolidated record of postings made in the ledger cards and is prepared to reconcile that the schedules have been correctly posted. Items found to be incorrect by the Picking/posting clerk are not posted and are prominently marked as such under their initials.

Broad sheet

341. The Broad Sheet is checked to see :—

- (i) that all items marked in Schedules for posting have been posted.
- (ii) that Account Nos. of subscribers and the amounts posted agree with the corresponding entries in the G.P. Fund Schedules.
- (iii) that the amounts posted have been totalled voucher-wise.

N.B. :—If any posting mistake is detected, the relevant ledger card as well as the Broad Sheet is counted manually.

- (iv) that the total amount posted corresponds to the total value of schedules.

342. Where machines are not provided, the schedules after scrutiny will be posted manually in the relevant Ledger Card. After Cards have been posted, entries are made from the ledger cards (not from the Schedules) on to a broad sheet with the following columns :—

- (i) C.M.A. Code No. and Section No.
- (ii) Voucher No.
- (iii) Fund Account No.
- (iv) Amount.

The broad sheet is then compared with the original schedules in the manner provided in para 341 above to see that all items have been correctly posted to relevant account and that the total on broad sheet tallies with—

343. On receipt back of the schedules and the broad sheets from the posting group fresh items of objections, if any, are incorporated in the objection statement already prepared. The objection statement along with the schedules is then put up to the officer in charge for approval. A reconciliation statement in the form contained in Appendix 'A', is also attached to the office copy of the objection statement which shows :—

- (i) Amount compiled.
- (ii) Amount posted.
- (iii) Amount placed under objection.

The reconciliation statement is prepared by the clerk, checked by the Supdt. and approved by the O.I/c.

Simultaneously the amount placed under objection is taken down in the objection Register (PAFA-473).

objec.
Book

344. After approval of the objection statement the schedules are recorded in the Group concerned and the objection statement issued.

Issue of Variations.

345. After posting the ledger cards they will be carefully scrutinized to find out any variations such as credit or debit not received or received short or in excess and not fully explained in the schedules. Such cases are thereafter referred to the Pay Audit Section for settlement.

Closing of Annual Accounts, their Agreement and Despatch of Annual Accounts Statements.

346. At the close of a financial year, interest at the appropriate rate is worked out, and credited to these accounts. The subscribers who do not desire to receive interest send written request to that effect. An endorsement is accordingly made on their ledger cards and interest is not credited to their accounts. The total amount of interest allowed to subscribers on their fund balances is debited to the head 'Interest on G.P. Fund' and credited to G.P. Fund Head through a transfer entry in the accounts for June (Final) June (Supplementary) or correction to June (Supply) as the case may be. Thereafter, all the ledger cards are closed by totalling the various columns. This closing balance of a year is shown as the opening balance in the next financial year.

347. The totals of each ledger card are then transcribed in the Annual Broad Sheet Register and all columns are totalled separately. After agreeing the total of each column with the total of amount compiled. The closing balances will be compiled on the Annual Accts. Statements (CCO-9) and forwarded to the subscribers concerned through their units/formations so that they may check the correctness or otherwise of the figures shown therein. Acknowledgement of receipt and of correctness of the amount shown therein is required.

Settlement of Complaints.

348. The subscribers on receipt of Annual Accounts Statements bring to the notice of the Fund Section any errors or omissions in the accounts within 30 days of the receipt of the statement. The Fund Section will then take necessary action to rectify the errors or omissions. The settlement of such complaints is watched through a complaint Register maintained in the Section for the purpose.

Compilation of Accounts.

349. *Respecting controllers will book interest paid to the subscribers after closing of each financial (date of final closing of accounts as intimated by the A/E Section of the M.A.G's Office) for depositing them in the review of balances by the A/E Section of their offices.*

interest allowed to the subscribers, is prepared at the close of each financial year by the Fund Section and forwarded to his Accounts Section for exhibiting it in his accounts. The statement will be supported by a certificate to the effect that the Annual Accounts have been forwarded to the subscribers concerned.

Cash Requirement Estimates under the Fund Head.

351. Original Cash requirement estimates and revised cash requirement estimates of Receipt, Charge and interest are framed by Fund Section and submitted to Accounts Section of M.A.G's Office for incorporation in the reports submitted by them to the D.F.A. (Budget). The figures for the original estimates are based on the average of receipts and charges compiled during the last 3 years, and the figures for the revised estimates are based on the compiled actuals for the last six months of the preceding and first six months of the current year duly adjusted for known reasons. The dates for the submission of these reports are fixed every year by Accounts Section.

Final Payment.

352. 1. The G.P. Fund Deposits become payable in the circumstances specified in Rule 28, 29 and 30 of the G.P. Fund (D.S.) Rules, 1946 i.e., when a subscriber :—

- (a) quits the service or
- (b) proceeds on leave preparatory to retirement or
- (c) is permitted to retire or is declared medically unfit for further service while on leave or
- (d) dies.

2. In case of 1(a) (b) and (c) above the amount will be paid to the subscriber.

3. In case 1 (d) above and in those cases where the subscriber dies before receiving the payment, the amount will be paid to the family or the nominee in accordance with the rules contained in Rule 30 of G.P. Fund (D.S.) Rules 1946 Appx. 'O' to the said Rules, and Section 4 of the Provident Fund Act, 1925.

4. In case the nominee of a subscriber happens to be minor the amount will not be paid unless he/she attains maturity or legal guardianship certificate from Civil Court of Law is produced by his/her guardian to receive payment on his/her behalf. The head of the office should therefore ensure that before the C. Bill is sent to the Fund Section the certificate is obtained and attached with the bill. Small amounts in the Fund upto a limit of Rs. 100/- for each minor may be paid to the natural guardian, or in the absence of a natural guardian to the person considered fit by the head of the office to receive payment on their behalf, provided an Indemnity Bond given in A.I. (I) 451/45 is executed by him. Such Bond should be obtained by the Head of the Office/O.C. Unit and attached with the C. Bill.

353. INITIAL ACTION ON THE PART OF THE HEAD OF THE OFFICE WHERE THE SUBSCRIBER WAS LAST SERVING

As soon as subscriber is discharged, retires, dies or proceeds on leave preparatory to retirement, the Unit/Formation (CMA in case of BMAD Personnel) should address to the C.C.M.A. Fund Section, Rawalpindi giving the following information :—

- (1) Name of the Subscriber.
- (2) Appointment held (where Gazetted or Non-Gazetted).
- (3) G.P. Fund Account No.
- (4) Date of discharge/retirement/proceeding on leave preparatory to retirement/death.
- (5) Last month's paybill from which recovery of G.P. Fund Account has been made.

A copy of the letter should be endorsed to the C.M.A. concerned with the following documents :—

- (i) A certificate in the following form from the sanctioning authority in regard to advance if any taken from the fund :—
- (a) In respect of a subscriber who was a Non-Gazetted Officer.
"Certified that no advance from the _____ Fund was granted to Mr. _____ and that he has not drawn any amount either for the payment of Insurance Premium or for financing a new Insurance Policy during the last 12 months prior to the date of his retirement, quitting the service/death except _____".

- (b) In respect of subscriber who held a Gazetted Post.
 "Certified that no temporary advance was granted to and drawn by Mr. _____ during the last 12 months prior to the date of his retirement, except death, quitting the service and advance of Rs. _____ sanctioned to him in the month of _____".
- (c) The subscriber who held Gazetted appointment should also give the following certificate :—
 "Certified that I have not drawn any amount during the period of 12 months prior to the date of my retirement/discharge/resignation for the payments of Premium of Life Insurance Policies or for the purchase of new policies except the amount/amounts shown below during the months noted against each :—
1. _____
 2. _____
 3. _____

Note.—The certificate at (i) (a) and (b) above will be signed by the authority competent to sanction advances in ordinary circumstances.

354. After Pay Audit Section has taken action as per para 362 the contingent bill for payment will be forwarded to Fund Section for arranging payment through the Head of the Office/O.C. Unit in which the subscriber last served—Head of the Office/O.C. Unit who has a Public Fund Account with a Bank and the payee desires payment through him must mention on the C. Bill, the name of the Bank with which he maintains his Public Fund Account as under :—

"Cheque to be issued in favour of _____
 (Name of the Bank) _____
 for credit to the Public Fund Account _____
 (Name of the Officer/Unit). _____

In case there is no Public Fund Account and an open cheque is required, it should be stated so on the C. Bill and a risk certificate attached with the Bill.

- (b) Through Scheduled Bank in case of officers.
- (c) By Postal Money Order at the expense of the payee (written consent of the payee should be attached with the Bill).

355. (i) Before final payment is authorised it will be seen :—
- (a) that no advance drawn by a subscriber from his fund has been omitted to be accounted for,?
 - (b) that his/her account has not been overcast,?
 - (c) that the interest has been correctly calculated.
- (ii) When a bill has been passed for payment it will be entered in the final payment Register maintained in the Section in the proforma given in Appendix 'E' to avoid possibility of a double charge being made.

If payment of the fund accumulation is not made within six months after they become payable under G.P. Fund Rules the amount shall be transferred as deposit at the end of the year and treated under the ordinary rules relating to deposits.

- (ii) Maintain a list of account number of subscribers within the audit areas and ensure that the correct number has been quoted on payment/recovery schedule.
- (iii) Verify the correctness of the amount of recovery/payment shown on recovery/payment schedule with that appearing in pay bill.
- (iv) Verify the correctness of all changes made by subscribers in their rate of subscription in June every year, and communicate such change to Fund Section through Form 'A' by the 15th July each year.
- (v) Dispose of, finally, all claims for temporary advances from the Fund, intimating the Fund Section (a) the amount paid, (b) the rate of monthly recovery and (c) the amount of interest due, through Form 'B'.

Note — Claims for temporary advances from the Fund will be supported by the subscriber's annual accounts pertaining to the year immediately preceding the one in which the advance is applied, for, so that the C.M.A. may be satisfied that the amount applied for, is at the credit of the subscriber.

- (vi) Watch the recovery of the amount advanced, and the interest accrued thereon, through the Demand Register and forward to the Fund Section a Statement (In Form 'C') by the 7th of each month, showing particulars of all cases in which final recovery of the advance was made in the preceding month.
- (vii) Dispose of finally, all claims for payment of Insurance Premia out of credit balances, intimating the Fund Section the amounts, paid, through Form 'D'.
- (viii) Examine and keep in safe custody Insurance Policies assigned by subscribers to the President in consideration of the payment referred to above, transferring them to the controller concerned when the policy holder is transferred.
- (ix) Receive, and pass on to the Fund Section all claims for the audit and final payment of subscriber's claim for their credit balance in the Fund. It should be seen that these claims are accompanied by a statement containing the following particulars :—
 - (i) Temporary withdrawals, if any outstanding in the Controller's Demand Register,
 - (ii) when the last payment was made on account of Insurance Premia and whether it was monthly, quarterly, or half yearly and
 - (iii) the last month's schedule in which contribution was made by the subscriber.

Note — Care should be taken to ensure that no temporary advance from the G.P. Fund is paid to subscribers after their claims for the final payment of their credit balances have been passed on to the Fund Section.

- (x) examine the list of objections received monthly from Fund Section and take action to make the necessary readjustments in the accounts.

363. A set of registers to be maintained in Fund Section of the C.M.A. given in Annexure 'A' to this Chapter. Fly Leaf Instructions will be pasted at the beginning of each register and the registers posted strictly in accordance therewith.

SECTION—II—D.S.O.P. FUND. ✓

376. The general rules regarding D.S.O.P. Fund are contained in D.S.O.P. Fund Rules as amended from time to time.

The procedure relating to G.P. Fund as laid down in Section I will also *mutatis mutandis* apply in the case of D.S.O.P. Fund. So far as paras. 335, 346, 350, 351, 352 and 356 to 358 are concerned.

377. The responsibility relating to D.S.O.P. Fund Account is distributed between Fund Section and Pay Audit Section as under :—

A. The pay Audit Section is responsible for :—

- (i) Correct recovery of subscription and its intimation to Fund Section.
- (ii) to pass on the annual account statements received from Fund Section to the subscribers duly verified.
- ✓ (iii) to prepare deduction statements in respect of fund recoveries and forward the same to Fund Section after check with the compiled actuals. ✓
- ✓ (iv) To scrutinise carefully all the relevant orders, gazette notifications etc. and intimate all casualties affecting Fund to the Fund Section for necessary action. ✓

B. The Fund Section is responsible for :—

- (i) admission to the Fund.
- (ii) payment of advances from the Fund and recovery thereof with interest.
- (iii) receiving recovery/payment schedules and posting them in ledger accounts.
- (iv) closing the accounts annually and issuing annual statement of accounts.
- (v) final payment of credit balances on receipt of necessary information from the Pay Audit Section concerned.

378. The subscription to the Fund is compulsory for all officers including non-regular officers and is recoverable at the rates laid down in P.A.O. 477/50 and Annexure to P.A.O. 769/58.

The D.S.O.P. Fund Accounts in respect of Army, Navy and Air Force Officers are maintained by CMA(O), Rawalpindi, CNA, Karachi and DCAAF, Mauripur, respectively and all matters relating to subscriptions, payment of advances, refunds and final payments etc. are finally dealt with by them.

379. As soon as the name of the officer appears in the Gazette, the prescribed application and nomination will be sent to them for completion.

The officer will submit the forms to the Fund Section duly completed together with the following particulars.

- (i) Nature of Commission whether regular temporary and date of gazette notification publishing the same.
- (ii) Present substantive rank and date of relevant gazette notification.

(iii) Present and the Pay Account number allotted by the Pay

The Fund Section will scrutinise the application form and, if found in order will admit the applicant to the Fund and make suitable entries of the payable rate with related particulars in the ledger.

Each subscriber will be allotted a D.S.O.P. Fund Account number from special register maintained for the purpose. An index to it is maintained in alphabetical order. The allotted account number is required to be quoted in all correspondence and documents connected with the Fund.

After an applicant has been admitted to the Fund, he is informed through Pay Accounts Section concerned accordingly alongwith the following additional particulars.

- (i) The account No. allotted to him which should be shown in all future correspondence.
- (ii) The rate of subscription recoverable.
- (iii) The date of admission to the Fund.

380. The alteration in the rates of subscription is permissible in the pay pertaining to the last month of the financial year or on promotion to substantive rank. The applications for change of the rate of subscription are received from the subscribers by Fund Section and dealt with there. The Pay Accounts Section is subsequently informed of the change effected, and the revised rate noted in the ledger card in the column provided.

Subscription shall continue to be paid by officers during furlough or leave full rates.

381. One copy of nomination form is filed in personal case file of the officer and the other recorded serially according to Fund Account No. in a Guard File. When for any reasons referred to in para 9 of the D.S.O.P. Fund Rules previous nomination form is formally cancelled by a subscriber, a fresh nomination form should be obtained and recorded in the Guard File in substitution of the form.

Statement of Fund Deductions.

382. The monthly Fund Deduction Statements (P.A.F-139) will be rendered by audit section/Accounts Officer concerned after check with compiled actuals duly completed in every respect viz., showing name of subscribers, fund account No., month of deduction and amount of subscription. The monthly statements of fund deductions will be received by the Broad Sheet Clerk and will be entered in the register of statements of Fund Deductions after they have been checked by the Broad Sheet Clerk and the word "checked" written under his initials on the last page of each statement. The Supdt. will then attach to them a validation slip noting on the letter the period for which each ledger-keeper may be in the statements taking into consideration working day only. Each ledger-keeper will write against each credit item the word "posted" under his dated initials. When all credits have been posted therefrom in the personal ledgers, the statements will be made over by the last ledger keeper dealing with them to the Broad Sheet Clerk.

Erroneous Credits Register.

383. Erroneous credits appearing in the Fund Deduction Statements detected during the process of posting are entered by the posting clerks in a statement which is handed over to the clerk who maintains the Erroneous Credits Register.

Personal Ledgers.

384. The Fund Account of subscribers will be maintained on ATM-75 numbered serially according to their Fund Account Nos. and bound in registers of not more than 200 forms. All Fund transactions will be recorded therein neatly and carefully by the ledger keeper on the proper folio allotted to each subscriber. Each folio will indicate prominently the rank, full name of the subscriber, his Fund Account and Pay Account Nos. Unit or Arm of Service, and personal case file No. The date of admission and rate of subscription and any subsequent change thereto, will be entered neatly in the remarks column in ink. Remarks of temporary nature should be written in pencil on slip which should be attached to the ledger and removed when no longer required. Erasures and overwritings are strictly prohibited.

Errors involving correction should be corrected very neatly and attested by the ledger keeper. Ledger keepers are not authorised to amend any postings of balances etc. after the annual accounts are closed and statements sent to the subscribers.

Posting the Ledgers.

385. Ledger-keepers are held personally responsible for punctual completion and accuracy of their ledger postings. The recoveries will be posted in the personal ledger from the monthly statement of fund deduction against the month in which the amount is credited. If the recovery includes amounts which should have been recovered in a previous month or includes other arrears a note should be made in the ledger explaining the fact. The designation in brief of the account officer from whom the statement was received will be noted against each recovery at the time it is posted in the ledger.

The following rules will also be observed in dealing with the personal ledger accounts.

- (i) - It will be seen that the amount paid by each subscriber agrees with the amount due from him in the month concerned. If the amount due from an officer is not paid or has been short or overpaid, intimation should at once be sent to him and Section Accounts officer concerned.
- (ii) A note will be made in pencil in the personal ledger of the month's pay from which the receipts are promised and it will be removed when the credit has duly appeared in Fund Deduction Statement.
- (iii) The ledger accounts will be scrutinized after the postings for the month is completed. Missing credits or discrepancies if any noticed are taken up with the Section/Accounts Officers concerned and final settlement thereof watched through the register of Erroneous Credits.

Annual Statement of Accounts.

386. The Fund Accounts of each subscribers will be balanced each year on the close of the financial years compilation. A statement of annual account (PAFA-136) on the prescribed form will be sent to each subscriber through his Pay Accounts Officer, by the second week of December each year. It will be ensured that as far as possible all credits for the year and interest are

No interest should be allowed to officers who do not desire to draw it. In receipt of an undertaking to that effect, interest will not be credited in the account.

Grand Sheets.

387. The monthly postings of Fund subscription and withdrawals of all subscribers will be extracted at the end of each month to ATM-76 (Broad Sheet) and its total will be reconciled with the amount actually compiled under the D.S.O.P. Fund Head by the Section concerned during that month. For this purpose the Hollerith Section will furnish monthly to the Controller concerned a printed copy of the monthly compilation showing the amounts compiled by different Military Accounts Offices in Pakistan to the Fund Code head.

388. All Military Accounts Offices in Pakistan will also ensure that all transactions relating to the Fund administered centrally by the C.M.A. (O) Rawalpindi/D.C.A.A.E. Mauripur/C.N.A. Karachi which were, adjusted by them during the year in their books are transferred on I.D. Schedule through the exchange account for June Preliminary to the respective Controller for final adjustment in his books. Any transactions which are omitted by Controllers from June Preliminary accounts will be communicated by a separate schedule.

Compilation of Accounts.

389. The Military Account Officers transfer yearly all the credits and debits relating to D.S.O.P. Fund to the Fund Section through their exchange accounts. In receipt of the I.D. Schedules the same are entered in a register (PAF(CMA)-41) maintained for this purpose. The register is divided into the following parts and each I.D. Schedule is noted in the relevant part according to nature of transactions passed on to it.

- (a) Receipt Civil Exchange Accounts
- (b) Payment Civil Exchange Accounts.
- (c) Receipt Military Exchange Accounts.
- (d) Payment Military Exchange Accounts.
- (e) Transfer Entries.

390. The subscriptions recovered by the Civil Accounts Officer are passed on by them through their exchange accounts. The I.D. Schedules, together with supporting vouchers are received from the Accounts Section. After check and entry in the I.D. Schedule register the vouchers are passed on to ledger posting group for posting.

Insurance Policies.

391. (a) Payment towards an insurance policy may at the option of a subscriber be substituted for the whole or part of the subscriptions to the fund. The various conditions are detailed in rule 8 of DSOP Fund Rules. If a subscriber exercises such an option he is required to assign the policy in favour of the President in the form provided in Schedule (III) of D.S.O.P. Fund Rules and deliver it to the Accounts Officer. The Insurance Policy is entered in a Register kept for this purpose. All Policies should be kept under lock and key.

(b) Any amount standing to the credit of a subscriber in the fund may be transferred towards an Insurance Policy or

Advances.

382. Advances consisting of a sum of whole rupees and ordinar... not exceeding three months pay subject to a maximum of 50% of accumulation may be drawn from the sum standing to the credit of an officer in the fund subject to sanction of the same by the competent authority and conditions laid down in para 7 of D.S.O.P. Fund Rules and P.A.O. 704/58.

An advance for construction of a house may also be drawn from the D.S.O.P. Fund Credit at the discretion of the competent advance sanctioning authority upto the limit and under the conditions laid down in para 7-A D.S.O.P. Fund Rules as inserted by A.I. 233/51. The advance in any case will be paid by Fund Section and an intimation to that effect will be forwarded to the Pay Audit Section concerned.

Final Withdrawal of Accumulations in the Fund.

393. (i) When a subscriber quits the service, the sum standing at his credit in the fund shall become his property and shall be paid to him by the Accounts Officer on receipt of an application stating firm date of release retirement etc. Before the amount of an officer's credit is finally paid, his account shall be credited with interest upto the end of the month preceding that in which payment is made, or upto the end of sixth months after the end of the month in which he quitted the service or died, whichever ever is earlier.

(ii) In case the settlement of an account of the subscriber cannot be dealt with immediately due to some flaws noticed in the account, an interim payment upto the 30th June of the year prior to the subscriber's retiring etc. is made and noted in the ledger. After the account is properly completed the final payment is made and noted in the ledger.

Budget Estimates.

394. Cash requirement estimates in respect of receipt and charges under heads 22-Interest on debt and other Obligations and "O" Unfunded Debts are prepared in accordance with paras 386 and 387 Military Account Code and submitted to M.A.G. by the undermentioned dates for onward transmission to the Ministry of Finance (Military).

- | | |
|---|----------------------------|
| 1. Preliminary Report for a current .. | 25th October each year. |
| 2. Preliminary Revised Estimate for .. | 25th December each year. |
| 3. Budget Forecast for the next year. | } 25th December each year. |
| 4. Revised Estimate for the current year. | |
| 5. Budget Estimate for the next year .. | 25th January each year. |

395. A list of registers to be maintained in D.S.O.P. Fund Section is given in Annexure 'B' to this Chapter. Fly Leaf Instructions will be pasted at the beginning of each register and the registers posted strictly in accordance therewith.

396 to 400. Blank.

ANNEXURE 'A'

(REFERRED TO IN PARA 363).

OF PECULIAR REGISTERS MAINTAINED IN G. P. FUND SECTION

Name of Register.	Form in which maintained.
Admission Register.	Manuscript. (Form given in Appx. C)
Final Payment Register.	Manuscript. (Form given in Appx. E)
Suspense Account Register.	Manuscript.
Money Order Register.	PAFZ-2067.
Deputationist Register.	Manuscript. (Form given in Appx. F)
Complaint Register.	Manuscript. (Form given in Appx. D)
Alphabetical Register.	Manuscript.
Objection Register.	Manuscript. (Form given in Appx. G)
Stock Policy Register.	G. P. F. 6.

ANNEXURE 'B'

(REFERRED TO IN PARA 395).

LIST OF REGISTERS MAINTAINED IN D. S. O. P. FUND SECTION

Sl. No.	Name of Register.	Form in which maintained.
1.	Casualties Register D.S.O.P. Fund.	Manuscript.
2.	Register of F.D. Statement/DSOPF.	PAFA—432.
3.	Erroneous Credits Register.	PAFA—589. <i>353</i>
4.	Broad Sheet D.S.O.P. Fund.	ATM—76.
5.	I. D. Schedule Register.	PAF (CMA)—241.
6.	Register of Mortgage Bonds. ✓	PAFA—505.
7.	T. E. Register.	Manuscript.
8.	Register of Insurance Policies.	ATM—75.
9.	Alphabetical and Numerical Index Register.	Manuscript.
10.	Fund Ledgers ✓	G. P. F—4.



APPENDIX 'A'

(Referred to in Para 343).

Re conciliation statement in respect of (CMA) _____

_____ for (month) _____

Sl. No.	Particulars.	Receipt side.		Charge side.	
		Rs.	Ps.	Rs.	Ps.
	Amount compiled ..				
	Amount of schedules received ..				
	Amount of wanting schedules ..				
	Amount to be posted ..				
	Amount actually posted ..				
	Amount placed under objection :—				
	(i) Amount of N.T. Cards (___ item) ..				
	(ii) Amount of NYA items (___ items) ..				
	(iii) Amount of items bearing wrong G. P. Fund A/c No. (___ items) ..				
	Total of item 6				

APPENDIX 'B'

(Referred to in para 361)

Item of work.	Clerk.	Supt.	O.I/C.
:ruting of Schedules.	Cent per cent.	10% and all items placed under objec-tion.	..
lculatation of Interest and closing of Ac-counts annually.	Cent per cent by the clerks other than those who close the Accounts.	20 per cent.	5 per cent of the Ac-counts other than those checked by the Supt.

Name and Designation.	Department and formation.	Date of admission.	Ratio of subscription.	Date of receipt of nomination.	Date of discontinuance of subscription.	Remarks.
2	3	4	5	6	7	8

Appendix 'D'

COMPLAINT REGISTER.

No.	Name.	C.M.A. File No.	Amount involved.	No. and date of communication.	From whom received.	Reply to communica- tion.	Remarks.
2	3	4	5	6	7	8	9

COPIES IN FUND PAYMENT REGISTER.

A/c No.	Name.	Designation.	GMA & Sec.	Last month paybill through which recovery was made.	Amount at credit.	Interest.	Total Amount.	Amount Paid	Month of Payment	Initial of Auditor.	Initial of Supdt.	Initial of Officer.
2	3	4	5	6	7	8	9	10	11	12	13	14

APPENDIX 'F' Columns in Deputation Register.

A/c No.	Name.	Designation & Deptt.	Rate of subscription etc.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April.	May.	June.	Remarks.
2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18

Accounts in Objection Registers.

Month.	C. M. A. & Sec.	Vr. No.	Particulars.	Receipt.	Charges.	No. and date of letters.	To whom addressed.	Reminders etc.	No. and date of reply.	Month's A/c and T.R No. through which adjustment is made or correct A/c No.	Remarks.
2	3	4	5	6	7	8	9	10	11	12	13
				Rs.	Rs.						

GENERAL PROVIDENT FUND ACCOUNTS.

for intimating change in rate of subscription as ascertained from the paybills for June 19)

Name of subscriber. (2)	Unit or formation. (3)	Rate of pay drawn on 30.9.19 (4)	Revised rate of subscription. (5)	Remarks. (6)

GENERAL PROVIDENT FUND ACCOUNTS.

(Form for intimating payment of advances etc. from the fund).

Name of subscriber.	Rank Apptt. etc.	Deptt. Corps etc.	No. of instalment of recovery of principal.	C.M.A.	Sl. No. of sub- scriber.	Code No.	Amount advanced.	Amount of interest due on the advance.	Rate of refund of withdrawals per mensem
2	3	4	5	6	7	8	9	10	11

G.P. FUND ACCOUNT WITHDRAWAL FOR PAYMENT OF INSURANCE PREMIUM.

on ch d	Name of subscriber.	Rank Appt. etc.	Dept. Corps. etc.	C. M. A.	Serial No. of subscriber.	Code No.	Amount withdrawn.	Remarks.
	2	3	4	5	6	7	8	9

CHAPTER V

MILITARY RAILWAY CLAIMS SECTION.

401. "The Military Railway Claims section is responsible for audit, classification and adjustment of transactions pertaining to the movements of troops and despatch of Military Stores by rail. Claims pertaining to P.W.R. are dealt with by C.M.A., Lahore and those pertaining to P.E.R. by C.M.A. Dacca. *claims*

Rly authorities draw the Payment from the State bank on Producing in copy of their advice under which the warrants are - Submitted to CMA concerned.

*See over leaf. The authority of Muz letter 14.7.60
(F/Y. A/20/02 - III/P/71)*

Sorting and Classification Group.

406. (i) Railway bills supported by utilised warrants and M.C. Notes are received in this group and are entered in the Railway Bill Register (PAFA-110); further disposal of the bills is watched through this Register. The serial number of the Bill in the bill Register is recorded on the front page of the bill concerned. This number is treated as the voucher number for compilation purposes. Bills received upto 20th of a month are shown as receipts of that month in the Bill Register. Bills received after 20th are considered as receipt for subsequent month.

(ii) The vouchers attached to a Railway bill are examined to see that their sum total agrees with the consolidated amount shown in the bill. Discrepancies if any, are promptly referred to Railway authorities for furnishing the missing vouchers or giving assent to re-debit the excessive charge.

(iii) The vouchers are then sorted out and arranged in separate binders containing bills of Rs. 25 and above and those of lesser amounts. These volumes are thereafter page numbered and total number of vouchers noted at the outer sheet of each bundle. The vouchers are then handed over to classifiers for classification and preparation of summary.

charges shown on the vouchers. These will be checked if necessary with reference to the Classification Handbook of Defence Services. The classification code number will be noted against each item in the bill. Where no details are available on the vouchers, they should be called for from the issuing officer and the items provisionally classified against the head to which it is *prima facie* adjustable.

(ii) Besides the classification code No. certain units and formations are allotted unit code No. which will be indicated when adjusting items in respect of these units and formations.

(iii) Charges which are debitable to other departments etc., will be so faced against each item in the bill and it will be seen that the relevant warrant or credit note is attached thereto in support. Charges which are debitable to other Controllers will be similarly dealt with.

(iv) Charges appearing in Railway warrants and credit notes, which are not payable by the M.R.C. Section and also unvouched debits will be re-debited against the Railway concerned through Accounts Group (Local). Vouchers pertaining to Civil Departments will be removed from the bunch of vouchers received from the railways, at the time of classification, collected together and issued on to the Civil Department concerned through Accounts Section (Local) along with civil exchange accounts.

(v) It should be verified that no original debits are raised in respect of vouchers which relate to a period more than three years old from the date of presentation of vouchers at the starting station.

(vi) The classification of all items upto Rs. 5,000/- will be checked and initialled by the Supdt., and that of all items exceeding Rs. 5,000/- by the officer-in-charge.

408. Ordinarily the bills should not be retained for more than seven days in the classification group. After classification etc., the bills will be passed on to Accounts, Compilation and Claims Group, and the warrants and credit notes pertaining to the bills, simultaneously passed on to the audit group for audit. Before passing on the bills to the Accounts, Compilation and Claims Group, it should be ensured that :—

(a) all the items in a bill have been classified.

(b) a P.M. has been prepared in quadruplicate and first three copies thereof, have been attached to the bill for further action by Accounts, Compilation and Claims Group as in para 410 (b) below,

(c) relevant entries in the Bill Register have been completed.

409. Besides regular bills adjustment bills such as bills for under charges, are also received in this section. Such bills are linked with the original transaction and then classified.

accounts, Compilation and Claims Group.

410. The functions of this group are :—

(a) to classify and adjust bills for commission charges, Military Telegrams despatched over Railway Telegraph lines, haulage, under charges etc., (as explained in paras 411 to 414 below);

(b) to despatch the original and duplicate copies of the P.M. (received from classification group vide para 408 (b) above) to Hollerith

- (c) to prepare punching media for I.D. transactions, transfer entries and other adjustment claims;
- (d) to pay of cash claims on account of unused or partly used Railway warrants, equivalent cost of warrants not utilised etc.
- (e) to receive indents of forms from units and to forward these to Stationery Depot for compliance;

411. *Bills for commission charges.*—Bills for commission charges are received from the Railways indicating separately the total number of warrants and credit notes exchanged during the month. Commission is payable at the rate of Rs. 15/- per hundred vouchers.

The number of warrant/credit notes utilised as given in the bill is checked with reference to the data available in Railway bill Register maintained in Sorting and Classification group. The bills in respect of the number verified is accepted and a P.M. prepared for the amount.

412. *Telegram Bills.*—Railway Telegraph Offices accept telegrams of Military formations without cash payment. Bills for such charges are submitted by the Railways to M.R.C. Section. The amount claimed is admitted on the basis of certificate endorsed on the bills by the Railway. Besides the actual cost of telegrams, Railway administration charges an extra amount of Rs. 3/- per hundred telegrams as commission.

413. *Bills for Haulage.*—These bills are submitted by the railway administration supported by the sanction issued by G.H.Q. These bills are audited with reference to the total mileage covered by the empty rolling stock as sanctioned by G.H.Q. and billed for by the railway. Punching Medium is then prepared for the amount admitted in audit.

414. *Under Charges/Over Charges.*—The entire amount for which debit is raised by the railway is accepted in the first instance as laid down in para 177 Military Account Code and 18(3)(i) M.T.R. claims of Railways against the Defence Services for under charges and claims of the Defence Services against Railways for overcharges are recognised and admitted if they are preferred within the time limit laid down in para 415.

Note.—The terms overcharges and undercharges mean overcharges and undercharges of railway freight and fares only. They refer to shortages and excesses in 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.

415. A time-limit of six months has been laid down as the period within which the Defence Services may claim refund of overcharges from the Railway authorities and the latter may claim recovery of undercharges from the Defence services. The six months' limit reckons from the date on which the bill is received in C.M.A.'s office to the date on which the objection (if any) on the bill is received by the Railway Audit office. Intimation of final disallowances must therefore be despatched at the latest from M.R.C. Section so as to reach the Railway Audit office within six months of the original date of receipt of the bill in C.M.A.'s office.

416. The fact of any item of overcharge on a warrant or credit note having been included in an objection statement merely with the remarks "under reference to the issuing officer" does not constitute a valid objection, and unless a specific objection with full details is made within the prescribed period of six months, it will be held as time barred. Consequently, as far as practicable

Used/partially used soldier tickets are deposited by the individual with the station master, concerned on or before the date of commencement of the journey within the date of availability of the warrant as the case may be and a receipt is obtained therefrom. The above receipt is forwarded to M.R.C. Section which forms the basis of claim for refund lodged against the Railways. The responsibility to watch the refund claims to their finality rests with this group. In cases where refunds are repudiated by the Railway Administration necessary action regarding their recovery/write off is taken under the normal rules.)

Detailed instructions regarding refunds of unused/partially used soldier tickets are contained in para 19(5) (i) Military Tariff No. 1.

423. In the case of Military Credit Notes issued in connection with the payment of Demurrage Charges it will be seen that :—

- (1) the following certificates from the Station Transport officer are attached :—
 - (a) "Demurrage payable is less than the cost of hired transport required to move the stores concerned."
 - (b) "No Government transport was available."
- (2) the Military Credit Note is signed/countersigned by the Competent Financial Authority.

424. All indents for Railway warrants, M.C. Notes etc. are placed with the Army Stationery stores through M.R.C. Section. On receipt of these indents, they are recorded in the indent Register maintained for the purpose on all Pakistan basis. Before these indents are passed on to the Army Stationery Stores, it will be seen that :—

- (a) the indenting officer is authorized to issue warrants and credit notes vide appendix 'A' to Passage Regulations.
- (b) the Demand is reasonable.

In order to keep the postings in the Indent Register to date, the C.M.A., Lahore and Dacca will forward each other an extract of the Indent Register showing particulars of the entries pertaining to the Supply of Railway warrants and M.C. Note Books by the Sty : Depots and particulars of entries of bringing these forms, into use during the previous month. The receiving Controller will post these extracts into the Indent Register maintained by him.

Audit Group.

425. On receipt of the vouchers from the Classification group, they will be taken up for audit immediately in the order of receipt. The audit of railway warrants and credit-notes will be conducted in the following two aspects concurrently :—

- (i) against the issuing officers to see that the expenditure incurred is a bonafide Government charge authorised by Regulations,
- (ii) against the railway to see that no overcharge has been made against the Defence Services.

The audit is conducted with reference to provisions of Passage Regulations, Military Tariff, Railway Tariff, Movement Instructions, Services Instructions/orders, Warrants/credit notes etc. of the value of Rs. 25 and over each are audited in full. Those for lesser amount will not be audited.

of such charges will be carefully followed and in addition it should further be seen,

(1) that warrants wrongly issued for unauthorised persons or quantity of baggage etc., are duly objected to and their cost recovered at public tariff rates and the difference between Military Tariff and Public Tariff credited to Railway concerned;

Note.—Cases of unauthorised issue of Warrants should be specially brought to notice of the higher Executive authorities with a view to disciplinary action being taken if it is found that the issuing officer is abusing his powers.

(2) that the cost of warrants issued in connection with Annual Training, which are chargeable to the Training grant, is duly recovered;

(3) that all the columns of the warrant are correctly filled in and the certificate at the foot of the Warrant duly signed;

(4) in case of credit notes issued to cover freight for stores purchased from the contractors, it should invariably be ascertained whether the freight is to be borne by the Government or by the contractors. If the latter the issue of such credit notes should be challenged;

(5) the charges for special trains for high officials of the Military department when travelling on duty by railway will be checked with reference to the special rates given in Appendix "A" of the Military Traffic Rules;

In the case of reserved carriages used by high officials of Government it should be ascertained whether they are specially constructed for such officials and if so, the concessional rates given in Appendix A(ii) *ibid* for these carriages should be admitted in audit;

Whenever a carriage belonging to the Railway stock is used by any of the high officials, full tariff rates claimed by the Railway will be admitted;

(6) bills on account of haulage charges for saloons used by Commander-in-Chief which are debitable against the tour grant will be paid for in cash to the Railway by their Staff Officer and will, after payment, be forwarded to MRC section for audit. On receipt they should be audited without any delay and returned to the Staff Officers concerned. Any objection on account of over-charges should be raised against the Railway concerned and their adjustment watched through the Objection Registers in the ordinary course. The staff officer concerned will be informed accordingly;

(7) in regard to claims for empty haulage charges for saloons used by touring officers, the certificate signed by the Traffic Manager or Traffic Superintendent of the railway in support of such charges will be provisionally admitted in audit without the same being countersigned by the military officer concerned. Such charges will then be referred to the officers, or to the Branches Headquarters to which the touring officers belong, for scrutiny and acceptance, and on receipt of their concurrence, the claims will be admitted finally in audit.

427. (i) Though the officer who sanctions the issue of a Warrant or credit note is personally responsible that his action is authorised by the rules *vide* para 2.R. (P), the facts mentioned on the Warrant or credit note, and the authority cited, should nevertheless be verified occasionally by reference to the issuing officer. Doubtful cases should be prominently brought to the notice of the

(ii) If a warrant credit note has not been signed by the issuing officer or column 4 of the warrant has not been completed by the individuals concerned the voucher should, nevertheless, be checked on the information available and over charges, if any, should be noted in the objection statement as under :-

- (a) Returned being unsigned, but please note that from the details available a sum of Rs. has been overcharged, as per particulars below, which is disallowed.
- (b) Returned for completion of column 4 of the warrant, please note that from the details available a sum of Rs. has been overcharged, as per particulars below, which is disallowed.

428. (i) The audit should be completed within one month of the date of receipt of each bill and a separate objection statement will be issued on each bill. As soon as the audit of each bill is completed the objection statement will be submitted for the approval of the Officer Incharge of the Section and the date of completion of audit will be noted in the Bill payment Register and initialled by auditor and Superintendent concerned.

(ii) Vouchers which have been audited and passed will be duly stamped "Passed" and initialled by the auditor concerned, and those on which objection has been taken, will be encased "Objected to". The vouchers which are not marked for audit will be stamped "Cancelled".

(iii) In the case of vouchers on which objections have been raised, a red ink note will be made against the relevant items in the bill "O.R." or "O.I." signifying an objection against the Railway or issuing officer concerned. Such vouchers will be detached from the bundle and recorded on the relevant file dealing with the objection.

(iv) Objection pertaining to particular unit or formation or Railway in respect of vouchers forming part of a single bill may be taken under one objection statement. The code of PM/Rly. bill No., should be marked on the objection statement.

(v) The objections on warrants and credit notes will be entered in a Register (PAEA-579) through which their further disposal will be watched. Separate objection Register will be maintained to record objection against issuing officer and against Railway. The entries in the Register on account of the amount objected to in audit will be attested by the Superintendent. An abstract of all outstanding objections will be prepared and attached with each register. Before the submission of the Register to the O.i/c for inspection these should be completed upto date and initialled by the Superintendent concerned. Objections remaining outstanding for over six months will be transferred to the special objection register and cleared from the current Register.

(vi) When the objection is settled, an entry to this effect will be made against it in the Objection Register and the item cleared therefrom. Intimation is sent to the party concerned and the Accounts Group (Local) informed to carry out book adjustment, where necessary.

429. (i) Recoveries from issuing officer which are usually for irregular/ unauthorised and wrong issue of warrants and M.C. Notes are required to be made in cash. Treasury Receipts for the amount should be called for and after action as below handed over to Accounts Group for adjustment.

(ii) The Unit/Formation forwarding a Treasury Receipt

ould be sent to the Unit/Formation forwarding Treasury Receipts etc., and the second copy should be endorsed to the L.A.O. in whose audit area the Unit/Formation is located. Such memos should invariably be issued over the signature of a section officer and bear the stamp of the office of issue.

(iii) The L.A.O. should compare the letter of acknowledgment produced by the executive authorities with the copy thereof received by him direct from the issuing authority, to ensure the genuineness of the one produced by the Unit.

At the time of Review of Units/Formations, the Local Audit Officer should prepare a list of all the Treasury Receipts and acknowledgments of the C.M.A. for the period covered by his audit and forward the same to the C.M.A. concerned, preferably under registered/confidential cover for verification. Confirmation of verification from the C.M.A. should be watched by the L.A.O.

430. Blank.

431. Five percent of the audited vouchers will be reviewed by the Superintendent and one percent by the Officer Incharge. Selection of five percent of audited vouchers to be reviewed by the Superintendent and one percent by the Gazetted Officer will be made by the Officer Incharge and the G.O./C.M.A. respectively.

After audit and review 5% of the vouchers will be scheduled to the consignor's ~~C.O.S.L.A.~~ Accounts Officer for pairing with counterfoils and their acknowledgments watched. In selecting these vouchers discretion will be exercised to sort out vouchers in respect of as many Units/Formations as possible.

432. All cases of fraudulent use of warrants and credit notes detected in the course of audit will be reported to the Div/Sub Area Commander, and their disposal will be watched through a special register maintained for the purpose.

It should be seen that prompt action is taken by the administrative authorities to investigate the case and deal with the individual responsible for the loss, and that extra expenditure incurred thereby is regularised without delay.

The cases will be reported to the M.A.G. through the report on General state of accounts.

433. The counterfoils of Railway warrants and credit notes are examined by the L.A.Os. and the responsibility for the settlement of observations/objections raised by them as a result of this examination rests with them. They can, however, call for the advice of C.M.A. (M.R.C. Section), Lahore Cantt/Dacca, where necessary.

434 & 435. Blank.

436. A list of Register maintained in the Railway Section together with dates of their submission to the Officer In-charge is given in Annexure "C" to this Chapter.

437 to 500. Blank.

Annexure 'A'

List of Registers.

1. Railway Bill Register.
2. Indent Register.
3. Railway Objection Register.
4. Issuing Officer Objection Register. S/O
5. Register of travelling charges (PAFA 515).
6. I. D. Schedule Register.
7. T. E. Register.
8. Demand Register.
9. Register of Objections waived and irrecoverable amounts written off by the PMAD Officers and other C.F.A's.
10. Register of Financial Irregularities.
11. Review Register. 75
12. Register of Temporary Sanctions.
13. Fraud Register.
14. Register of Special Features.

Note :—It should be ensured that all the registers contain fly leaf instructions duly approved by the M.A.G.



CONCORDANCE.

Para in Old O.M. Pt. II.	New Para
521 }	31
551 }	37
522	
523 }	
524 }	78 to 82
525 }	
526 }	Obsolete
527 }	111 to 119
528 }	36, 38 and 39
529	130
530	116
531	Obsolete
531-A	36 (iv) (b) (i)
532	Already deleted
533	158 (ii)
534	Obsolete
535 (i) (ii) (iii)	158 (iii)
536	160 (i)
537 }	
538 }	Obsolete
540 }	
539 }	45, 46 and 47
541 }	
542 }	Obsolete
543	70
544	162
545 }	41
546 }	
547	167
548	166
549 }	61 to 66
550 }	
586	Obsolete
557	50 (ii)
558	51
568	Please see relevant Paras in relevant
569 to 582	Chapter of O.M. Part II.
582 to 584	57, 58, 59 and 67, 68, 69
552 }	
553 }	108
554 }	
555	54, 55, 56
556 }	158 & 159
557 }	
558	160
559	157 Notes (i) to (iii)
560	Obsolete
561	Obsolete

Para in Old O.M. Part II.	New Para	Remarks.
585	181	
586	182	
587	189	
588	190	
589	191	
590	192	
590-A.	193	
590-B	194	Authy. MAG (I) decision No. 134 bearing No.
591	195	5817/AT/D/2845 dated 4-2-1938.
—	196	New Para MAG(P) No.AT/Pro/III dt. 28-11-1956.
592	197	
593	198	
594	199	
—	200	Blank.
—	201	New Para. Para 28 Appx. III M.A/c Code.
595	202	
596	—	Not operative.
597	183	
598	184	
599	185	
—	186	
—	187	New Para. Rule 206 F.R.Pt. 1.
—	188	-do-
600	203	
601	204	
601-A.	204-A.	
602	205	
603	206	
604	207	
605	—	Deleted <i>vide</i> CS No. 27/1953.
606	208	
607	209	
—	210	New Para. MAG No.AT/S/1618/32 dt. 14-3-1959.
608	—	Deleted <i>vide</i> CS No.29/1953.
609	215	
610	—	Deleted <i>vide</i> CS No.151/34
611	—	-do-
612	216	
613	217	MAG No.AT/SP/273-II dated 6-6-1955.
614	218	
615	—	Omitted. Not operative.
616	219	
617	220	
618 to 627	—	Omitted. No more operative.
628	221	
629	222	
630	—	*Their inclusion is not considered necessary. These are already omitted in the Procedure Code.
631	—	
632	223	
633	224	
634	225	

1	2	3
7 to 640	—	Their inclusion is not considered necessary. These are already omitted in the Procedure Code. Deleted <i>vide</i> C.S. 142/1934.
1	—	
2	228	
3	229	
4	229-B.	Omitted.
5	—	
6	229-A.	
7	—	Omitted.
8	230	
9	231	
10	232	
11	—	Deleted <i>vide</i> C.S. No.248/1934.
12	233	
13	—	-do-
14 to 655	—	
15	233-A.	
16 to 658	—	Deleted <i>vide</i> C.S. No. 185/1932.
17 to 661	—	
18	233-B.	
19 to 671	—	Omitted.
20 to 676	234	
21 to 679	—	Para 679 deleted <i>vide</i> C.S. 162/34. Paras 671 and 78 omitted.
22 to 682	—	Deleted <i>vide</i> C.S. No. 163/34.
23 to 687	—	No more operative.
24	235	
25 A.	235	
26	236	
27	236	
28 A.	—	Deleted <i>vide</i> C.S. No.43/1934.
29 B.	—	-do- No.266/1941.

Para in P.M.A.D. Procedure Code Chapter XXI.	Corresponding para in the revis- ed O.M. Part III.	Remarks.
--	--	----------

PART I.

	331	New para.
	332	New Para.
(A) 1 }		
2 }		
3 }		
4 }	334	
5 }		

(B) }		
(C) }	Omitted.	
(D) }		
	335	New para.
	336	New para.

(E)	337	
-----	-----	--

(F)	Omitted.	
-----	----------	--

PART II.

'A'	338	
	339	

'B'	340	
-----	-----	--

'C'	345	
-----	-----	--

'D'	341	
	342	
	343	
	344	

'E'	346	
	347	

'F'	348	
-----	-----	--

'E' (3)	349	
---------	-----	--

'G'	350	
-----	-----	--

'H'	351	
-----	-----	--

PART III.

1 }	352	
2 }	353	
3 }	354	

MAG uo No. GPP/Misc/FP dt. 4.8.1956
reproduced in PAO 638/56.

ART IV.

A) $\frac{1}{2}$
3 }

357

358

New para.

B) 1
2

359

360

C)

Omitted.

361

New para.

362

New Para based on M.A.G.(I) letter No. MA/140 dated 15-11-1938 reproduced as Appx. 'G' at Page 350 PMAD Procedure Code.

363

New para.

364 to 375

Blank

SECTION II D.S.O.P. FUND RULES.

in the exist- O.M. Part V.	Corresponding Para in PMAD Procedure Code Chapter 9.	Corresponding Para in the Revis- ed O.M.	Remarks.
	2	3	4
3	1, 2 and 12	376	
4	Omitted.	Omitted.	
		377	New para.
		378	New para.
	2	Omitted.	
	3(a)	379	
	3(b)	Omitted.	
	19	385	
	Omitted.	Omitted.	

1	2	3	4
49 to 51	Omitted.	Omitted.	
52	14	Omitted.	
53	{ 5(b) 15 }	382	
54	4	384	
55	13	384	
56	5	385	
57	3	379	
58	5 } 17 }	385	79
59	5 }	385	
60	6 (i) } (9) (3) }	386	
61 } 62 }	Omitted.	Omitted.	
63	5 (c) 18	383	
64	Omitted.	Omitted.	
65 to 67	Omitted.	Omitted.	
68 } 69 } 70 } 71 }	9	393	
72	5 } 17 }	384 385	
73 } 74 } 75 } 76 } 77 } 78 }	Omitted.	Omitted.	

1	2	3
84		
85		
86	Omitted.	Omitted.
87		
88	23	Omitted.
89		
90		
91		
92		
93		
94	Omitted.	Omitted.
95		
96		
97		
98	6 (2) } 20 }	387
99	Omitted.	Omitted.
100	24	Omitted.
101		
102	Omitted.	Omitted.
103		
104	10	394
105 to 121	Omitted.	Omitted.
122	10	394
123	26	395
	7	389
	8	391
	9 (2)	393 (ii)
	11	Omitted
	16	Omitted.
	21	Omitted.
	22	Omitted.
	25	Omitted.
		380

New para.

in O.M. Part	Corresponding para in Chapter XII of P.M.A.D. procedure Code.	Corresponding para in the revised O.M.	Remarks
1	2	3	4
1.	1	401	
2.		407 (iii)	
3.	Omitted.	Omitted.	
4.	Note under 6 (iii)	425	
5.	5	405	
6.	6 (a) (i)	406	
7.	7	{ 406	
8. }		{ 407	
9.	Omitted.	Omitted.	
10. }	7	{ 406	
11. }		{ 407	
12.	—	408	deleted.
13 to 23.	—	—	
24.	14	425	
25.	15	{ 425	
		{ 426	
		{ 427	
26.		426	
27.		415	
28. }		416	
29.		{ 414	
		{ 417	
30.		428	
31.		428	
32.		407	
33.		426	
34.		426	
35.		428	
36. }		421	
37. }			
38.		424	
39.		433	
40.		432	
41.		436	
42.		431	