

TABLE OF CONTENTS

ACCOUNTS SECTION WORKSHOP

CHAPTER	SUBJECT	PAGE NO
I	Objectives & Duties of Accounts section	1 – 2
II	Form and structure of Govt. Account	3 – 7
III.	Budget Estimates in General	8 - 13
IV	Budget Estimates Defence Services and Budgetary control.	14 – 23
V	Punching Medium	24 – 30
VI	Schedule III and linking of paid cheques	31 – 33
VII	Loss and cancellation of cheques and issue of fresh cheque- issue of Non payment certificate	37 – 39
VIII	Debt Head Register and its maintenance	40 – 45
IX	DID Schedules	46 – 65
X	Military Receivable Order (IAF-507)	66 – 69
	ANNEXURES –A TO E	71 – 79
	APPENDIX - B TO D	81 - 91

CHAPTER – I

ACCOUNTS SECTION : OBJECTIVES

- (i) To provide accounting and financial information to executive authorities for the performance of their Managerial functions.
- (ii) To provide timely and accurate figures to Govt for preparation of financial accounts of the Defence Services.

ACCOUNTS SECTION: DUTIES.

The work in Accounts Section may be broadly divided into the following categories.

1. Preparation of schedules from Punching Media and supporting vouchers in respect of Remittance heads.
2. Maintenance of Debit Head Registers.
3. Settlement of transacts under the Defence Proforma Accounts procedure.
4. Reconciliation of the balances as per monthly statement of closing balances of RBI with the balances worked out in the books of the Controllers.
5. Watching clearance of the outstanding in respect of suspense heads under the Defence Proforma Account – Remittance into Bank/Treasuries “Cheques and Bills”, Reserve Bank Suspense –Reserve Bank suspense unclassified” and the “Remittance heads- Accounts with States etc.

6. Accounting and adjustment of transactions relating to D.A.D Receipts and Expenditure.
7. Adjustment of Defence transaction arising in England and adjustable in india And payments in india on behalf of U.K Govt by the Defence Accounts Officers,
8. Processing of transactions relating to Exchange Accounts between Controllers of Defence Accounts.
9. Preparation and submission of Budget Estimates for which Defence Accounts Department is responsible
11. Watching progress of expenditure against allotments in respect of locally controlled heads, and rendition of monthly statements of expenditure to the local controlling authorities and checking of budget estimates received form them.
12. Banking of regimental funds
13. Appropriation Reports,
14. Reviews of compilation,
15. Maintenance of Defence ledger,
16. Preparation of Review of Balances in respect of Defence and D.A.D.
17. Preparation of annual statement of expenditure under Head “2049 Interest and other obligations”
18. Checking of annual consolidated balance accounts of Defence Services.

CHAPTER – II

FORM AND STRUCTURE OF GOVERNMENT ACCOUNT:

One of the important functions of DAD is accounting of all Receipts and Charges pertaining to Defence Services including Defence Ordnance Factories.

The main duties of a CDA as an accounting Officer are;

1. To collect the accounts of all receipts and disbursements in his accounts area.
2. To transfer to other Accounts Circle, transaction pertaining to them which originate in his area and adjust in his accounts the items transferred to him by other accounts officers.
3. To keep watch over the progress of expenditure under locally controlled heads and to inform suitable the allottees and the immediate higher authorities about the cases on which the progress of expenditure is abnormally heavy or unusually low.

Government accounts are kept in three parts and funds for the Government expenditure are received through these sources. They are as follows:

1. Consolidated Fund
2. Public Account

3. Contingency Fund

Consolidated Fund

Receipt: Revenues through Tax, non-tax, Grant in Aid, Contribution, Public Debts, loans and advances etc.

Expenditure: Expenditure of the Government is made from this fund, when so authorised by the Parliament on different services like General, social and economic etc.

Public Account

In which public money received by and on behalf of Government are credited.

The transaction relating to Debt, Deposits Advances. Remittances & suspense are recorded. Debt Deposits and Advances are such in respect of which Government involves a liability to repay the money received or has a claim to recover the amount paid.

Remittances and suspenses are merely adjusting heads under which remittances between treasure and currency chest and transfer between different accounting circles are recorded.

Contingency Fund:

This is at the disposal of the president to meet any unforeseen expenditure pending authorization by the parliament.

CHART SEE ANNEXURE 'A' - GOVERNMENT ACCOUNTS.

Under the Consolidated fund and Public Fund the transactions are grouped into:-

Sectors - Sub Sector - Major Head - Sub Major Head - Minor Head – Sub Head - Detailed Head.

Sector:

Such as general services social and communities services, economic services – under which specific functions are grouped.

Sub Sector:

Functions inter related to the above services,

Major Heads :

Functions of Govt. Such as agriculture, Defence etc., provided by Government.

Minor Heads :

Programmes undertaken to achieve the objectives of the function represented by Major Head.

Sub Head :

Number of schemes or activities represented by program under minor head. It may also denote the components of a program such as organizations or the different wings of administration.

Detailed Head:

Indicates the nature of expenditure on a scheme or activity such as salaries, office expenses, Grants in aid, Loans, Investments etc.

The Comptroller & Auditor General of India advises the Central Government regarding the Order in which the Major & Minor Heads shall appear in all account records which are followed strictly.

Codification of Heads of Accounts

From 01/04/1987 a revised coding pattern has been introduced keeping in view the requirements and providing for computer based Financial Information Systems.

Major Head consists of 4 digit code

Sub Major Head consists of 2 digit code

Minor Head consists of 3 digit code and

Detailed Head consists of 2 digit code.

CHART SEE ANNEXURE 'B' Consolidated Fund of India

CHART SEE ANNEXURE 'C & D' PUBLIC ACCOUNT

Grants

The Ministry of Defence obtains funds from the Parliament through 8 grants:

- | | |
|----------------|------------------------------------|
| 1. Grant No.13 | Ministry of Defence |
| 2. Grant No.14 | Defence Pension |
| 3. Grant No.15 | Defence Services Army |
| 4. Grant No.16 | Defence Services Navy |
| 5. Grant No.17 | Defence Service Air Forces |
| 6. Grant No.18 | Defence Ordnance Factories |
| 7. Grant No.19 | Defence Research & Development |
| 8. Grant No.20 | Capital Outlay in Defence Services |

The Grant No. 13 relates to the Ministry of Defence including DAD, DEO, and CSD and Grant No 14 relates to the pension of Services and Defence Civilian personnel both pertains to Civil estimate - code heads under operation from Pamphlet of RDR Heads.

The grants from 15 to 20 relates to Defence - Pertains to Defence service Estimate – Code head operated from Classification Hand Book for Defence Receipts and Expenditure.

In addition to the above there are certain types of receipts and expenditure and they are budgeted under Centralized Grants i.e.Revenue Debts/Deposits Remittance and Suspense Heads and they are also under Civil Estimates.

CHART SEE ANNEXURE ‘E’ –(Bifurcation of Code heads as RDR Army, Navy,Air Force, Ordnance Factory and Defence Capital outlay Heads)

CHAPTER III

PREPARATION OF BUDGET IN GENERAL.

Origin:

In India the first Budget was introduced in the year 1800 by Sir James Wilson, Finance Member of Viceroy's Council. British Model was first introduced.

The Budget Division of Ministry of Finance makes necessary changes in the estimates submitted by different Ministries in accordance with the orders on the subject and prepares two important documents viz.,

1. Annual Financial Statement (Budget)
2. Demands for Grants.

These two documents are then submitted to both the Houses of Parliament for consideration and approval.

Aims:

1. Budget was introduced as an instrument to ensure accountability of Executives to Parliament.
2. In 1921 the Post of Comptroller and Auditor General was created. The Public Accounts Committee scrutinizes the report on the financial transactions of the Government rendered by the C&AG.
3. The Department of Finance used the Budgeting System to exercise financial control over spending authorities.
4. In 1976, the accounting function got separated from Audit, and C&AG was relieved of his responsibility of compilation of accounts.

Procedure for Budgeting:

1. Article 112 (I) of Constitution, requires the Government to present to both the Houses of Parliament before commencement of each Financial Year an Annual Financial Statement known as Budget. It reflects the estimate of Receipts and Expenditure of Union Government for that Year.

2. Budget is submitted in 2 Parts a) General Budget, b) Railway Budget.

The Budget of Indian Railways is presented and dealt with separately by Parliament. However its Receipts and Expenditure are included in the Union Government Budget.

3. Budget is prepared and presented by the Finance Minister with the assistance of Administrative and Executive authorities, keeping in view the State of Economy and prevailing economic conditions in the Country.

4. 75% of Budget, accounts for committed expenditure which is not controllable viz., Debt Repayment, Interest Payment, Defence Salaries, Food Subsidies etc. and only 25% is available for modernization expenditure.

What is Budget?

The Annual Financial Statement which is prepared in accordance with the provisions of the Constitution is popularly known as Budget and it is presented before both the Houses of Parliament for approval.

The Budget contains,

- a) The sums required to meet the Charged/ Obligatory expenditure from the Consolidated Fund of India. This is not subject to Vote of the Legislature.
- b) Sums required to meet other expenditure which are required to be voted by the Legislature.

The three main Funds which meet the Revenue and Expenditure requirement of the Union Government are:

- 1.The Consolidated Fund of India.
- 2.The Contingency Fund of India.
- 3.Public Account of India.

Estimates of Expenditure:

The estimates of expenditure consists of two heads.

- a) Expenditure charged on the Consolidated Fund.
- b) Demands for Grants.

Expenditure Charged on Consolidated Fund of India:

The expenditure charged upon the Consolidated Fund of India is in the nature of obligatory payments and are not subject to Vote of Parliament. The amount to be spent in a particular year, however are to be included in the budget.

The expenditure also includes,

- a) The emoluments and allowances of the President of India and other expenditure of his office.
- b) Pay and Allowances of Chairman and Deputy Chairman of Rajya Sabha and Speaker of Lok Sabha.
- c) Pay and Allowances of Judges, Comptroller and Auditor General.
- d) Payment of Court Decrees etc.

Demands for Grants:

- 1.All expenditure out of Consolidated Fund is provided in the Demand for Grants.
- 2.The demands cover each Administrative Services of the Ministries.
- 3.Demands are presented for Vote of Legislature.
- 4.Different Ministries project their demand for various services and works undertaken by them under the numbers allotted to them, to the Ministry of Finance for inclusion in the Budget Estimate.

Preparation of Estimate:

The Administrative unit of each Ministry prepares an estimate of the Expenditure before the next financial year during September/October every year. The Statement of estimate contains the following details.

- a) Actual figure for the last 3 years.
- b) Sanctioned Budget Estimate for the Current Year.
- c) Actuals of the current year upto that point of time.
- d) Actuals for the corresponding period of the previous year.
- e) Revised estimate for the current year.
- f) Proposed estimate for the next financial year.

The estimates are fully scrutinized and revised if necessary by the department controlling officers and then sent to the Ministry of Finance. A copy of the same sent to Accountant General Revenue. He examines the same and ensures that all the sanctioned charges are included in the estimates.

Various **stages** leading to preparation and compilation of the budgets are:

1. Preparation and consolidation of the estimate by the Heads of the Ministries and Departments.
2. Scrutiny of the estimate by the Department controlling officers.
3. Scrutiny by Ministry of Finance.
4. Consolidation of the estimates by Ministry of Finance.
5. Consideration of the consolidated estimate by the executive Government and further review based on any comment.

Stages of approval of Budget by Parliament:

1. General discussions on the Budget.
2. Discussion & voting on the demands for grants.
3. Passing of Appropriation Bill.
4. Passing of Finance Bill.

The Third Stage ie passing of Appropriation bills denotes the authorization of the Parliament for the proposed Government

expenditure. It will not normally exceed the amount included in demands for grants.

The Fourth Stage i.e. Passing of Bill denotes authorization by Parliament for raising the required revenue to meet the proposed expenditure.

Cycle of Budget:

There are 5 stages in the Budgetary Cycle.

- a) Preparation of the Budget.
- b) Presentation, Discussion and Sanction of the Budget by the Legislature.
- c) Execution of the Budget.
- d) Accounting.
- e) Audit.

Function (a & c) are the responsibility of the Executive. Function (b) is the responsibility of the Legislature. Functions (d & e) with some exception is the responsibility of C&AG of India.

Vote on Account:

No Money can be withdrawn from the Consolidated Fund without the Sanction of the Legislature.

This Sanction is given on an annual basis. The Budget for the next year must be passed and the necessary funds granted before the expiry of the current financial year.

If the appropriation bill is not passed before 31st March of the financial year, a portion of the estimate is voted so as to regularize the expenditure of the administrative department. This is called "Vote on Account." This is authorised by the Constitution in the form of an "Appropriation Act".

Vote of Credit:

As per the Constitution, the legislature can also make an exceptional grant for meeting an unexpected demand, which forms no part of the current services of any financial year. Such a grant if agreed by the legislature is known as Vote of Credit and it also needs to be passed as appropriation act.

Token Grant

When money sanctioned for a particular purpose and included in a Grant is not fully expended and the savings from this is proposed to be spent on some other purpose within the grant and then also legislature has to be informed of such appropriation and legislature has to sanction the same by means of a Token of Grant on a supplementary estimate.

Supplementary / Additional or Excess Grant:

Sometimes it becomes necessary to approach the legislature for Supplementary Grant.

The necessary arises due to

1. Insufficient allotment for a particular item.
2. A need for additional expenditure on new subject.
3. Expenditure done in excess of the amount granted.

In such cases, a separate case is laid before both the Houses of Parliament in the form of a Statement showing the estimated amount of such expenditure i.e. a demand for such excess expenditure. This is called Supplementary or Additional Grants.

Budgetary Control by Parliament:

Parliament exercises Financial Control through 3 Financial Committees viz.,

1.Public Accounts Committee—PAC discusses the reports of C&AG on the financial transactions of the Government i.e. a small percentage of Audit Para.

2.Estimates Committee: Estimates Committee discuss and debates the efficiency appraised of Department i.e. finding out where economy and efficiency could be effected in departments.

3.Committee on Public Undertaking:

Committee on Public undertakings combines the functions of PAC and Estimates Committee.

CHAPTER – IV

BUDGET ESTIMATES:- (Defence Services)& Budgetary Control

Defence Ministry and Government of India decides the policy with regard to

- a) the strength and composition of Defence Services
- b) Procurement & productions
- c) Weapon development
- d) Research and Development
- e) Maintenance and Operation
- f) Military Construction
 - (i) Military proper
 - (ii) Civilian Construction
- g) Reserve personnel requirement

The expenditure on the above is divided into 2 categories,

- 1) Centrally controlled Head
- 2) Locally controlled Head.

Centrally Controlled Heads:

Expenditure on Pay and Allowances of regular personnel of Defence Services is treated as Centrally Controlled as the expenditure is dependent on various factors affecting Pay and Allowances such as periodical increments, promotions, grant of special allowance, DA etc. and hence cannot be controlled locally. The expenditure is obligatory in nature and depends upon the strength and composition of the Armed Forces. The responsibility for implementing the decision and ensuring proper control over expenditure is vested with Armed Forces Head Quarters and no distribution of the provision is made to the subordinate officers. This is the principle behind the system of Centrally Controlled heads of accounts.

- Estimates for Centrally Controlled Heads are prepared by concerned Branches and Directorates at Army HQ, Navel HQ and Air HQ.
- Submitted to financial planning Directorate for consolidation.
- Consolidated requirement submitted to integrated finance.
- IFAs submit its report to Secretary Defence(Fin./Budget)

Locally Controlled Heads

All other expenditure connected with Defence is treated as expenditure which can be kept within the budgetary grants and hence can be controlled locally to whom allotments are made. E.g., Annual contingent Grant, I.T.Expenditure, Supply & Services of Stores, Transportation's. Pay and allowances of Industrial establishment employed in stores, purchase, works expenditure, Capital work are also locally controlled head for which allocations are made.

- Estimates for Locally Controlled heads are prepared by OC Units and formations.
- Submitted by units to Area HQ for consolidation.
- Submitted by Area HQ to Command HQ
- Command HQ submits consolidated estimates to Army HQ

- Estimates are routed at Units & formations level through CDA
- Estimates at the CDA Office are checked and corrected where necessary with respect to past actual and other factors coming to their knowledge and forward them to respective command HQ.
- While preparing Estimates all orders affecting the estimates are to be taken into consideration.

Preparation of Budget Estimates by DAD on behalf of Defence Services

- a) Budget estimate for Defence pension

- b) Budget estimate on Cash requirement
 - Budget estimate on Defence pension will be prepared by CDA and submitted to PCDA (P), Allahabad.
 - PCDA(P) Allahabad consolidates and submits the estimates to CGDA.
 - CGDA submits the estimates for Defence Financial Advisor, Ministry of Defence Finance.

- Budget estimate on Cash requirement for RD&R heads are prepared by respective Controllers and submitted to CGDA.
- CGDA submits the consolidated estimates to Ministry of Defence(Fin.Budget)
- Estimates are based on Compiled Actual for first 6 months of current year and 6 months of last financial year.

The budgetary requirements of Defence Services are made through 6 demands viz.

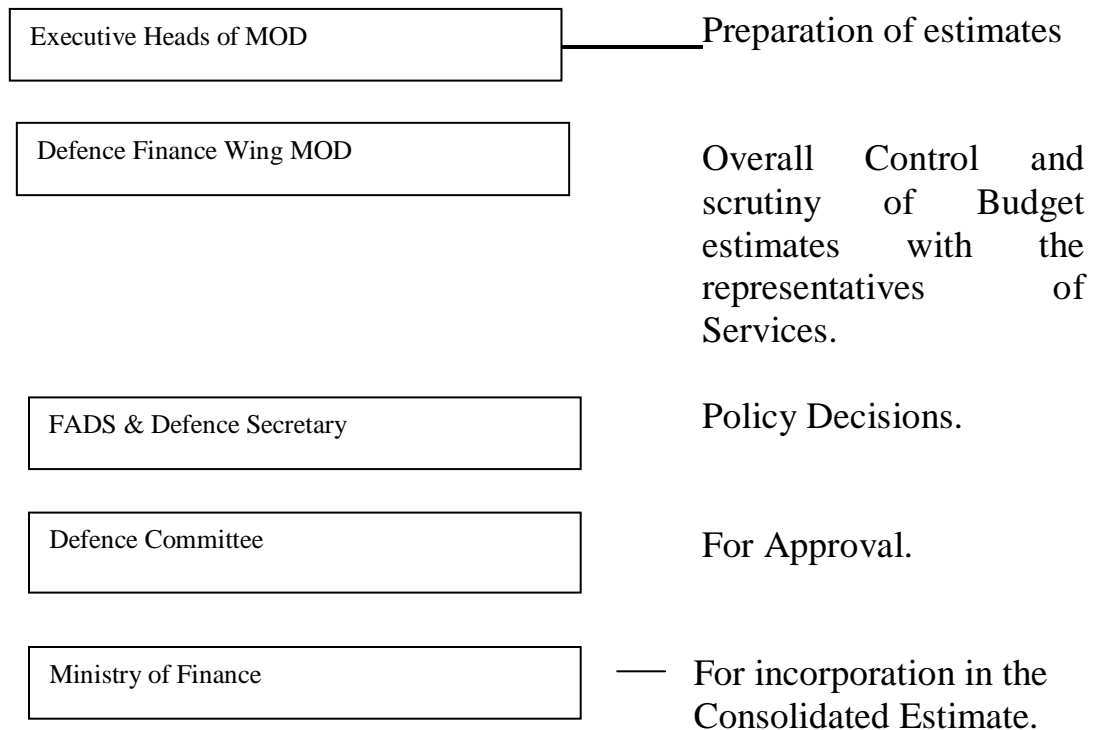
Demand 15	: Defence Services Army
Demand 16	: Defence Services Navy
Demand 17	: Defence Services Air Force
Demand 18	: Defence Services Ordnance Factory
Demand 19	: Defence Research and Developments
Demand 20	: Capital Outlay on Defence Services

Civil Demands for Grants

Demand 13	: Ministry of Defence i.e. Defence Secretariate, DAD, CSD, PSU, DEO etc.
Demand 14	: Defence pension

The requirements of Coast Guard is included in Department of Revenue and the requirements of Border Roads is included in Ministry of Surface Transport.

Preparation of Defence Budget



Estimate on revenue is prepared by Ministry of Finance in consultation with Central Board of Direct Taxes and Central Board of Indirect Taxes.

The Consolidated Budget is then submitted to both the Houses of Parliament through 2 important documents viz.

- 1) Annual Financial Statement (Budget)
- 2) Demand for Grants – for consideration and approval

Periodical review of estimates

The estimates are received at periodical intervals to ascertain the requirement of funds or surrender of funds.

For Defence Services

	DUE DATE
a) Preliminary Reports	20 th August
b) Preliminary Revised Estimate for Current Financial Year	10 th November
c) Revised estimates for Current Financial Year	20 th December
d) Modified Appropriation	10 th March

For Defence Pension

a) Revised Estimates	20 th December
b) Modified Appropriation	10 th March.

Control of Budget Provision:

The funds allotted on items of expenditure included in the budget are susceptible to control against budget provision by various administrative and executive authorities subordinate to the Govt. of India.

This control is exercised in three different stages.

- i. Initial Distribution of Budget Grants.
- ii. Watching expenditure against allotment.
- iii. Re-appropriation,

Initial Distribution of Budget Grants

The Principal Staff Officers at Service Headquarters who control specific activities allot the Budget provisionally for concerned activities to Command and lower formations in respect of items which falls under the category of locally controlled heads.

SEE APPENDIX A REGARDING DISTRIBUTION OF FUNDS

Reserves: The authorities at Service HQrs. keep back certain amount as Reserve to meet any unforeseen requirements. The quantum of Reserve is decided by Controlling Officer at Service HQrs. in consultation with the DFA.

Reserve at Lower Stages: In the chain of control the authorities at the lower stages also have the discretion to hold as Reserve a portion of the allotment placed at their disposal for distribution to Units and Formations under their control.

Expenditure Control:

The ultimate responsibility for ensuring that the expenditure does not exceed the corresponding budget allotment rests with Principal Staff Officers at Service H.Qrs.

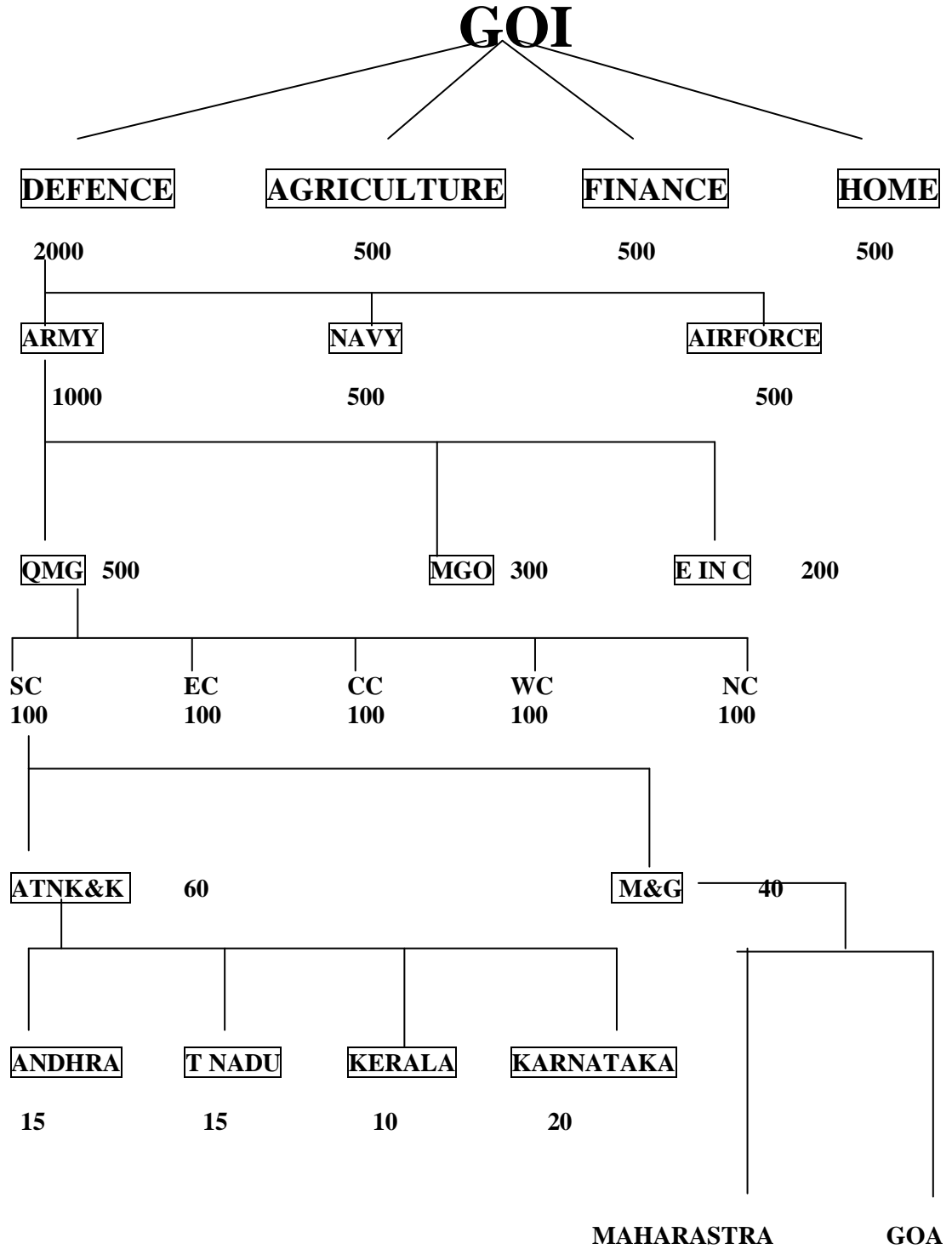
Financial Concurrence on Budget:

Communication for allotments from Service HQrs. issue with the concurrence of the respective Defence Financial Advisor. Ink signed copies are endorsed to CGDA and CsDA. Based on the bulk allotment received from Service H.Qrs. Such allotment of funds are made by Command H.Qrs./Formation H.Qrs./Area H.Qrs. etc. in respect of the units under their control after duly endorsing the ink signed to them to enable them to have a control over allotment while processing the bills for payment.

SEE APPENDIX – B,C & D REGARDING ALLOTMENT AND SUB ALLOTMENT OF FUNDS

APPENDIX- A

DISTRIBUTION OF FUNDS ALLOTMENT



Watching Expenditure against Allotment:

Whose Responsibility?

Responsibility for watching the expenditure and ensuring that it does not exceed the allotment rests with the authority to whom allotments are made.

How CDA help in the above activity?

The work has been computerized and the expenditure progress is watched on PC.

1. On receipt of ink signed allotment of funds letter from respective authorities, the name of the allottees the authority letter No., date, the amount allotted against the respective classification codes are noted in the respective columns provided in the system.
2. Any additional allotment, withdrawal and modification by the allotter are also gets noted with number and date of communication.
3. Bills and vouchers relating to Locally Controlled Heads received by Audit Section are audited by them and after verifying the availability of funds against the respective code heads punching medium, cheque slip are prepared through the System.
4. The amount of passed bills/ vouchers gets noted in the System against the respective units of Code Heads to reflect the progress of Expenditure.
5. In case where processing of a bill for payment is likely to cause an excess over the sanctioned allotment, the bill gets returned by the audit section to the unit duly intimating the non-availability of funds.
6. If considered necessary based on executive authorities' request provisional payments order will be obtained by audit section from the CDA and the bill gets processed for payment. The bill gets noted in the Provisional Payment Register and regularised on receipt of additional allotment.
7. The Monthly Expenditure Report indicating the allotment and progressive total of expenditure are also generated in the prescribed

format unit wise and code head wise and sent to all Units and Formations concerned during 1st week of the following month showing Serial Number of the claims admitted in audit and the amount debited against the allotment by the Accounts Section

8.If the expenditure against sanctioned allotment is abnormally heavy or unusually low they are brought to the notice of the allottees and then immediate higher authorities to regulate the expenditure during the remaining period of a financial year through Audit Section by Accounts Section.

9.As soon as the information is received from Audit Section, by the Accounts Section, regarding the move of a Unit/Formation, the amount of allotment as well as the total expenditure booked till the date of transfer against each locally controlled heads will be intimated to the Accounts Section of the other Controller by the Accounts Section through Last Audit Certificate duly enclosing copies to the sections concerned and the unit authorities.

10.After the close of the years account any excess over the modified allotment are brought to the notice of the Local Authorities asking them to render a report with details to the Centrally Controlling authorities to satisfy them regarding validity of the excesses.

11.On receipt of the copy of the report rendered, the same is noted in the records.

Dealing with Additional Allotment:

Additional allotment is sanctioned by the authorities either from the Reserves held by them or from the surrenders reported to them. If reserve is inadequate and no surrender is forthcoming, the bills for payment will be processed for provisional payment with CDA's concurrence in anticipation of provision of funds before closer of the financial year. Additional Allotment sanctioned by Service H.Qrs. are with DFA's Concurrence.

Re-appropriation:

The flexibility by which savings in the budget provision under one head can be utilized to meet excess expenditure under another head is called Re-appropriation.

Rules governing Re-appropriation:

1. Re appropriation between heads in the same demand.
2. Re-appropriation between different minor-heads under major head are exercised by Govt. of India.
3. Re-appropriation between the sub-head within minor heads under each demand are exercised by Ministry of Defence.
4. An authority can be appropriated only in respect of Savings arising out of the allotment placed at his disposal.
5. No Re-appropriation is permissible between funds allotted for charged items of expenditure and voted items of expenditure.
6. No Re-appropriation between Revenue and capital heads is permissible since funds are provided in separate grants for demand.
7. Re-appropriation is permissible only between expenditure heads.

CHAPTER V

Punching Medium1.What is Punching Medium?

We all know that a PM is prepared along side the passing of bill/ carrying out of any adjustment. It contains all details regarding the particular voucher, A prescribed format of a PM is as under.

Specimen of Punching Medium: IAF (CDA) –336.

Month . CDA: -----Section Code----- Class of
Voucher:----- Vr No.-----.

<u>Classification Code</u>	<u>Receipt</u>		<u>Classification Code</u>	<u>Charges</u>	
	<u>(+)Rt.</u>	<u>(-) Rt.</u>		<u>(+) Ch.</u>	<u>(-) Ch.</u>

The Punching Medium contains details like Month/Year, CDA Code, Section Code, Class of Voucher, Disbursement Voucher No. etc.

The Punching Medium is divided into two parts, that is RECEIPTS SIDE and CHARGES SIDE along with space for operating Code Heads on both sides.

Operations of Code heads on Receipts Side and Charges side depends on the nature of transactions.

If Code Heads are operated on both sides the grand total in Receipt Side and Charges side should tally.

Note: If the balances on both sides do not agree then such a Punching Medium is called unbalanced Punching Medium. If time is available the Audit Sections/Compiling Sections should be asked to rectify the error in the same month. If the time is not available, the amount will be compiled by the EDP Section to the Suspense Head under intimation to Accounts Section. Then the Audit section is intimated by Accounts section to rectify the same in the following month.

For operation of correct and specific Code Heads, Classification Hand Book of Defence Services – Receipts and Charges, & Revenue Debit and Remittance Head Pamphlet are used. The expenditure and Revenue are classified based on the above books. For the purpose of compilation, the classification of Revenue and Expenditure (Receipts and Charges) are shown as Code Numbers or Code Heads.

Thus Punching Medium is a codified input for classification of all Revenue and Expenditure in respect of Defence Services.

It therefore serves as a basic document for having Financial Management information for controlling the Budget in respect of both Locally controlled Head and Centrally controlled Head, as Sectional Compilation/ Book Compilation and All India Printed Compilation are generated based on Punching Medium Details.

The various details related to accounts are codified in the document known as Punching Medium.

1. Punching Medium is thus an extract of certain data pertaining to a voucher.
2. Punching Medium is forwarded to EDP Center for transcribing the same into Electronic Media.

3. Punching Medium is prepared by Carbon Process
 4. The figure should be written neatly and legibly.
 5. Over writing of figure should be avoided.
- } **When prepared Manually.**

The Code Numbers to CsDA are allotted by the CGDA.

The Code Numbers to Sections are allotted by Accounts Section of the Controllers Office.

What is the importance of the indication of CDA Code/ Section Code /Class of Voucher ?

1.CDA Code: The Organization of the Defence Accounts Department corresponds to the three wings of Defence Services viz. Army, Navy and Airforce. In our organization CDA is considered as the basic accounting circle and the allotment of CDA Code is made only by the Controller General of Defence Accounts, New Delhi and as and when the new CDA Accounting circle is made all concerned viz. RBI, all CsDA, all the three wings of Defence Services, Director of Defence Services audit etc. have to be informed.

2.Section Code: The activities of a CDA Organisation are spread out to meet the requirements of users as also to facilitate the smooth functioning of organisations as well as to have effective and efficient management over each nature of work. As such, various sections known as Compiling sections are established. Therefore, to have the control and management over the proper functioning of the system, compiling section codes are allotted by the Accounts Section in the Main Office of CDA. Operation of any fictitious / incorrect heads , preparation of unbalanced Punching Medium, details of monthly expenditure of the section can easily be located/arrived at with reference to the section code. Sectional Compilations are therefore generated separately for each compiling section.

3.Class of Voucher: This is intended to identify the mode of incurring expenditure under a particular code head. The following are the class of vouchers prescribed in the Account Code.

There are 8 Classes of Voucher for compiling Revenue and Expenditure. Separate punching medium are prepared for each class of voucher on IAF (CDA) 336 except for Class 8 voucher which are prepared on IAF (CDA) 338 A.

1. Cash Vouchers (Class of Voucher – 1)

All nature of claims where cheque is /are to be issued, it is done under Class I Voucher.

2. Transfer Entries (Class of Voucher – 2)

This is used for each transfer entry for rectification of the previous classification. Class II voucher may also be used in r/o fresh adjustment cases like adjustment of TRs/MRO, passing of Credit/Debit items, Defence Exchange Accounts by Audit sections, etc. A separate register called TE Register is maintained for controlling the adjustment preparation of Punching Medium and future references.

3. ID Schedules (Civil) (Class of Voucher—3):

This class of PM is used for adjusting item originating in the book of Civil Accountant General etc. which they get adjusted against Defence Balances. They are numbered from the Numbering Register maintained for the purpose in the Section. This class of voucher is operated in Accounts Section in Main Office of a Controller.

4. Abstract of Receipt and Charges (Class of Voucher – 4):

This is used mainly by the AAO GEs and AAO BSOs, where abstract of receipt and charges are prepared. All AAO GEs/BSOs are allotted with compiling code and that code is used for DV Number.

5. Cash Accounts (Class of Voucher—5):

Formations drawing cheques against cash assignment like Military Farms, Remount depots, Pension Pay Master, Military Treasure Chest Holder etc. are assigned fixed unit code number and Punching Medium prepared in adjustment of them.

6. Railway Bills (Class of Voucher – 6):

The railway bills and the punching Medium pertaining to these are given voucher number from numbers allotted to each Railway. This is used mainly in Railway Section of Chief Controller of Accounts (Fys).

7. I.D.Schedules (Defence) Class of Voucher – 8):

This class of voucher is used in Audit Section/Accounts Section of a Controller Office while responding DID Schedules. IAFCD A 338A is used as Punching Medium.

8. MES Bills (Class of Voucher –9):

This class of Punching Medium is used for adjustment of payments made by the Main Office of the Controller in r/o MES formations for Credit to the Public Fund A/c.

The Classification Code consists of Seven Digits.

The first **two digits** indicate whether the transaction is compilable to **RDR Heads or Service Head or Pre-partition transaction.:** **00, 01, 03.**

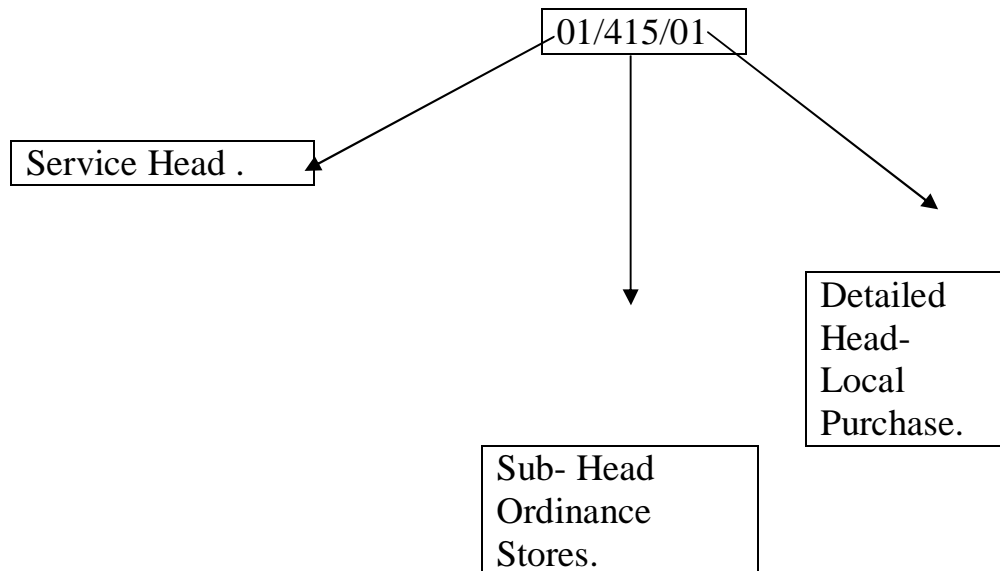
The next **three digits**—**Sub- Head.**

The next **two digits** --**Detailed Head .**
Strokes are inserted in between these three digits.

00/015/01

01/250/01.

The compilation done under Receipt Side and Charges Side should be totaled and both sides should tally i.e. show the same total.



The cheque slip is prepared by Audit Section for the amount passed for payment of the Bill. Then the bill, cheque slip and punching medium are sent to the officer for his signature. Special care must be taken to ensure that the bill passed amounts, CB amount in Punching Medium and Cheque Slip amount should tally. Then the DP Sheet is prepared as an input to the Cheque issue process.

The Original Punching Medium of all the Vouchers are sent to the EDP Centre for mechanical Compilation in convenient batches and the duplicate sent to Accounts Section and the triplicate retained in the Section. The Punching Medium from all Audit Sections should reach EDP centre by 1st of the following month. EDP Centre transmits the compilation into electronic media and forward the same to EDP Centre, New Delhi by 5th. The EDP Centre prepares the Sectional Compilation of the concerned Section by 11th of the following month. The Book compilation of RDR Heads and Revenue and Expenditure under Service Heads are sent to the concerned CDA by EDP Centre New Delhi by 15th of the month.

General Deficiencies in Punching Media:

1. Column 'Section' is not correctly entered. Mostly two digits are filled in whereas it should be completed in four digits.
2. Voucher number is to be filled-in with four digits i.e. 0001to 9999. No Alphabet should be used.
3. GE/Unit/PAO Code, IMP A/c No. DIDs Nos are not reflected in most of the cases. In the absence of which some of the information are not taken into account and the correct figures are not reflected.
4. In the punching medium, wherever the responding item of Exchange Account Head is reflected, the Schedule Nos. should invariably be given. Where any amount against various schedule Nos. is clubbed, the bifurcation of amount against each schedule no. should be shown in the Annexure which is to be attached with punching medium.
5. Receipts and Charges do not tally i.e. unbalanced Punching Medium is floated.
6. Some time, the duplicate or triplicate copy of the Punching Medium are sent to EDP Centre, whereas Original copy should be sent.
7. Last date of receipt of punching medium in EDP Centre is 1st now, which is not adhered in some cases and the punching medium is not reflected in that month's account.
8. Over writing is often not attested.
9. Code heads are not written in the ascending order, which is required to be done.
10. Last voucher certificate is often not forwarded with last batch of punching medium.
11. Punching Media are not approved by the authorised officer as required. For transfer adjustments, punching media are required to be signed by levels mentioned in Para 58 of Defence Accounts Code.

a) Normal Transfer Adjustments: i)SO (A) ii)AAO iii)AO/SAO iv)GO/JCDA v)CDA	Upto Rs.50,000/- Upto Rs.5,00,000/- Upto Rs.25 Lakhs. Upto Rs.1 Crore. Exceeding Rs.1Crore.
b) Rectification of incorrect adjustments: i)AO/SAO ii)GO/JCDA iii)CDA	Upto Rs.25Lakhs. Upto Rs.1Crore. Exceeding Rs. 1 Crore.

CHAPTER - VI

SCHEDULE III:

What is Schedule III?

Schedule III is the office copy of the Cheques, its contain the details of the cheque Number, Date, to whom the cheque was issued and the amount, arranged in treasurywise.

In main office of the CDA Schedule III in respect of all the Audit Section is prepared by Disbursement Section through office automation. In respect of sub offices (Cash Assignment cheques) the schedule III is prepared either through the system or manually every month and the same forwarded to Accounts Section of the Main Office for verification and linking of Paid Cheques received from banks.

Schedule III in respect of Main Office is accessible through system and schedule III received from sub offices are fed into the Schedule III Master for linking the paid cheques received from banks.

A Schedule III is required to be forwarded to Accounts Section before 5th of the following month along with Punching Medium.

After receiving the Schedule III from the Sub Offices the task holder will take the following action.

1. Note the receipt of Schedule III in the register and call for the missing Schedule III if not received on due dates.

2. The details regarding the Schedule III total the compilation total against 0/020/81 will be verified with the correctness of the total shown in the system in respect of each sub offices.

3. The Consecutive Cheque nos., continuity of the cheque no. with reference to the previous months last cheque no. will be verified.

4. Ensure receipt of a separate Schedule (Schedule VII) with reasons indicating the details along with the Cancelled cheques (which will also be reflected in the Schedule III as cancelled.)

5. If any discrepancy is noticed in the Schedule III the same will be intimated to the concerned sub office for rectification. The same will be watched in audit.

LINKING OF PAID CHEQUES

1. The cheque linking task holder will arrange the cheques, date wise, month wise and pair them with the corresponding entry in Schedule III.
2. While pairing the cheque with Schedule III, not only the entries relating to cheque number and amount should be compared, but also the other entries viz, Name of the payee, station etc., should be verified. Any discrepancies noticed will be brought to the notice of the SO (A) and Officer in charge.
3. A suitable note of the linking will be made with the enfacement 'Linked and paired' on both the Schedule III against the relevant entry and paid cheque under the dated initial of the cheque linking task holder.
4. Suitable note regarding the cancelled cheque shown in the cancelled cheque statements received from Audit section will also be made against the relevant entry in Schedule III.
5. Any other particulars as may be considered necessary may be indicated in the Schedule III and paid cheque.
5. Superintendents will test check the linking done by the task holders to the extent of 1% in respect of cheques below Rs.20, 000/-, 5% in respect of cheques of the value of Rs.20,000/- and below Rs.1 lakh and 10% in respect of cheque of Rs.1 lakh and above.
6. The officer incharge will carry out test check to the extent of 2% of the cheque of the value of Rs.1 lakh and above.
7. The paid cheques and Schedule III will be initialed in token of having test checked. While carrying out the test check, the Superintendent and the officer in charge will link the entries from the Schedule III to the paid cheques and not vice versa.
8. In the case of cheques issued by other CsDA and erroneously included in the scroll, the debit therefore will be passed on to the CDA concerned through Defence Exchange Accounts. Intimation will be sent to CDA concerned every fortnight giving the details

of such cheques pending transfer through Defence Exchange Account, under advice to the bank.

9. On receipt of the printed compilation the total amount credited to suspense head "Cheques and bills" will be agreed with the total of Schedule III and the total amount debited to the above suspense head agreed with the total of paid cheques received with debit scrolls.
10. The total amount of unlinked cheques should be reconciled with the outstanding under code head 0/020/81 as per printed compilations.
11. The reconciliation statement, the working sheets and the suspense registers etc., showing the agreement of figures, will be submitted monthly to the Officer in charge of the section for scrutiny and signature.
12. Cases of cheques (sent to the banks) remaining unlinked in Schedule III for more than three months after the month in which the cheques are issued, will be extracted and referred to the banks concerned (with copy to Audit Section) enquiring from them the disposal of paid cheques alongwith debit scrolls. If the result of the reference reveals that further action is devolved on the part of the Audit Section concerned (viz. non receipt of cheques by the bank etc or the cheques having been issued to particular individual or parties for encashment etc. and a reference has to be made to the beneficiary of the cheque, such cases may be referred to Audit Section for further action. All the outstanding items should be vigorously pursued to finality.
13. A monthly report indicating the progress of linking of paid cheques etc. will be submitted to CDA by the 15th of the following month to enable him to have a personal appreciation of the outstanding.
14. In the year end unlinked cheque in Schedule III will be extracted in a register and total thereof reconciled with outstanding shown in the Defence Ledger.

CHAPTER - VII

LOSS & CANCELLATION OF CHEQUES:**A. How the PM in respect of fresh chques issued in lieu of lost one is prepared?**

1.1 If a disbursing officer is informed that a cheque drawn by him has been lost, he should take the following action in regard to the lost cheque.

1..1.2 When cheques have been drawn on non-banking treasuries:

The disbursing officer will address to the treasury officer concerned and forward the following certificate for completion and return: -

“Certified that cheque No. _____ dated _____ for Rs. _____ reported by the drawing officer to have been drawn by him on _____ branch of _____ Bank in favour of _____ has not been paid and will not be paid if presented hereafter”.

Date

Sd/x/x/
Treasury Officer

If the cheque has not not been paid, the treasury officer will sign and return the certificate and the disbursing officer will then cancel the original cheque and a fresh cheque will be issued if otherwise in order.

1.1.3 In case of cheque drawn on Banks

Disbursing Officer will address a letter in the prescribed proforma to the bank concerned by Regd. Post Acknowledgement due.

On receipt of written confirmation from the bank having recorded the 'STOP ORDER' a copy of the communication of the bank, containing the date, place and name of the bank will be sent to "Accounts section" of the CDA concerned. Accounts section after searching the 'Debit scrolls' and Schedule III that the payment of lost cheque has not been made between the date of its issue and dated of issue of acknowledgement of "STOP ORDER" by the bank, will send a certificate of non-payment to the disbursing officer for further necessary action.

The requesting party (except Bank & Government Department) for a fresh cheque in lieu of lost one **will be asked to execute an Indemnity Bond in the prescribed form.**

The Audit section will forward the Stop payment/Non payment Certificate received from the bank together with the indemnity Bond obtained from the party concerned to Accounts section with a request to verify their records and issue Non payment Certificate based on the records. (Procedure for issue of Non payment certificate separately dealt with in this chapter)

On receipt of NPC from Account Section the Audit Section will initiate the Office Note for obtaining the Sanction of the Competent Authority for issue of IAF – CDA 13 to enable them to issue a fresh cheque.

After obtaining IAF – CDA 13 from the concerned officer the details will be noted in the Paid Detailed Voucher and action will be taken in the usual manner for issue of fresh cheque duly completing the details in IAF CDA-13. The details of payment will be entered in the register kept for noting the payment details based on IAF CDA – 13.

2.1 When a cheque is cancelled and fresh one is issued in lieu?

When a cheque is cancelled and fresh one is issued in lieu, the amount of the cheque will be adjusted by credit to the head “cheques & bills” (0/020/81) for the fresh cheque drawn and debit to the head by minus credit to the same head 0/020/81 which was credited at the time the cancelled cheque was drawn.

Class I PM will be as under:

	<u>Receipt</u>		<u>Charge</u>
	+ R	- R	
CB	500		
0/020/81		500	

If the Cheque is received from the party with request for issuing of fresh cheque then after the above adjustment the cheque duly cancelled by the Accounts officer needs to be sent to Accounts Section for linking with the Schedule III.

2.2 When a cheque is cancelled and no fresh one is issued in lieu

It will be adjusted through a Class II PM (transfer entry) as under:

The amount of the cancelled cheque will be adjusted by debiting the head “Cheques and bills” (0/020/81) by minus receipt and the relevant service head, which was earlier debited, will be credited by minus charge.

0/020/81	(-) R
Service Head Originally debited	(-) C
Or AG/PAO Suspense head	(+) R

After the adjustment is made through TE the cheque duly cancelled by Audit Section Accounts Officer needs to be forwarded to Accounts section along with the copy of the TE for linking with the Schedule III Master.

- 3.3 In the cases where the cheques alleged to have been lost relates to an officer's monthly salary the above said procedure of issue of fresh cheque has been relaxed to the extent that CDA may authorize provisionally issue of fresh cheque without waiting for confirmation from Bank for one month only that too under personal orders of CDA concerned.
- 4.4 When a cancelled cheque is received back duly paid by the bank along with scrolls, the debit scroll task holder should make the adjustment as under:-

-0/021/00	(+) R
-0/020/81	(-) R

If the cheques pertains to RBI code 00/021/00 will be operated and if it pertains to SBI, SBT and associated banks code 28/021/00 will be operated.

If the cheques pertains to the previous financial year code 77/020/81 will be operated.

At the time of linking of the said cheque when the fact of payment of cancelled cheque is noticed, the above adjustment will be nullified through the journal entry as under: -

0/020/81	(+) R
0/020/87	(+) C

At the time of recovery/write off the said amount, the adjustment will be carried out as follows:-

0/020/87	(-) C
0/021/71	(+) C

OR

0/020/80 in case of recovery deposited on MRO

Narration will be as follows –

In adjustment of recovery/write off of the value of cheque bearing no. Dated previously cancelled vide T.No: of (month/year), but received back duly paid by the bank on the authority of sanction No. dated ..

ISSUE OF NON PAYMENT CERTIFICATE

The following procedure will be followed in connection with the issue of Non Payment Certificate in cases where a cheque is reported to have been lost: -

1. On receipt of intimation of loss of cheque from Audit Sections concerned an entry thereof will be made in the register of Non Payment Certificate maintained for the purpose. The entry will be initialed by the SO (A).
2. Audit section while asking for NPC should forward the stop payment order/non payment certificate of the Bank, in the case of cheques having validity period.
3. In the case of time expired cheques the non payment certificate is obtained from the bank and forwarded to Accounts section.
4. In case of 3rd party cheque they should also confirm receipt of Indemnity Bond in prescribed format. Indemnity Bond is not necessary in the case of cheques issued in favour of Bank or Govt. department. They are required to furnish non-receipt certificate of cheques.
5. The task holder will verify from Schedule III whether the entries relating to the cheques in question actually remained unlinked for want of paid cheque or the paid cheque has been received and duly linked.
6. If the cheque is found linked in Schedule III, the paid cheque will be taken out and after verification by the SO(A)/AAO) the Audit section will inform accordingly for further action and for investigation of the reasons under which the party concerned reported the cheque as lost.
7. In case the cheque is found unlinked in Schedule III, the task holder will verify the debit scroll register, the relevant debit scroll and other records for the period from the date of issue of cheque to the date of

noting the stop order by the bank in the case of current cheque, and for the three months excluding the month of issue of cheque in case of time expired cheques with a view to ensuring that the paid cheque has not been received before issuing No Payment Certificate.

8. The SO(A) will carry out cent percent check of the relevant records and ensure that the paid cheques has not been received before issuing No Payment Certificate.
9. In case any scroll is wanting as can be verified from the continuity of serial numbers of the scrolls, the same will be called for from the respective banks and verified before issue of No Payment Certificate. Where, however, serial number are not assigned to the debit scroll by the bank date wise debits received from the RBI through daily list of payment will be tallied with the date wise amount of debit scrolls and the discrepancy, if any, will be reconciled with the bank before issuing No Payment Certificate. Alternatively, the details of scrolls indicating date and amount of scrolls, from the date of issue to the date of stop order or 3 months excluding the month of issue in case of time expired cheque will be sent to the concerned bank to confirm correctness thereof and to the effect that no scroll other than those mentioned in the list have been sent during the period and no scroll for these dates are pending with them.
10. After ensuring that the cheque reported as lost has not been received from the bank concerned duly paid, No Payment Certificate will be issued to the Audit Section concerned under the signature of the officer in charge. Before issue of NPC to Audit section the details of the cheque will be noted in Schedule III to watch for the receipt of lost cheque duly paid for taking necessary action as well as in Non Payment Certificate Register.

CHAPTER –VIII

DEBT HEAD REGISTER AND ITS MAINTENANCE.

DEBT HEAD REGISTER.

ADVANCES PAID IN respect of HOUSE BUILDING, MOTOR CAR, and SCOOTER/BICYCLE are compiled by AUDIT Section. Duplicate copies of Punching Medium along with the relevant schedules in IAFA 725 are sent to ACCOUNTS section for purposes of posting in the DEBT HEAD REGISTER (DHR). After comparing the schedule amount with the sectional compilation for correctness, if any discrepancy is found necessary action has to be taken for re adjustment by the Audit Section. After ensuring the correctness Audit Sections forward the Schedules to Accounts Section for posting the same in Debt Head Register. Accounts Section ensures that the relevant schedules from the concerned Section have been received by verifying the same with the compilation reflected in Detailed Voucher Compilation. The schedules are posted in the DHR unit wise in the case of Non DAD Personnel and Pay drawing office wise in the case of DAD Personnel. Care should be taken to ensure that the posting is done against the right person with reference to the Personnel No/Account No. The amount of the posting are noted page wise, unit wise and code head wise then they are summarized and reconciled the amount as per the receipt and charges as appearing in the DVC received from the EDP Center on the receipts and charges side. The difference if any between the total of Postings as per the schedules in the DHR and total compiled actuals for the same month must be taken up with Audit Section and rectification action effected expeditiously by the Audit Section under intimation to the Accounts Section.

The details of interest bearing Advances and its recovery details are shown in the last page of this chapter.

The following information should be recorded in the DHR and documents looked for safe custody.

- a) Rate of Interest prevalent at the time of payment of advance is recorded together with the date of payment.
- b) Agreement Form/Mortgage etc. are received and kept in safe custody in respect of DAD personnel.
- c) In case of HBA/Car Advance, the Insurance Policy is taken and kept alive till liquidation of advance.
- d) In the case of any new name appearing in the HBA/CAR etc Advances schedule the details of outstanding balances should be called for from the respective sections and the documents like mortgage deeds insurance policy etc are to be called for from admin section in respect of DAD Personnel.
- e) On receipt of information regarding transfer out of DAD Staff the documents are require to be handed over to admin section for onward transmission to the concerned CDA for safe custody after ensuring transfer out of the outstanding balances through DIDs.
- f) The original document connected with HBA/CAR Advance will be released by Accounts Section to the Admin Section after ensuring complete liquidation of principle and interest.

It will be ensured that immediate reference is made to Audit Section in respect of the following irregularities.

- a) Credit is received when no debit exists against the individual in DHR.
- b) Credit for recovery effected is not been forthcoming for 3 months., when recovery is not completed .
- c) Rate of recovery varies.
- d) Recovery of advance has not been commenced after the stipulated period.
- e) Recovery of Interest has not been commenced after advance has been liquidated.

The following requirements should be compiled with:

- a) A New Register is opened (Excepting Register for bicycle advance which is maintained on triennial basis) at the closing of the accounts for the year and the Closing Balance of the previous year is correctly brought forward, Serial No. of both the Register cross linked. If the advance and interest has been liquidated the name need not be carry forward to the new register.

- b) Recovery of Interest is noted in Red Ink.
- c) Acknowledgements of the balance outstanding as on 31st March are obtained from the individuals concerned and the fact is recorded in the Remarks Column of the DHR.
- d) When an individual is transferred to jurisdiction of other CDA, the balance due together with the interest accrued upto the date of individual last paid by us is checked for correctness as calculated by the Audit Section for noting in LPC. The debit for the balance due is passed on to the CDA through Defence Exchange Accounts And the interest due will be reflected in the LPC only.
- e) On liquidation of advance together with interest, all relevant documents like agreement form Mortgage Deed etc. are returned to Admin Section in respect of DAD Personnel for onward transmission to the individual.
- f) In respect of Defence civilian personnel Pay Section refer the case to Accounts Section for confirmation regarding full settlement of Advance and interest. Based on the confirmation received from Accounts Section the Pay Section intimate the same to the units and formation for releasing the original documents.
- g) Regarding transfer in cases the details regarding adjustment of DIDs is furnished to Accounts Section by Audit Section. The amount of outstanding will be compiled as (-) Receipt to the DHR Head by Audit Section and Accounts Section will take the same as (-) Receipt opening balances against the individual name in the DHR for watching recovery as (+) Receipt.

MAINTENANCE OF DEBT HEAD REGISTER.

1. Audit Sections send the monthly schedules of debits and credits to Accounts Section along with Duplicate copies of Punching Medium
2. Original copy of Punching Medium is sent to concerned EDP Centre.
3. EDP Centre sends printed compilations to Accounts Section and Audit Sections.
4. Audit Section reconciles the Schedules with the Compilation before forwarding the same to Account Section.
5. Accounts Section also verify the schedule amounts with the Detailed Voucher Compilation before posting the same in the DHR.
6. Wanting Schedules/ Compilations are called for from Audit Sections.
7. Wanting Schedules/Compilations are furnished to Accounts Section.
8. Debt Head Registers are posted by Accounts Section from Schedules.
9. Posted figures are reconciled with Monthly RDR Figures.
10. Missing Credits/Debits are intimated to Audit Sections.
11. Missing Credits/Debits are traced/compiled and schedules furnished by Audit Sections.
12. Wanting Credits/Debits where necessary is called for from other CsDA by Audit Section.
13. On receipt of DIDS, these are also compiled and scheduled to Accounts Section.
14. Accounts Section calculates interest for liquidated cases and intimates Audit Section for recovery.
15. Outstanding balances are extracted in Review of Balances Report at the end of the financial year .
16. Balances extracted to concerned individuals and acknowledgements obtained.

Interest bearing Advances

Nature of Advance & code head	Amt of Adv.	No of monthly instal-Ments	Rate of interest	Recovery commen-Cement	Interest monthly Install-ments	Interest Recovery commen-cement
HBA 00/012/07 (NON DAD) 00/012/17 (DAD)	7.5 Lakhs (Maxi mum)	180	9.5%	Ready build flat from the month following the payment of advanced. <u>Construction</u> – month following the completion or from 18 th month after payment of Ist instalments. <u>Land & construction-</u> Month following the completion or from 24 th month after the date of purchased of land.	60	Immediately after liquidation of respective Advances. CODE HEAD 00/004/07 (Non DAD) 09/004/07 (DAD)
Motor Car 00/012/12 (non DAD) 00/012/22 (DAD)	1.8 laks (maxim um)	200	11.5	From the month of payment of Advance.		CODE HEAD 00/004/08 (Non DAD) 09/004/08 (DAD)
Scooter/ Motor Cycle 00/012/13 (non DAD) 00/012/23 (DAD)	30,000	70	8	From the month of payment of Advance.	Minimum no of monthly installments.	CODE HEAD 00/004/08 (Non DAD) 09/004/08 (DAD)
Cycle 00/012/09 (non DAD) 00/012/19 (DAD)	1500	30	5.5	From the month of payment of Advance.	One or more installment s	CODE HEAD 00/004/09 (Non DAD) 09/004/09 (DAD)

Personal Computer 00/012/15 (Non DAD) 00/012/25 (DAD)	80000	150	11.5	From the month of payment of Advance.	Minimum no of monthly installments	CODE HEAD 00/004/08 (Non DAD) 09/004/08 (DAD)
Fan Advance 00/012/10 (non DAD) 00/012/20 (DAD)	1000	10	5.5	From the month of payment of Advance.	One or more installments	CODE HEAD 00/004/10 (Non DAD) 09/004/10 (DAD)
Warm clothing Advance 00/012/10 (non DAD) 00/012/20 (DAD)	1500	10	5.5	From the month of payment of Advance.	One or more installments	CODE HEAD 00/004/10 (Non DAD) 09/004/10 (DAD)

Note:

The payment of Advance as per condition is stipulated in orders on the subject. The rate of interest are subject to change as per Government orders.

CHAPTER - IX

DEFENCE EXCHANGE ACCOUNTS - INTRODUCTION

1. Transactions within Defence Accounts Department are settled through book adjustment by raising Debit/Credit against the concerned DAD offices. Transactions settled between the Controllers of Defence Accounts is called Defence Exchange Accounts.

Under the Exchange Accounts, DID (Defence Inter Department) schedule in Form IAF (CDA) 338 A) is used to transfer the Debit or Credit to another Controller. Earlier it was known as MID (Military Inter Department) schedules.

2. The following types of transactions are only settled through the Defence Exchange Accounts.
 - a. Debt and Remittance Heads e.g. Loan and Advances to Govt. servants.
 - b. Imprest Advances payments to Naval and Air force personnel from Army sources and vice versa.
 - c. Expenditure relating to MES adjustable by another Controller.
 - d. Charge of credit notes for conveyance of MES stores for works will be debited cost of railway warrants by Chief Controller of Accounts (Factories) to the regional Controller concerned through Defence Exchange Account.
 - e. Transactions for the settlement or adjustment of which a particular Controller is centrally responsible (eg.) ILAC transaction which are settled centrally by the CDA Hqrs. Transactions cannot be booked to final heads by different CDA such as GPF recoveries etc..
 - f. Amount paid by Military Treasury Chest Office on Cheque issued by Controller other than those in whose audit area the Treasury Chest is located will be debited to the CDA concerned through the DEA.

3. The under mentioned types of transactions are not settled through Defence Exchange Accounts.
 - a. Payments made by Regional Controllers of Defence Accounts, Controller of Defence Accounts (Navy), Controller of Defence Accounts (Airforce) and Controller of Defence Accounts (Officers) towards Army Imprest will be transferred annually to the books of the Controller of Defence Accounts (ORs) concerned by the EDP Centre, Delhi with reference to prefix operated to code head 018/65.
 - b. Expenditure debitable to locally controlled heads incurred by one Controller on behalf of another will be finally brought to account against the relevant service heads.
 - c. Adjustment on account of bulk issue of stores and equipment from one service to another will be made by CDA of receiving service in his books as deduction under relieving deduct head.
 - d. All issues from Ordnance and Equipment Factory to Army, Navy or Airforce will be priced and straight away debited to service heads.
 - e. Issue of store and equipment to Institution like Joint Service Wing of the NDA. Since its for the benefit of all the three services.
 - f. Transfer of unserviceable and salvaged stores between Army, Navy and Airforce will be made without any financial adjustment.
 - g. Service rendered by Army to Airforce and Navy & vice versa are treated as Free.
 - h. Cost of recruiting accounting establishment cost of medical treatment transport provided by ASC from Army sources.
 - i. Advance of Pay and TA to individuals transferred from the payment of one CDA to that of another.
 - j. Pay & Allowances, transportation charges, ration and equipment issued in replacement and miscellaneous charges to DSC platoon.
 - k. Departmental charges covering the cost of Supervisory establishment and tool and plant @ 0.5 % and 1.5 % respectively on the cost of works executed by the MES for the Navy and Airforce.

- l. Amount of TA which are paid in advance on transfer under the order of the CGDA which are made from reserve fund.
- m. Amount paid by Military Chest officer on letter of authority will be finally adjusted in the accounts of the Controller in whose audit area the treasury Chest is located.
- n. Expenditure on railway warrants and credit notes subject to the general exception will be finally adjusted by the C of A (Fys) in his books against the appropriate heads.
- o. Works undertaken by the MES on behalf of the Airforce, Ordnance factories and Navy.
 - i. All such receipts and expenditure will be adjusted by the Army Controller direct to relevant detailed head of accounts relating to Airforce, Factory and Navy head.
 - ii. CDA will render periodical statement of revenue and expenditure direct to the respective CDA. This statement is prepared by the AAO GE.

4. Columns / Items contained in DID Schedules.

The DID schedules is prepared on Class VIII Voucher and the form used above is IAF (CDA) 338-A. Columns / items contained in DIDS are :

(a) Month (b) CDA (c) Section (d) Class of voucher (e) Voucher number (f) brief particulars of transactions (g) responding section (h) schedule number (i) classification : (-) Rt, (+) Rt, (-) Ch, (+) Ch

The forms is divided into two parts.

Part 'A' - Originating Items

Part 'B' - Responding Items

While information at S.No. a to i will be available in Part 'A' – originating item, the information at c, f and h will not be available in Part 'B' – responding items portion of the form. Other items remain the same.

5. Each column / items is to be filled with greatest vigil so as to avoid incorrect presentation of accounts. A brief description of each column/item of DIDS is given below ::

- 5.1 **Month** : It is two digit figure and to be filled up as under
January-01, February-02, March-03, April-04, May-05, June-06,
July-07, August-08, September-09, October-10, November-11 and
December-12.
March Supplementary-13, March Supplementary corrections-14
and March Manual Corrections-15.
- 5.2 **CDA** : Code of CDA who originates or responds as the case may
be will be in two digit
- 5.3 **Section** : Four digit section code is used. CDA allots section code
under his control. For example 0001 – AN/Pay section.
- 5.4 **Particulars** : A brief details of the transaction should be narrated
preferably with reference to the narration/journal recorded in the
TE register on DIDS and this should be authenticated under the
signature of the Head of the sub office/officer in charge of the
section.
- 5.5 **Responding Section**: In case the responding section is not known
by the originating section, it is safe not to mention anything on the
column provided and should be kept blank. If it is known, it
should be mentioned in the column.
- 5.6 **Schedule Number** : Allotting of 15 digits. DIDS number in the
following form has been introduced w.e.f. 1.4.1994.
- | | |
|------------------|--------------------------------------------------------------------------------|
| CDA | First two digits |
| Section | 3 rd , 4 th , 5 th & 6 th digits |
| Class of voucher | 7 th digit |
| Voucher number | 8 th , 9 th , 10 th & 11 th digits |
| Month | 12 th and 13 th digits |
| Year | 14 th and 15 th |

5.7 **Voucher No:**

AAO GE generally operates Class IV punching medium monthly
where section code number and voucher numbers are same. If DID
heads are operated for different CsDA in the PM, AAO Ges should
prepare a separate schedule showing CDA wise transactions allotting
S.,Nos. for each transaction. The S.Nos. of the schedule will form the
voucher No.,of the DIDS as under ::

0001, 0002, 0003, 0004 and so on.

5.8 **Classification** :

The DEA heads have been included under Major head 8797 (Page 65 to 77) of the Pamphlet of Revenue, Debt and Remittance Heads. The receipt and expenditure code heads have been incorporated in the classification Hand Book (Defence Services) Receipt and Charges.

5.9 Part 'A' and 'B' of the form

Originating and Responding Items

The Classification Code consists of 7 digits in the above Pamphlet of RD & R Heads AND Classification Hand Books Defence Service.

1 st two Digit	-	<u>RDR</u>	OR	<u>Service Head</u>
		00		01
Next Three Digit	-	sub Head		
Last Two Digit	-	Detailed Head		

In the case of DEA heads, the middle three digits indicate CDA. The last two digits indicate whether transaction is originating item or responding item. Under this system 21 is used for originating item and 22 for responding item.

6.0 Processing of DID Schedules.

Before compiling any transaction in DEA, the head of compiling section/office has to satisfy himself that the transaction pertaining to DEA Heads operated is correct and connected documents in support of the Debit/Credit are available. As per the procedure in vogue, the transactions originated either in TE/Cash Voucher is/are transcribed to the Abstract of Receipt and charges which form the basis of monthly P.M in respect of AAO GE/AAO BSO. The individual TE or Cash Voucher will form the P.M for transaction.

8. Revised Procedure

The revised procedure has been introduced w.e.f. 1.4.1994 vide CGDA New Delhi No.A/III/11366/DEA dt. 21.12.93, 12.01.94, 25.3.94 and 20.5.94. Under this system, block Nos. Allotted for numbering DIDS have been ceased and replaced by 15 digit DIDS to be numbered by originating/compiling section only instead of EDP Centre. The details of revised procedure is as under:

8.1 Originating compiling section / office.

- a. preparation of 5 copies of DIDS
- b. allotting 15 digit DIDS number as under S.No.5.6
- c. Distribution of 5 copies of numbered DIDS as under ::
 - i. Accounts Sn. of originating CDA – 1 copy
 - ii. Accounts Sn of responding CDA – 3 copies
 - iii. Office copy - 1 copy
- d. sending of PM to EDP Centre and Accounts Sn. of originating CDA along with statement of originating DIDS.
- e. Receipt of sectional compilation from EDP Centre of originating CDA
- f. Verification of correctness of details of DIDS from sectional compilation
- g. sending of correctness certificate of DIDS to Accounts Sn. of originating CDA

8.2 EDP Centre of originating CDA.

- a. receipt of PM and statement of originating DIDS from audit section
- b. sending of sectional compilation to the originating compiling section/office and Accounts Sn. of originating CDA
- c. sending of floppy of PM to EDP Centre, CGDA New Delhi

8.3 EDP Centre, C.G.D.A. New Delhi.

- a. receipt of floppy of PM from EDP Centres of originating CsDA
- b. preparation of monthly printout of originating DIDS centrally CDA wise on the following proforma ::
(i) DIDS No. (ii) Code head (iii) Receipt/Charge (iv) Responding CDA (v) Amount
- c. Distribution of monthly printout to all CsDA.
- d. Preparation of floppy for originating items and sending to EDP centre, CDA (A) Meerut.

8.4 Accounts Section of originating CDA.

- a. receipt of one copy of numbered DIDS from originating section along with statement of originating DIDS
- b. noting in outward DID registers
- c. receipt of correctness certificate of DIDS from originating section
- d. receipt of monthly printout of originating DIDS from EDP Centre, CGDA New Delhi and receipt of monthly list of responded DIDS from the respective EDP Centres of the responding CsDA
- e. verification between monthly printout and copy of the DIDS already received from originating section.
- f. submission of monthly certificate to JCDA / CDA.

8.5 Accounts section of responding CDA.

- a. receipt of 3 copies of numbered DIDS direct from the compiling section
- b. noting in inward DIDS register
- c. forwarding of 3 copies of DIDS to responding section
- d. receipt of adjusted 2 copies of DIDS from responding section along with the PM and statement of responding DIDS.
- e. Receipt of outstanding DIDS list of DIDS from EDP Centre CDA (A) Meerut

8.6 Responding section / office.

- a. receipt of 3 copies of DIDS from originating compiling section through Accounts Sn. of responding CDA and noting in the DID register.
- b. Adjustment of DIDS itself (Class VIII Voucher) after acceptance / allocation if necessary
- c. Preparation of PM and sending 1 copy of adjusted DIDS along with the statement of responding DIDS to Accounts Sn. of responding CDA and 1 copy to the EDP Centre for compilation of the same.

8.7 DDP Cell of responding CDA.

- a. receipt of adjusted copy of DIDS from responding section of responding CDA
- b. preparation of monthly printout of responding DIDS in the following proforma.

<u>Month</u>	<u>Year</u>	<u>Responding CDA</u>
<u>Section</u>	<u>Class of voucher.</u>	

- c. preparation of responding floppy of DIDS and sending to EDP Centre, CDA (A) Meerut through EDP Centre, CGDA New Delhi
- d. preparation of monthly printout of responding DIDS and forwarding the same to Accounts section of originating CDA.

8.8 EDP Centre CDA (A) Meerut.

- a. receipt of responding floppy of DIDS from DDP centre of responding CDA
- b. receipt of originating floppy of DIDS from EDP Centre CGDA New Delhi
- c. mechanical linking of DIDS
- d. preparation of outstanding list of DIDS thrice (October, March and March Supplementary) in a year in two parts viz.,
 - i. upto 1993 – 94
 - ii. from 1994 – 95 onwards
- e. Distribution to all CsDA outstanding list for necessary action.

9. Linking of DID Schedules.

Outstanding DIDS consist of period 1993-94 and after 1993-94 (from 1.4.94).

Accounts section (originating and responding) of CDA receives the outstanding list of DIDS thrice in a year (October, March and March Supplementary) from the EDP Centre, CDA (A) Meerut. The list is linked with the copies of the adjusted DIDS received from responding section/office along with the statement of responding DIDS monthly.

change statement in four parts ::

- a. Originating to originating
- b. Responding to responding
- c. Originating to responding
- d. Fractional adjustment.

is prepared by Accounts section of responding CDA indicating the serial numbers of the outstanding list received from EDP Centre, Meerut in respect of outstanding DIDS pertaining to period prior to 1.4.94 and sends it to EDP Centre Meerut. Outstanding upto 93-94 will be manually linked by EDP Centre Meerut with reference to change statement received from Accounts section of respective CsDA. The linked items thereafter will be deleted by the EDP Centre, Meerut from the outstanding list. So far as the outstanding after 93-94 is concerned, the linking will be done mechanically with reference to the originating DIDS floppy received from the EDP Centre, CGDA New Delhi and responding DIDS floppy received from the DDP cell of responding CDA at EDP centre, CDA (A) Meerut.

10. Clearance of DID Schedule

For clearance/settlement of a DIDS, the responding section will have to take speedy action to adjust the DIDS received and send the adjusted DIDS along with responding statement of DIDS to Accounts section of responding CDA.

11. Rectification of DID Schedule

As per provision of Note 1 to para 112 of Defence Account Code, in cases where DEA heads are incorrectly operated instead of some RDR or service heads, originating CDA should not take any action to write back such items erroneously compiled but should prepare DIDS in such cases also duly endorsed with the remarks – “Erroneous – may be re-debited/credited and wait for reversal of such DIDS”. This procedure got the following negative effect :

- a. Wrong compilations are not rectified immediately and the originating section will have to await for the reversal of incorrect debit/credit. The process takes more than 6 months.
- b. If no suitable remarks regarding erroneously debit/credit is made, such DIDS will be reversed again and again for want of supporting documents and could result in cylindrical reversal.

The above procedure of rectification has been changed with immediate effect vide CGDA New Delhi circular No.A/II/11366/DEA dt.13.4.94. Under the changed procedure the originating section can immediately withdraw the wrongly compiled account and book it to the proper head. Such withdrawals will be compiled as “MINUS RECEIPT” OR “MINUS CHARGE” to the head originally operated. The withdrawal will be watched for and DIDS for both the original incorrect compilation and withdrawal will be sent to the responding CDA through a DO letter to enable the responding CDA to link the transaction and respond both the schedules as under can be illustrated as follows:

CDA Patna passed on a Debit for transfer of stores worth Rs.5,00,000/- issued by MES formation to a GREF Units. Erroneously the debit was raised against CDA, Guwahati instead of CDA B&R New Delhi.

Originated by CDA, Patna.1st stage:

Month 08	CDA 00	Section _ _ _ _	
	<u>Code head</u>	<u>(+) Ch</u>	<u>(-)Ch</u>
	00/091/21	5,00,000	
	Service head		5,00,000

Responded by CDA, Guwahati2nd stage :

<u>Code head</u>	<u>(+) Rt</u>	<u>(-) Rt</u>	<u>Code head</u>	<u>(+)Ch</u>	<u>(-)Ch</u>
0/070/22	5,00,000				
0/020/72		5,00,000			

Withdrawl by CDA, Patna.3rd stage:

<u>Code head</u>	<u>(+) Rt</u>	<u>(-) Rt</u>	<u>Code head</u>	<u>(+)Ch</u>	<u>(-)Ch</u>
			00/093/21	5,00,000	
			00/091/21		5,00,000

Responded by CDA B&R New Delhi.4th stage :

<u>Code head</u>	<u>(+) Rt</u>	<u>(-) Rt</u>	<u>Code head</u>	<u>(+) Ch</u>	<u>(-) Ch</u>
0/070/22		5,00,000			
0/020/72	5,00,000				

II. A DIDS for transfer of HBA balance of Rs.50,000/- in respect of Shri.'X', Auditor on transfer from CDA chennai to CDA Bangalore is to be initiated duly showing response action by CDA Bangalore and the various stages/agencies involved in computerized linking of the same.

1st Agency – AN Pay section of CDA chennai

i. prepare class II transfer entry for the transfer of balances as follows :

PUNCHING MEDIUM

Month : 04/06 CDA 18 Sec: 1001 Cl of Vr. : II Vr.No. : 0001

Classifi- cation Code	(+) Rt.	(-) Rt.	Classifica -tion Code	(+) Ch	(-) Ch
00/012/17	50000				
00/075/21		50000			

In transfer of HBA balance in respect of Shri."X', Auditor Account No xxxxxxxx transferred from CDA Chennai to CDA Bangalore.

ii) Enter the same in Class II Register.

iii. prepare DIDS as under. 5 copies of DIDS should be prepared simultaneously with transfer entry. Verification of transfer entry with printed compilation can be done subsequently on receipt of PC. Out of 5 copies prepared, one copy is to be retained as office copy, one copy sent to Accounts section of CDA Chennai and 3 copies to be sent to Accounts section of CDA Bangalore [Responding CDA].

**SCHEDULE OF INTER DEPARTMENTAL
RECEIPT/CHARGES**

(A) TO BE FILLED BY ORIGINATING CONTROLLER

MONTH: 04/06 ORIGINATING CDA: 18 SECTION: 1001

DID SCHEDULE NO : 181001200010406

PARTICULARS : On account of transfer of outstanding Balance of HBA for Rs.50000/- in respect of Shri x Auditor A/c No. xxxxxxxx on his transfer from CDA Chennai to CDA Bangalore during 03/06.

Classification	(+) Receipt	(-) Receipt	Classification	(+) Charge	(-) Charge
00/012/17	50,000				
00/075/21		50,000			

Sd/-
AAO

(B) TO BE FILLED BY RESPONDING CDA

RESPONDING CDA: 05

MONTH: __ SECTION: ____ CL OF Vr: ____ Vr.No. ____

Classification	(+) Receipt	(-) Receipt	Classification	(+) Charge	(-) Charge
			00/088/22		50,000

NOTE:

- The first Two digits of DID Schedule indicate the **CDA**, next four digit the **Section number**, the Seventh digit **the Class of Vr**, Eight to Eleventh digits the **Voucher No**, Twelfth and Thirteenth the **Month** and last two digit the **Year**.
- Details of Vouchers and particulars of Personnel's Debt Head Balances etc., Should be endorsed on the reverse of this form

2nd agency – EDP Centre of CDA Chennai.

- a. Pick out original items from the printed compilation during the month and send the data to EDP Centre, New Delhi

3rd agency – EDP Centre New Delhi.

- a. Transfer all original items received from CsDA to EDP Centre under CDA (Army) Meerut.

4th agency – Accounts section of CDA Chennai

On receipt of copy of DIDS from Audit section: -

- a. verify the same with “Report of DIDS originated during 4/2006” received from EDP Centre.
- b. Note in DID outward register
- c. Watch for response of schedule by responding controller with reference to report ‘items responded against’ due from EDP Centre of responding CsDA. If appeared, note TE no. and month in the DID outward register.

5th agency – Accounts section of CDA Bangalore.

- a. Centralised receipt of all DID inward schedules.
- b. Verify the schedule with report ‘DIDS raised against CDA Bangalore as regards 15 digit character of schedule, code head and amount. If schedule correctly raised as per the above report but schedule columns incorrectly filled in, amend same manually. If schedule not appeared in the report, DIDS may be returned unactioned since response of DIDS would result in response action becoming superfluous.
- c. DIDS to be sent to Audit section through a transit register for noting in their records and for responding the DIDS through Class VIII punching medium . In case of sub offices, DIDS to be sent to them for response action.

- d. Retain the copy of DIDs received from Audit section duly responded and note the details of adjustment in the inward register for clearance..
- e. Ensure dispatch of responding items through floppy by the EDP Centre to the EDP Centre at CDA (Army) Meerut (through hard copy of subject report/responding items report).

6th agency – Branch offices/sub offices and sections

- a. Respond on lower half of schedule through class VIII voucher
- b. Respond only as Contra adjustment as shown as under. Ensure response code head shown by the originating CDA is correct.
- c. Out of 3 copies of the responded schedules, retain one as office copy, send one to the EDP Centre as class VIII voucher and one copy to the Accounts section for getting the responding items noted in the inward DIDS Register with details.

**SCHEDULE OF INTER DEPARTMENTAL
RECEIPT/CHARGES**

(C) TO BE FILLED BY ORIGINATING CONTROLLER

MONTH: 04/06 ORIGINATING CDA: 18
SECTION: 1001

DID SCHEDULE NO : 181001200010406

PARTICULARS : On account of transfer of Debit Balance of HBA for Rs.50000/- in respect of Shri x Auditor A/c No. xxxxxxxx on his transfer from CDA Chennai to CDA Bangalore during 03/06.

Classification	(+) Receipt	(-) Receipt	Classification	(+) Charge	(-) Charge
00/012/17	50000				
00/075/21		50000			

Sd/-
AAO

(B) TO BE FILLED BY RESPONDING CDA
RESPONDING CDA: 05

MONTH: _____ SECTION: _____ CLASS OF Vr: _____
Vr.No. _____

Classification	(+) Receipt	(-) Receipt	Classification	(+) Charge	(-) Charge
00/012/17		50,000	00/088/22		50,000

NOTE:

- The first Two digits of DID Schedule indicate the **CDA**, next four digit the **Section number**, the Seventh digit **the Class of Vr**, Eight to Eleventh digits the **Voucher No**, Twelfth and Thirteenth the **Month** and last two digit the **Year**.
- Details of Vouchers and particulars of Personnel's Debt Head Balances etc., Should be endorsed on the reverse of this form

7th agency – EDP Centre, CDA (Army) Meerut

- a. Receive original items on floppy backup from CGDA EDP Centre, New Delhi
- b. Receive responding items data from EDP Centre on floppy backup
- c. Process for computerised linking of original and responding items
- d. Extract unlinked items thrice in a year (ie) Oct., Mar., and Mar final to responding CsDA.
- e. Generate ACAPR report yearly and furnish the same to responding CDA for their Appreciation report.

NOTE:

For passing on a debit to another CDA, the amount must be compiled as (+) charge to his DEA through class II voucher. For eg.

PUNCHING MEDIUM

Month : 05/06 CDA : 18 Section : 2000 Class of Vr. : II
Vr.No. : 0001

Classificati on code	Receipts (+) Rt (-) Rt	Classificati on code	Charges (+) Ch (-) Ch
00/020/81	10000	00/074/21	10000

In adjustment/ transfer of one RBI Mumbai cheque bearing no 725006 dated 05-04-2006 for Rs.10000 pertaining to CDA (SC) Pune erroneously received with main Debit scroll bearing no 5/09-04-2006 by CDA Chennai. Debit Scroll & Cheque enclosed.

Similarly for passing on a credit to another CDA, the amount must be compiled as (+) receipt to his DEA code head through class II voucher.

PUNCHING MEDIUM

Month : 05/06 CDA : 18 Sec 2000 Cl of Vr. : II Vr.No. : 0001

Classification code	Receipts		Classification code	Charges	
	(+) Rt	(-) Rt		(+) Ch	(-) Ch
00/070/31	5000		77/020/80	5000	

In adjustment/ transfer of SBI JAIPUR MRO bearing no_____ dated 10-08-2005. Pertaining to CDA (SWC) Jaipur erroneously received with main Credit scroll bearing no 25-08-2005 by CDA Chennai. Credit Scroll and DMRO enclosed.

Financial compilation for passing on DHR balances like HBA, scooter adv., cycle adv., PC adv., on transfer of an individual to another CDA is as under ::

(+) Rt to Loans and Advances Head

(-) Rt to DEA code head of CDA to whom transferred.

The responding action of the audit section of the responding Controller will be as under ::

(-) Rt to Loans and Advances Head

(-) Ch to the DEA code head of the originating CDA.

DO'S AND DON'T'S WHILE PREPARING DIDS.

- a. DO ensure preparation of DIDS simultaneously with financial compilation
 - b. DO verify and ensure from printed compilation that schedule particulars are correctly reflected.
 - c. DO ensure all schedules together with the supporting vouchers/documents are forwarded to the responding Controller after verification of the printed compilation
 - d. DO forward one copy of the originating schedule to Accounts section of the originating CDA for verification of reflection of the DIDS in the originating list generated by the EDP Centre.
 - e. Do accept the full amount of DIDs if partial amount pertains to some other GE who is under the administrative control of same CDA. Respond for the full amount of DIDs and compile to the service head to the extent pertaining to your GE and the balance pertaining to other GE may be compiled to code 00/022/10 and passed on to the other GE for clearance and watch the clearance at your end.
-
- a. DON'T operate your own CDA Exchange Code
 - b. DON'T originate in March supplementary or March supplementary corrections without the consent of the CDA against whom the DIDS is to be originated.
 - c. DON'T pass on the amount of interest on HBA, Scooter Adv., Cycle Adv., PC adv., etc... for recovery by other Controllers through DIDS. The same may be reflected only in **Last Pay Certificate**.
 - d. DON'T accept any amount pertaining to other controllers for compilation to the relevant service head. In such cases respond for the full amount of the DIDs and compile the amount pertaining to the relevant service head to the extent and the balance may be re originated to the originating CDA for transferring the amount to the concerned CDA.

S.no	DIDS CODE	Name of the Controller	Originating Code	Responding Code
1.	00	CDA Patna	0/070/21	0/070/22
2.	01	CDA (P) Allahabad	0/071/21	0/071/22
3.	02	CDA (O) Pune	0/072/21	0/072/22
4.	03	CDA (A) Meerut	0/073/21	0/073/22
5.	04	CDA (SC) Pune	0/074/21	0/074/22
6.	05	CDA Bangalore	0/075/21	0/075/22
7.	06	CDA (WC) Chandigarh	0/076/21	0/076/22
8.	07	PC of A (Fys) Kolkatta	0/077/21	0/077/22
9.	08	PCDA (AF) Dehradun	0/078/21	0/078/22
10.	09	PCDA (N) Mumbai	0/079/21	0/079/22
11.	10	CDA (F) Meerut	0/080/21	0/080/22
12.	11	CDA (ORs) North Meerut	0/081/21	0/081/22
13.	12	PCDA (NC) Jammu	0/082/21	0/082/22
14.	13	ZO DPD Chennai	0/083/21	0/083/22
15.	14	AO DAD M.O.D. New Delhi	0/084/21	0/084/22
16.	15	CDA (CSD) Mumbai	0/085/21	0/085/22
17.	16	PCDA(Hqrs) New Delhi	0/086/21	0/086/22
18.	17	CDA (ORs) Central, Nagpur	0/087/21	0/087/22
19.	18	CDA Chennai	0/088/21	0/088/22
20.	19	PCDA (R&D) New Delhi	0/089/21	0/089/22
21.	20	CDA (PD) Meerut	0/090/21	0/090/22
22.	21	CDA Gauhati	0/091/21	0/091/22
23.	22	PCDA CC Lucknow	0/092/21	0/092/22
24.	23	CDA B/R New Delhi	0/093/21	0/093/22
25.	24	CDA (R&D) Bangalore	0/093/31	0/093/32
26.	25	CDA Secunderabad	0/093/41	0/093/42
27.	26	CDA Jabalpur	0/093/51	0/093/52
28.	27	CDA (AF) New Delhi	0/093/61	0/093/62
29.	28	CDA (R&D) Hyderabad	0/093/71	0/093/72
30.	29	CGDA New Delhi	0/093/81	0/093/82
31.	30	CDA (IDS) New Delhi	0/093/91	0/093/92
32.	31	CDA (SWC) Jaipur	0/070/31	0/070/32

CHAPTER- X

MILITARY RECEIVABLE ORDER (MROs)

What is MRO?

Any person paying money (except Earnest Money) into a government treasury or one of branch of the SBI doing Treasury business or RBI in station where it transact all govt. banking business shall present with it a military receivable order (Form IFA-507) to be issued by the persons mention in Rule 12 of Financial Regulation Part I Vol I which shall show distinctly the nature of the payment, the person or officer on whose account is made and particular CDA by whom it is adjustable. On this authority the treasury or bank shall accept the money and credit it as a Defence Service receipt.

Remittance into Bank on Military Receivable Order

Amounts due are deposited with the bank for credit to the Defence Services through Military Receivable Orders in triplicate by the depositor. The three copies will be presented to treasury or bank who deliver the original and triplicate duly receipted to the depositor. He in turn forward it to the CDA or PAO (ORs) concern under a forwarding memo. The duplicate copy will be retained by the bank for transmission to the CDA concerned alongwith credit sub scroll through the FPBs which will be received by Accounts Section. The triplicate copy will be retained by the depositor as office copy.

1. Duplicate copies of MROs (DMROs) with credit scroll will be received from the FPBs and scrutinized to ensure that they pertain to the CDA Concerned. The no. of DMROs received and total reflected in sub scrolls will be checked to ensure the correctness and same will be then compared with the Main Credit Scroll of the FPBs regarding reflection of the correct number of MROs and amount against each bank. Discrepancy if any in receipt regarding the instruments or the amount will be taken up with the FPBs for rectification.

If DMRO is lost/missing , certificate from dealing Branch will be obtained by the FPBs and transmitted to CDA.

DMRO will be adjusted by debiting RBI Deposits (00/021/00) and Public Sector Banks deposits (28/021/00) as (+) Charge and crediting the Suspense Head 00/020/80 as (-) Charge.

Then the credit scrolls pertaining to particular date will be entered in the DMRO Register bank wise and station wise which have separate folios in the Registers.

The total of the Registers will be reconciled with the total of the Compilation for the month after posting all DMROs received from the FPBS/ Other banks.

The details of the adjustment i.e TE Voucher No. & month is noted in the DMRO Register.

OMRO received from depositor by the Audit Section is adjusted by debiting Suspense head(00/020/80) as (+) Charge and crediting the relevant service head as (-) Charge or (+) Receipt depending on the nature of transaction.

The AMROs are then arranged bank wise and date wise and passed on to the Accounts Section alongwith the Statement(Form-A) indicating bank, date, MRO NO & Amount after verifying the Sectional Compilation.

On receipt of AMROs Accounts section verify the bunches regarding the correctness of compilation with the DVC details.

The details of adjustment of OMROs will be recorded in the appropriate column in the DMROs Register against relevant DMRO entry which is already recorded.

When the entries relating to both DMRO & AMRO exist against each other the items is treated as 'linked & Paried' and endorsed as such in the register.

In the month end the total of unlinked MRO Should tally with the outstanding suspense head (00/020/80) as (-) charge.

RBI Central Accounts Section Nagpur which deals with Government Accounts will furnish advice of total receipt for the month as well as date wise advice indicating the name of the bank and the amount of the receipt. This will be agreed with the total compilations against 00/020/80 as (-) Charge. The wanting credit advice and credit scroll will be called for from the respective FPBs / other banks.

The DMRO Register will be scrutinized every month. Cases where OMRO have been received and adjusted but for which DMRO have not been received will be taken up with the Banks along with the copy of the OMROs. In the event of bank denying the deposit the case will be referred to Audit Section for investigation since fraud can not be ruled out.

Cases where adjusted OMROs were not received from the Audit Section such cases will be extracted each quarter to the concerned Audit Section depending on the transaction bank wise and date wise with detail of the MROs for adjustment. Audit Section will call for the OMROs from the concerned unit & formation for adjustments if not already done.

Cases where already adjusted by Audit section the details of adjustment will be intimated to Accounts section. In cases where OMROs are stated to have been lost the adjustment will be carried out by Audit Section with reference to DMRO Copies.

If payments are due based on the OMRO adjustment it must be ensure that the DMRO concerned has actually been received from the bank by the Accounts Section.

In cases where the DMROs were wrongly advice by the Bank to the CDA other than the one indicated in the MRO the DMRO Should be passed on to the concerned CDA through Defence Exchange Account by debiting 00/020/80 as (+) Charge and the relevant originating DIDs Code of the concerned CDA as (+) Receipt.

In cases advice has been received but scroll has not been received it will be compiled in suspense account as wanting credit scroll

03/020/83	(+) Receipt for RBI	00/021/00	(+) Charge for RBI
03/020/76	(+) Receipt for PSB	28/021/00	(+) Charge for PSB

On receipt of Wanting Credit Scroll the adjustment will be

03/020/83	(-) Receipt for RBI	00/020/80	(-) Charge for RBI
03/020/76	(-) Receipt for PSB	00/020/80	(-) Charge for PSB

If the scroll pertains to the previous financial year the code 77/020/80 to be operated.

In cases where scroll has been received but advice has not been received it will be compiled in suspense accounts as wanting credit advice.

00/021/00	(-) Charge for RBI	03/020/83	(+) Charge for RBI
28/021/00	(-) Charge for PSB	03/020/76	(+) Charge for PSB

On receipt of wanting credit Advice the adjustment will be

00/021/00	(+) Charge for RBI	03/020/83	(-) Charge for RBI
28/021/00	(+) Charge for PSB	03/020/76	(-) Charge for PSB

After monthly RBI reconciliation the Wanting Advice's/Scrolls details are furnished to RBI CAS Nagpur to reconcile the difference between RBI Advice and Accounts Section Compilation. Then they are extracted to respective FPBs/RBI for speedy settlement.

IMPORTANT POINTS TO BE REMEMBERED DURING THE COURSE OF**ORINATION/RESPONDING AND CLEARANCE OF DIDSCHEDULE****RESPONDING ACTION TO BE TAKEN BY CDA, CHENNAI.**

1. Originating (+) receipt to be cleared with responding (+) charge.
2. Originating (-) receipt to be cleared with responding (-) charge.
3. Originating (+) charge to be cleared with responding (+) receipt.
4. Originating (-) Charge to be cleared with responding (-) receipt.

RECTIFICATION ACTION FOR WRONG RESPONDING.

1. Responding (+) receipt to be rectified with responding (-) receipt.
2. Responding (-) receipt to be rectified with responding (+) receipt
3. Responding (+) charge to be rectified with responding (-) charge.
4. Responding (-) charge to be rectified with responding (+) charge.
5. Originating (+) receipt to be rectified with originating (-) receipt.
6. Originating (-) receipt to be rectified with originating (+) receipt.
7. Originating (+) charge to be rectified with originating (-) charge.
8. Originating (-) charge to be rectified with originating (+) charge.
9. The total amount of originating and responding items should be the same (or) if at all any difference, it must be less than Re.1/-.