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No. A/III/13016/Allotment

Dated: 29-07-2024

MOST IMPORTANT CIRCULAR

सेवा में / To,

1. **प्रभारी अधिकारी / Officers in Charge,**

सभि उप-कार्यालय / All Sub Offices,

सिकंदराबाद, विशाखापट्टनम, सुर्यलंका और एदुमिलारम /

Secunderabad /Visakhapatnam/Suryalanka and Eddumailaram

2. Bills – Section

3. सभि अनुभाग/ All Sections

मुख्य कार्यालय / Main Office

स्थानीय / Local

Sub: Allotment of Amenities to Troops (Code Head 566/01), ETG and Library Grant (Code Head 568/00)

Ref:- HQrs. Letter No. A/B/I/13626/XXXII/CHB-Corr/2540, dated 26-07-2024.

उपर्युक्त विषय पर मुख्यालय पत्र की एक प्रति जानकारी, मार्गदर्शन और सख्त अनुपालन के लिए इसके साथ अग्रेषित की जाती है

A copy of HQrs letter referred above on the subject is enclosed for information and compliance.

CDA has seen.

संलग्न / Encl: उपरोक्त अनुसार /as above

(सीएच .वी .रमणामूर्ती/ CH. V. RAMANA MURTHY)

वरिष्ठ लेखा अधिकारी (लेखा)/ Sr. Accounts Officer (A/Cs)



प्रतिलिपि/Copy to:-

✓ AO i/c, IT Section, LOCAL - with a request to upload this letter in CDA's website.

(सीएच .वी .रमणामूर्ती/ CH. V. RAMANA MURTHY)

वरिष्ठ लेखा अधिकारी (लेखा)/ Sr. Accounts Officer (A/Cs)

E-mail

	<p>कार्यालय रक्षा लेखा महानियंत्रक CONTROLLER GENERAL OF DEFENCE ACCOUNTS उलान बटार मार्ग, पालम, दिल्ली छावनी ULAN BATAR MARG, PALAM, DELHI CANTT-110010 hqaccounts.cgda@gov.in</p>	
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Subject: Allotment of Amenities to Troops (Code Head 566/01), ETG and Library Grant (Code Head 568/00)

Reference: Maj Gen Vinayak Saini, SM, Addl. Director General of Financial Planning D.O. letter No. 88896/MH 800/GS/FP-2 dt. 16/01/2024

The matter regarding non admitting of bills pertaining to Amenity to troops, ETG and Library Grant due to non-availability of allotment letters by competent allotment authority has been examined and following comments are offered:

- (i) In terms of Rule 62 of Financial Regulations Part I and Para 1.4.3 of DPM 2009, the Competent Financial Authority is empowered to exercise financial powers subject to provision/availability of funds.
- (ii) Further, as per Rule 82 of Financial Regulations Part I, expenditure under locally controlled heads is susceptible to control against budget provision by the various administrative and executive authorities subordinate to the Government of India. Hence, prior allocation from units/formations is required before releasing the payment.
- (iii) As per Rule 25 (i) of GFR 2017 "All sanctions to the expenditure shall indicate the details of the provisions in the relevant grant or appropriation where from such expenditure is to be met", again underlying the requirement of fund allotment.
- (iv) Attention is also invited to Rule 61(1) of GFR 2017 which clearly mentions "The Accounts Officer shall not allow any payment against sanctions in excess of the budget provisions unless there is specific approval of the Chief Accounting Authority". Therefore, provision of fund under these code heads (locally controlled head) is required in the offices of PCsDA/CsDA to avoid any excess of expenditure against budgetary provision.

P.T.O

2. In view of the above, it is mentioned that Amenity Grants are covered under Locally Controlled Heads. Hence, DGFP should take appropriate action to ensure that such budget is allotted to units to enable them to provide budget availability to PCsDA/CsDA in respect of bills pertaining to LCHs including Amenity Grants. In order to avoid abrupt disruption in ongoing payments in field offices, this provision will be applicable w.e.f 01/10/2024.

CGDA has approved.

Sd/-

Sr. Dy. CGDA (A&B)

DGFP

Sena Bhawan

U.O. No. A/B/I/13626/XXXII/CHB-Corr/2540 Date: 26/07/2024

N.O.O

Copy to:

All PCsDA/CsDA:

For information and compliance please.

Rakesh K.

Sr. Dy. CGDA (A&B)



GENERAL FINANCIAL RULES 2017
Ministry of Finance
Department of Expenditure

Chapter - 3

133A

month and to take necessary measures for rectifying any defaults noticed.

Rule 58 Maintenance of Liability Register for effecting proper control over expenditure. In order to maintain proper control over expenditure, a Controlling Officer shall obtain from the spending authorities liability statements in Form GFR 3-A every month, starting from the month of October in each financial year. The Controlling Officer shall also maintain a Liability Register in Form GFR 3.

Rule 59 Personal attention of the Head of Department /Controlling Officer required to estimate savings or excesses. A Head of Department or Controlling Officer shall be in a position to estimate the likelihood of savings or excesses every month and to regularize them in accordance with the instructions laid down in Rule 62.

Rule 60 Control of expenditure against grant/appropriation and ultimate responsibility of the authority administering it. The Accounts Officer shall report to the Head of the Department concerned immediately on the first appearance of any disproportionate expenditure, particularly in respect of recurring items of expenditure under any grant or appropriation or a primary unit of appropriation thereof. However, the authority administering a grant/appropriation is ultimately responsible for the control of expenditure against the grant/appropriation and not the Accounts Officer.

Rule 61 Excess Expenditure.

1. The Accounts Officer shall not allow any payment against sanctions in excess of the Budget provisions unless there is specific approval of the Chief Accounting Authority.
2. The Financial Advisers and Chief Accounting Authority, before according concurrence for excess under any Head, shall ensure availability of funds through Reappropriation/ Supplementary Demands for Grants. (Refer Appendix 10)

Rule 62 (1) Surrender of savings. Departments of the Central Government shall surrender to the Finance Ministry, by the dates prescribed by that Ministry before the close of the

financial year, all the anticipated savings noticed in the Grants or Appropriations controlled by them. The Finance Ministry shall communicate the acceptance of such surrenders as are accepted by it to the Accounts Officer, before the close of the year. The funds provided during the financial year and not utilized before the close of that financial year shall stand lapsed at the close of the financial year.

Rule 62 (2) The savings as well as provisions that cannot be profitably utilised shall be surrendered to Government immediately they are foreseen without waiting till the end of the year. No savings shall be held in reserve for possible future excesses.

Rule 62 (3) Rush of expenditure, particularly in the closing months of the Financial year, shall be regarded as a breach of financial propriety and shall be avoided. The Financial Advisers of the Ministries/Departments shall ensure adherence to the stipulated Monthly Expenditure Plan and the guidelines issued in this regard by the Budget Division, Department of Economic Affairs, from time to time.

Rule 62 (4) The Financial Advisers of the Ministries/ Departments shall ensure adherence to the stipulated Quarterly Expenditure Plan and the guidelines issued in this regard by Ministry of Finance from time to time.

Rule 63 Expenditure on New Service. No expenditure shall be incurred during a financial year on a "New Service" not contemplated in the Annual Budget for the year except after obtaining a supplementary grant or appropriation or an advance from the Contingency Fund during that year. The guidelines to determine cases of "New Service"/"New Instrument of Service" are contained in Annexure-1 to Appendix-3.

Rule 64 (1) Additional Allotment for excess expenditure. A subordinate authority incurring the expenditure shall be responsible for seeing that the allotment placed at its disposal is not exceeded. Where any excess over the allotment is apprehended, the subordinate authority shall obtain additional allotment before incurring the excess expenditure. For this purpose, the authorities incurring expenditure shall maintain a 'Liability Register' in Form GFR 3.

Rule 64 (2) A Disbursing Officer may not, on his own authority, authorize any payment in excess of



Ministry or Department. A confirmation to this effect shall be included in the draft memorandum at the circulation stage.

Rule 25 (1) Provision of funds for sanction. All sanctions to the expenditure shall indicate the details of the provisions in the relevant grant or appropriation wherefrom such expenditure is to be met.

Rule 25 (2) All proposals for sanction to expenditure, shall indicate whether such expenditure can be met by valid appropriation or re-appropriation.

Rule 25 (3) In cases where it becomes necessary to issue a sanction to expenditure before funds are communicated, the sanction should specify that such expenditure is subjected to funds being communicated in the budget of the year.

Rule 26 Responsibility of Controlling Officer in respect of Budget allocation. The duties and responsibilities of a controlling officer in respect of funds placed at his disposal are to ensure :

- (i) that the expenditure does not exceed the budget allocation.
- (ii) that the expenditure is incurred for the purpose for which funds have been provided.
- (iii) that the expenditure is incurred in public interest.
- (iv) that adequate control mechanism is functioning in his Department for prevention, detection of errors and irregularities in the financial proceedings of his subordinate offices and to guard against waste and loss of public money,

Rule 27 (1) Date of effect of sanction. Subject to fulfilment of the provisions as contained in the Delegation of Financial Powers Rules, all rules, sanctions or orders shall come into force from the date of issue unless any other date from which they shall come into force is specified therein.

Rule 27 (2) Date of creation to be indicated in sanctions for temporary posts. Orders sanctioning the creation of a temporary post should, in addition to the sanctioned duration, invariably specify the date from which it is to be created

Rule 28 Powers in regard to certain special matters.— Except in pursuance of the general delegation made by, or with the approval of

the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which -

- (i) involves any grant of land, or assignment of revenue, or concession, grant, lease or licence of mineral or forest rights, or rights to water, power or any easement or privilege of such concessions, or
- (ii) involves relinquishment of revenue in any way

Rule 29 Procedure for communication of sanctions. All financial sanctions and orders issued by a competent authority shall be communicated to the Audit Officer and the Accounts Officer. The procedure to be followed for communication of financial sanctions and orders will be as under :-

- (i) All financial sanctions issued by a Department of the Central Government which relate to a matter concerning the Department proper and on the basis of which payment is to be made or authorized by the Accounts Officer, should be addressed to him.
- (ii) All other sanctions should be accorded in the form of an Order, which need not be addressed to any authority, but a copy thereof should be endorsed to the Accounts Officer concerned.
- (iii) In the case of non-recurring contingent and miscellaneous expenditure, the sanctioning authority may, where required, accord sanction by signing or countersigning the bill or voucher, whether before or after the money is drawn, instead of by a separate sanction.
- (iv) All financial sanctions and orders issued by a Department of the Central Government with the concurrence of the Internal Finance Wing or Finance Ministry, as applicable, should be communicated to the Accounts Officer in accordance with the procedure laid down in the Delegation of Financial Powers Rules, and orders issued thereunder from time to time.
- (v) All financial sanctions and orders issued by a Department with the concurrence of the Ministry of Home Affairs or Comptroller and Auditor General of India or Department of

Financial Regulations Part-I (Volume-I)

- (a) Over issue of travelling allowance and erroneous issue of warrants and credit notes due to culpable negligence, which fall to be dealt with under the rules in Chapter VII,
- (b) Travel by a class higher than that allowed by the rules. (c) Conveyance of baggage in excess of manudage authorised (as distinct from conveyance of the authorised quantity by passenger train instead of goods train).
- (d) Grant of daily allowance in excess of daily rates authorised.

Note 1.- The Monetary limits prescribed in this rule should not be taken as applying to the total amount of TA claim, etc. In question but to such portion of the claims as would otherwise have been submitted to Government for sanction had delegation of powers not been made.

Note 2.- For the purposes of the above rule the DDGOF is also a competent authority.

EXERCISING OF FINANCIAL POWERS**Provision of funds necessary before financial powers can be exercised**

62. To financial powers conferred on authorities subordinate to the Government of India shall be exercised subject always to the condition that funds can be made available from the sanctioned budget provision, either from the provision made for the purpose, or from the provision made for unforeseen expenditure or by re-appropriation. Powers are personal

63. The powers authorised in these regulations are personal and cannot be delegated to any subordinate officer; but see Rule 65.

When lower authority cannot sanction a measure in installments

64. The monetary limit, which has been set in each case, extends to each separate sanction, the criterion in every case is the total cost of a measure and no measure which requires the sanction of higher authority shall be sanctioned by a lower authority in instalments.

Other officers may be authorised to sign for an officer possessing financial Powers

65. (a) In every case the officer possessing financial powers is personally and unreservedly responsible for any orders purporting to be issued in accordance with the degree of relaxation permitted by this rule, whether the communication conveying the orders is signed by himself or by an officer subordinate to him.

(b) On the strict understanding that the sole responsibility rests on him, an officer possessing financial powers may authorise a staff officer to, sign is communications and documents of a financial character on his behalf, provided that the name of the officer who is authorised to sign is communicated to the audit officer concerned and that concurrent authorisation to several officers to the full limit of powers, is not made. Subject to this condition, Chief of the Air Staff, GOC-in-C, Commands and E-in-C may, however, authorise one or more selected staff officers concurrently to sign on their behalf, communication and documents

- 1.2.3 The procedure laid down in this Manual shall be followed for central procurement as well as local purchases under delegated financial powers of authorities in the Ministry of Defence, Service Headquarters and all subordinate authorities in the Command Headquarters, lower formations, establishments and units thereunder at all levels.

1.3 Scope

- 1.3.1 The term procurement means acquiring all types of goods (both scaled and non-scaled), such as equipment, stores, spares, technical literature, etc., as well as all types of services, including packing, unpacking, preservation, transportation, insurance, delivery, special services, leasing, technical assessment, consultancy, systems study, software development, maintenance, updates, conservancy, etc.

1.4 Definitions

- 1.4.1 Unless the context requires otherwise, the terms used in this Manual will have the meaning as described herein below.
- 1.4.2 **Authority Holding Sealed Particulars (AHSP):** AHSP is the authority responsible for collecting, collating, developing, amending, updating, holding and supplying sealed particulars of the defence items in accordance with the laid down procedure. AHSP may be the Director General of Quality Assurance (DGQA) or an authority in the Service Headquarters for service specific items. Similar responsibility for the Naval and Air Force equipments rests with respective service headquarters. Ordnance Factories are the AHSP for certain types of 'B' vehicles and items issued to indentors, other than the defence services. DGAQA is the AHSP for aviation stores of all the Services and the Coast Guard. Procurement officers, the suppliers and the Inspection Agencies are required to comply with the specifications drawn up by the AHSP.
- 1.4.3 **Competent Financial Authority:** The Competent Financial Authority (CFA) is an authority duly empowered by the Government of India to sanction and approve expenditure from public accounts upto a specified limit in terms of amount of such expenditure and subject to availability of funds. All financial powers are to be exercised by the appropriate CFA. Where financial powers have been delegated to more than one authority under the same Serial/Head, authority with higher delegated financial powers will constitute the 'next higher CFA'.
- 1.4.4 **Contract:** A proposal or offer when accepted is a promise, a promise and every set of promises forming the consideration for each other is an agreement and an agreement, if made with free consent of parties

Chapter

IV

Budget Estimates

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Introductory

81.¹ The budget estimates dealt with in this chapter refer to the estimates of receipts and expenditure relating to Defence Services arising in India and abroad during the financial year. They are submitted along with the main budget of the Central Government to the Parliament each year and the provision for gross expenditure is included in the Demands for Grant, for obtaining the vote of the Parliament. Within the sums so voted, Ministry of Defence has to arrange for financing of services for which that Ministry is responsible.

Estimates-By Whom Prepared

82. The expenditure for which provision is made in the Defence Services Estimates falls broadly into the following categories:

1. Amended in the light of Appendix 'C' to DSE, 2012-13.

- (1) Pay and allowances of the personnel of the Armed Forces;
- (2) Payments to Industrial Establishment employed in Store Depots, Factories etc.;
- (3) Transportation and Miscellaneous expenditure;
- (4) Stores purchases;
- (5) Works expenditure; and
- (6) Capital outlay such as capital works, purchase of vessels, aircraft, plant & machinery etc.

Expenditure falling under category (1) above represents, for the most part, obligatory charges and unavoidable commitments dependent on the strength and composition of Armed Forces and various other factors which are governed by the policy decisions of the Government of India, and is, therefore, controlled centrally by the Armed Forces Headquarters. The accounting heads under which the expenditure of this nature is compilable, are called "centrally controlled heads".

Expenditure falling under categories (2) to (6) above is, in general susceptible to control against budget provision by authorities concerned. The accounting heads under which the expenditure of this nature is compilable are called "locally controlled heads". These heads are laid down by the Ministry of Defence (Finance) and notified from time to time to all controlling authorities.

83. The estimates in respect of locally controlled heads in the case of the Army will be prepared by Headquarters Commands or Independent Areas and Commanders of Units and Formations which are directly administered by HQ of MoD (Army). In the case of Air Force, these will be prepared by Commands and Independent Stations/Units. In the case of Navy, these will be prepared by the local administrative authorities concerned subordinate to HQ of MoD (Navy).