

## ACKNOWLEDGEMENT

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First and foremost, I express my sincere gratitude to my father, all the mentors, educators, and administrative professionals whose practical knowledge and experience in government rules, financial regulations, and service matters have directly or indirectly contributed to the development of this work. Their real-world insights have helped shape this book into a useful and practical guide.

I am especially thankful to all aspirants and candidates preparing for competitive and departmental examinations such as AIIMS CRE, KVS, UPSC (LDC/SSO), NFSU SO, Assistant Registrar, AAO/AO, Section Officer, State PCS, and various university and institutional promotional exams. Their continuous demand for a simplified, structured, and exam-oriented resource inspired the creation of this book.

I would also like to acknowledge the immense contribution of reference materials including government manuals, financial handbooks, service rule compilations, and constitutional provisions, which served as the foundation for this compilation.

Special thanks to **Mr. Sidharth Singh** and **Dr. A.S.S** whose vision, design, and conceptual clarity played a crucial role in shaping this book into a comprehensive and student-friendly format.

Lastly, I extend my heartfelt appreciation to my family and well-wishers for their constant support, patience, and encouragement throughout the process of writing and compiling this book.

This book is a humble effort to simplify complex rules and make them accessible to all aspirants and professionals.

— **Author**

- **Mr. Sidharth Singh**
- **Dr. A.S.S**

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This book has been carefully prepared with the objective of providing accurate and up-to-date information on government rules, financial regulations, service matters, and constitutional provisions relevant to various competitive and departmental examinations such as AIIMS CRE, KVS, UPSC (LDC/SSO), NFSU SO, Assistant Registrar, AAO/AO, Section Officer, State PCS, and similar examinations conducted by universities and government institutions.

This publication is part of a multi-volume series. The present edition, **Volume I**, covers foundational and core concepts. Subsequent volumes will include advanced topics, applied aspects, and additional rules required for higher-level examinations and professional use.

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## PREFACE

In the present era of competitive examinations and professional excellence, a thorough understanding of government rules, financial regulations, service matters, and constitutional provisions has become essential not only for aspirants but also for serving officials. These subjects form the backbone of administrative functioning and play a crucial role in decision-making within government offices and institutions.

This book has been specifically designed to cater to the needs of candidates preparing for various competitive and departmental examinations such as AIIMS CRE, KVS, UPSC (LDC/SSO), NFSU SO, Assistant Registrar, AAO/AO, Section Officer, State PCS, and promotional examinations in universities, NITs, IITs, Sanskrit Universities, BHU, and other institutions. It is equally useful for in-service officials who seek clarity and practical understanding of rules in their day-to-day office work.

One of the major challenges faced by aspirants is the scattered and complex nature of these rules across multiple sources such as FR & SR, GFR, CCS Rules, and constitutional provisions. This book aims to bridge that gap by presenting all relevant topics in a structured, simplified, and exam-oriented manner without compromising on accuracy and depth.

Special emphasis has been given to clarity of concepts, easy language, and practical applicability. Wherever required, important points have been highlighted to assist in quick revision and better retention. The content has been carefully organized to ensure that readers can not only understand the rules but also apply them effectively in examinations as well as in professional settings.

This work is the result of continuous effort, analysis of previous examination patterns, and interaction with aspirants and professionals across different domains. The objective is to provide a single, reliable, and comprehensive resource that reduces dependency on multiple books.

I sincerely hope that this book will serve as a valuable guide and contribute to the success of all readers.

**This book has been conceptualized and designed under the guidance of Mr. Sidharth Singh and Dr. A.S.S., whose expertise and vision have been instrumental in shaping its structure and approach**

**For Full information and course Recorded Video:**



**“YOUBOX STUDY” Channel on youtube.**

## HOW TO USE THIS BOOK

This book has been carefully designed to serve both aspirants preparing for competitive and departmental examinations and professionals working in administrative roles. To maximize its benefits, readers are advised to follow a structured approach while using this book.

### 1. **Understand the Structure First**

The book is organized topic-wise covering government rules, financial regulations, service matters, and constitutional provisions. Before starting, go through the table of contents to understand the flow and scope of topics included in this volume.

### 2. **Focus on Conceptual Clarity**

Each topic has been explained in a simple and concise manner. Readers should focus on understanding the logic and intent behind the rules rather than rote memorization. This approach will help in both objective and descriptive examinations.

### 3. **Use for Multiple Examinations**

This book is suitable for exams such as AIIMS CRE, KVS, UPSC (LDC/SSO), NFSU SO, Assistant Registrar, AAO/AO, Section Officer, State PCS, and various university and departmental promotional examinations. Readers should align their preparation according to the syllabus of their specific examination.

### 4. **Highlight and Revise Regularly**

It is recommended to underline important points, provisions, and keywords while studying. Regular revision of these highlighted sections will improve retention and recall during examinations.

### 5. **Practice Application-Based Questions**

Many examinations now focus on practical application of rules. Readers should try to relate the concepts with real-life administrative scenarios to strengthen their understanding.

### 6. **Use as a Ready Reference for Office Work**

This book is not only useful for examinations but also serves as a quick reference guide for day-to-day office work. Professionals can refer to relevant sections whenever clarification is required.

### 7. **Follow a Consistent Study Plan**

Consistency is key to mastering these subjects. Readers are advised to create a study schedule and cover topics systematically rather than randomly.

This book is designed to reduce the burden of referring to multiple sources and to provide a single, reliable, and exam-oriented resource. With proper utilization, it can significantly enhance both conceptual understanding and exam performance.

— **Author**

- **Mr. Sidharth Singh**
- **Dr. A.S.S**

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# CHAPTER:01. CHILDREN EDUCATION ALLOWANCE (CEA)

(OM No. A-27012/01/2017-Estt.(AL), CEA-2025)

## 1. General Conditions

The **Children Education Allowance (CEA)** is a financial benefit provided by the Government to help Central Government employees meet the **educational expenses of their children**.

This allowance helps employees cover expenses such as **tuition fees, school charges, and other educational expenses** of their dependent children studying in recognized schools.

The scheme ensures that Government servants are able to provide **basic education to their children without financial difficulty**.

➤ **Example:** If a Government servant's child studies in a recognized school and pays tuition fees, the employee may claim reimbursement under the Children Education Allowance scheme.

📌 **Exam Tip:** CEA is a financial assistance given to **Central Government employees for the education of their children**.

### 1. Scope of the Scheme

The **Children Education Allowance Scheme** applies to almost all categories of Central Government employees.

It is applicable to:

- Central Government servants without any pay limit
- State Government employees on deputation to Central Government
- Industrial employees of the Central Government
- Civilian employees paid from Defence Estimates

The scheme is also applicable to employees who are:

- on deputation to State Governments
- on foreign service

However, this is allowed only when the **terms of deputation or foreign service specifically provide for this benefit**.

**Table: Employees Covered under CEA**

Category of Employees	Eligibility
Central Government employees	Eligible
State Government employees on deputation to Centre	Eligible
Industrial employees of Central Government	Eligible
Civilian employees paid from Defence Estimates	Eligible
Employees on foreign service	Eligible if terms allow

➤ **Example:** A Central Government officer posted on deputation to a State Government may continue to receive CEA if the deputation terms allow it.

📌 **Exam Tip:** CEA is applicable to **all Central Government servants without any pay limit**.

### 2. Meaning of "Child"

For the purpose of the Children Education Allowance scheme, the term **"child"** includes:

- natural child of the employee
- stepchild
- legally adopted child

However, the child must be **wholly dependent on the Government servant**.

This means that the child must rely on the employee for financial support.

➤ **Example:** If a Government servant adopts a child legally, that child will be eligible for Children Education Allowance.

📌 **Exam Tip:** "Child" under CEA includes **natural, step, and adopted children who are wholly dependent**.

### 3. Recognized School Requirement

Children Education Allowance is admissible **only when the child studies in a recognized school**.

A recognized school means a school that is:

- recognized by the Government
- recognized by the education board
- approved by competent authorities

If the child studies in an **unrecognized institution**, the allowance will not be admissible.

**Table: School Recognition Requirement**

Type of School	CEA Eligibility
Recognized school	Allowed
Government school	Allowed
Unrecognized institution	Not allowed

➤ **Example:** If a child studies in a school recognized by CBSE or a State Education Board, CEA can be claimed.

📌 **Exam Tip:** CEA is admissible **only when the child studies in a recognized school**.

#### 4. When Both Husband and Wife Are Employed

Special rules apply when both spouses are employed.

##### (A) When Both Are Central Government Employees

If both husband and wife are **Central Government servants**, the Children Education Allowance can be claimed **by only one of them**.

This prevents duplicate claims for the same child.

➤ **Example:** If both parents are Central Government employees, only one of them can claim CEA for their child.

📌 **Exam Tip:** When both spouses are Central Government employees, **CEA is admissible to only one parent**.

##### (B) When One Spouse Works Outside Central Government

If the spouse works in:

- State Government
- private sector
- autonomous body
- PSU

CEA will be admissible to the Central Government employee **only if the other spouse is not entitled to similar benefit from their employer**.

The employee must submit a **declaration confirming that the spouse is not receiving similar benefit**.

➤ **Example:** If the spouse works in a private company that does not provide education allowance, the Central Government employee may claim CEA.

📌 **Exam Tip:** CEA is allowed only if the **spouse working outside Central Government is not receiving similar benefit**.

#### 5. Admissibility During Leave or Suspension

Children Education Allowance continues to be admissible even when the employee is:

- on duty
- on leave
- on extraordinary leave
- under suspension

However, it is **not admissible during the period treated as "dies non"**.

"Dies non" means a period that is **not counted as duty or leave for service purposes**.

**Table: CEA Admissibility During Different Situations**

Situation	CEA Admissibility
On duty	Allowed
On leave	Allowed
Extraordinary leave	Allowed
Under suspension	Allowed
Period treated as dies non	Not allowed

➤ **Example:** If an employee is on maternity leave or earned leave, CEA can still be claimed.

📌 **Exam Tip:** CEA is **not admissible during dies non period**.

#### 6. Maximum Number of Children Eligible

The Children Education Allowance scheme allows assistance only for a limited number of children.

The limits depend on the **date of birth of the children**.

**Table: Maximum Number of Children Eligible**

Birth Period	Maximum Children Eligible
Children born up to 31-12-1987	3 children
Children born after 31-12-1987	2 children

➤ **Example:** If a Government servant has two children born after 1987, both will be eligible for CEA.

📌 **Exam Tip:** CEA is admissible for **maximum two children (after 31-12-1987)**.

## 7. Special Case – Twins or Multiple Births

If the **second childbirth results in twins or multiple births**, the allowance will be admissible to **all children born in that birth**.

This means that even if the total number of children exceeds two, the allowance will still be allowed.

➤ **Example:** If the first child is single and the second birth produces twins, CEA will be allowed for all three children.

📌 **Exam Tip:** If the second childbirth results in twins, **CEA is admissible for all children**.

## 8. Failure of Sterilization Operation

If a Government servant undergoes **sterilization operation** but it fails and additional children are born, the allowance will still be admissible.

However, the benefit will be allowed **only for children born due to the first instance of sterilization failure**.

➤ **Example:** If sterilization fails and another child is born, the employee can still claim CEA for that child.

📌 **Exam Tip:** CEA is admissible for children born due to **first failure of sterilization operation**.

## 9. Children Education Allowance Scheme

Earlier, two benefits were available separately:

- Children Education Allowance
- Reimbursement of Tuition Fee

Now both benefits have been **merged into a single scheme called the “Children Education Allowance Scheme.”**

This combined scheme simplifies the process of claiming educational assistance.

**Table: Change in Scheme**

Earlier System	Present System
Children Education Allowance	Merged
Tuition Fee Reimbursement	Merged
Present scheme	Children Education Allowance Scheme

➤ **Example:** Earlier an employee had to claim tuition fee reimbursement separately. Now both benefits are included under the CEA scheme.

📌 **Exam Tip:** CEA and Tuition Fee Reimbursement are now **merged into one scheme called Children Education Allowance Scheme**.

## Children Education Allowance Scheme – Detailed Provisions

The **Children Education Allowance (CEA) Scheme** provides financial assistance to Central Government employees for the education of their children. Under this scheme, reimbursement is allowed for certain educational expenses incurred for the **school education of eligible children**.

The scheme aims to support employees in meeting the educational expenses of their children studying in recognized institutions.

➤ **Example:** If a Government servant’s child studies in a recognized school and pays school fees, the employee may claim reimbursement under the Children Education Allowance Scheme.

📌 **Exam Tip:** CEA provides **fixed monthly reimbursement for education expenses of eligible children**.

### 1. Eligibility – Number of Children

Under the Children Education Allowance Scheme, reimbursement can normally be claimed only for the **two eldest surviving children** of a Government servant.

This means the employee cannot claim the allowance for more than two children.

However, there are certain **exceptions** to this rule.

#### Exception – Twins or Multiple Births

If the **second childbirth results in twins or multiple births**, the allowance will be admissible for all children born in that birth.

This means the total number of children eligible may exceed two.

**Table: Eligibility Based on Number of Children**

Situation	Eligibility
Normal case	Only two eldest children
Second childbirth results in twins	All children eligible
Second childbirth results in triplets	All children eligible

➤ **Example:** If the first child is single and the second childbirth produces twins, the employee can claim CEA for **all three children**.

📌 **Exam Tip:** CEA is normally limited to **two children**, but **twins in second childbirth are exempted**.

### 3. Educational Level Covered

Children Education Allowance is admissible **only for school-going children**.

The scheme covers education from:

- Nursery classes
- Primary school
- Middle school
- Secondary school
- Higher secondary school (Classes XI and XII)

The scheme also covers:

- Classes XI and XII conducted by junior colleges
- Schools affiliated to universities or education boards
- Two-year diploma courses in polytechnics

**Table: Educational Levels Covered Under CEA**

Educational Level	Covered Under CEA
Nursery	Yes
Primary School	Yes
Middle School	Yes
Secondary School	Yes
Classes XI–XII	Yes
Two-year diploma in Polytechnic	Yes

➤ **Example:** If a child studies in Class XI in a junior college affiliated with an education board, CEA may still be claimed.

📌 **Exam Tip:** CEA covers education from **Nursery to Class XII and certain Polytechnic diploma courses**.

### 4. No Minimum Age Requirement

There is **no minimum age requirement** for claiming Children Education Allowance.

This means that even very young children studying in nursery classes are eligible.

This rule also applies to **children with disabilities**.

➤ **Example:** A child studying in nursery at the age of three may still be eligible for CEA.

📌 **Exam Tip:** There is **no minimum age limit for claiming CEA**.

### 5. Meaning of “Classes Nursery to Twelfth”

The term “Classes Nursery to Twelfth” includes:

- Classes I to XII
- Two classes prior to Class I

These two classes may have different names such as:

- Nursery
- Lower Kindergarten (LKG)
- Upper Kindergarten (UKG)

The scheme applies **irrespective of the nomenclature used by the school**.

➤ **Example:** If a school calls its pre-primary classes LKG and UKG instead of nursery, CEA will still apply.

📌 **Exam Tip:** CEA includes **two classes prior to Class I irrespective of their name**.

### 6. Schools Not Affiliated to Education Boards

Some schools at nursery or primary level may not be affiliated with any Board of Education.

In such cases, CEA may still be allowed if the institution is **recognized by the Government or competent authority**.

A recognized school may include:

- Government schools
- private schools recognized by State Government
- schools recognized by Union Territory Administration
- institutions recognized by a university or educational authority

**Table: Recognized Educational Institutions**

Institution Type	Recognition Authority
Government school	Central/State Government
Private recognized school	State Government
Institution under UT administration	UT Administration
Institution recognized by university	University authority

➤ **Example:** If a nursery school is recognized by the State Education Department but not affiliated with a board, CEA may still be allowed.

📌 **Exam Tip:** School must be **recognized by Government or competent educational authority**.

### 7. Polytechnic / ITI / Engineering Diploma Courses

CEA and Hostel Subsidy are also admissible for **initial two years of diploma or certificate courses** after passing Class X.

This applies to courses in:

- Polytechnic institutes
- Industrial Training Institutes (ITI)
- Engineering colleges

However, a condition applies.

The Government servant must **not have claimed CEA or Hostel Subsidy for Classes XI and XII for that child.**

➤ **Example:** If a child completes Class X and directly joins a two-year diploma course in Polytechnic, the parent may claim CEA.

📌 **Exam Tip:** CEA is admissible for **two-year diploma courses after Class X if XI–XII benefits were not claimed.**

### 8. Performance of the Child

Earlier, some schemes linked reimbursement to the **academic performance of the child.**

However, under the present scheme:

Children Education Allowance is **not linked to the academic performance of the child.**

Even if the child **fails in a class**, reimbursement will continue.

➤ **Example:** If a student fails in Class IX and repeats the same class, the parent may still claim CEA.

📌 **Exam Tip:** CEA continues even if the child fails in the class.

### 9. Amount of Children Education Allowance

The amount of reimbursement under the Children Education Allowance Scheme is **fixed.**

The current reimbursement rate is:

**₹2,812.50 per month per child**

This amount is fixed and is **paid irrespective of the actual expenses incurred by the employee.**

**Table: Amount of Children Education Allowance**

Item	Amount
CEA per child	₹2,812.50 per month
Basis of payment	Fixed amount

➤ **Example:** If an employee spends ₹4,000 per month on school fees, reimbursement will still be limited to **₹2,812.50 per month.**

📌 **Exam Tip:** CEA amount = **₹2,812.50 per month per child.**

### 10. Documents Required for Claim

To claim reimbursement of Children Education Allowance, the Government servant must submit **proof of education of the child.**

The following documents may be used:

1. Certificate issued by the **Head of the Institution**, confirming that the child studied in the school during the previous academic year.

If such certificate cannot be obtained, the employee may submit:

- self-attested copy of the **report card**, or
- self-attested **fee receipts (including electronic receipts).**

These documents must confirm that the **school fees were paid for the entire academic year.**

**Table: Supporting Documents for CEA Claim**

Document	Purpose
Certificate from Head of Institution	Confirmation of study
Report card	Proof of academic attendance
Fee receipts	Proof of fee payment

➤ **Example:** If a school provides a certificate confirming that the child studied there during the academic year, it can be used to claim reimbursement.

📌 **Exam Tip:** CEA claim requires **school certificate, report card, or fee receipt.**

### 3. Additional Conditions and Special Provisions of Children Education Allowance

The **Children Education Allowance (CEA)** scheme contains several additional provisions relating to hostel subsidy, eligibility after retirement or death of employee, age limits, and provisions for children with disabilities.

These provisions ensure that Government servants receive assistance for their children's education even in special circumstances.

➤ **Example:**

If a Government servant's child studies in a residential school and lives in a hostel, the employee may claim both **Children Education Allowance and Hostel Subsidy** simultaneously.

📌 **Exam Tip:**

CEA rules include provisions regarding **hostel subsidy, age limits, special cases, and disabled children.**

#### A. Hostel Subsidy and CEA Together

Under the scheme, both **Hostel Subsidy and Children Education Allowance** can be claimed at the same time.

This means that if a child studies in a school and also stays in a hostel, both benefits may be admissible.

However, certain conditions apply.

➤ **Example:** If a child studies in a boarding school and stays in the hostel, the employee may claim both hostel subsidy and CEA.

📌 **Exam Tip:** CEA and Hostel Subsidy can be availed concurrently.

### B. Day Boarding Students

Students who attend school during the day but return home at night are known as **day-boarding students**.

Such students are **not eligible for hostel subsidy**.

They may still receive **Children Education Allowance**, but hostel subsidy will not be admissible.

➤ **Example:** A child attending a school with day boarding facility cannot claim hostel subsidy.

📌 **Exam Tip:** Day-boarding children are **not eligible for hostel subsidy**.

### C. Payment After Retirement or Termination

When a Government servant leaves service due to:

- retirement
- discharge
- dismissal
- removal from service

the Children Education Allowance or Hostel Subsidy will continue to be paid **until the end of the academic year**.

The reimbursement will be made by the **office where the employee last worked**.

➤ **Example:** If an employee retires in September, CEA will continue until the academic year ends.

📌 **Exam Tip:** CEA continues **till the end of the academic year after retirement or removal**.

### D. Payment After Death of Government Servant

If a Government servant **dies while in service**, the Children Education Allowance or Hostel Subsidy will continue to be paid.

The payment will continue for the same period during which the employee would have normally received the allowance.

However, certain conditions apply.

The benefit will be allowed only if the **spouse of the deceased Government servant is not employed** in:

- Central Government
- State Government
- Autonomous Bodies
- Public Sector Undertakings (PSUs)
- Semi-Government organizations
- Municipal bodies
- Port Trusts
- any organization funded fully or partly by Government

➤ **Example:** If a Government servant dies in service and the spouse is not employed, the CEA will continue to be paid.

📌 **Exam Tip:** After death of employee, CEA continues if **spouse is not employed in Government or Government-funded organization**.

### E. Age Limit for Claiming CEA

Children Education Allowance is subject to an **age limit for children**.

For normal children, the allowance is admissible until:

- the child reaches **20 years of age**, or
- the child passes **Class XII**

Whichever occurs earlier.

**Table: Age Limit for CEA**

Category	Age Limit
Normal children	Up to 20 years or till Class XII
Disabled children	Up to 22 years

➤ **Example:** If a child completes Class XII at age 18, the allowance will stop after that.

📌 **Exam Tip:** CEA age limit = **20 years or till Class XII, whichever is earlier**.

### F. Education Through Distance or Correspondence

Children Education Allowance is also admissible for children studying through:

- correspondence courses
- distance learning programs

However, the institution must still be **recognized by appropriate authorities**.

➤ **Example:** If a child studies through distance education in a recognized school program, CEA may still be claimed.

📌 **Exam Tip:** CEA is admissible even for **distance learning or correspondence education**.

### G. Fees Not Reimbursable

Certain types of fees are not reimbursable under the Children Education Allowance scheme.

The following are **not eligible for reimbursement**:

- fees paid to private tutors
- fees paid to coaching centres
- fees paid to organizations other than schools

Only the **fees charged directly by the school or institution** are reimbursable.

➤ **Example:** If a parent pays tuition fees to a private tutor, that amount cannot be claimed under CEA.

📌 **Exam Tip:** Only **fees charged directly by the school are reimbursable**.

### H. Special Provisions for Disabled Children

Special provisions exist for **physically or mentally disabled children (Divyaang children)**.

Children Education Allowance may be reimbursed even if the child studies in an institution that is:

- aided by Government
- approved by Government
- recognized by Central, State, or UT authorities

Even if the institution itself is not formally recognized, reimbursement may still be allowed if the fees are approved by Government authorities.

➤ **Example:** If a disabled child studies in a special education institution approved by the State Government, CEA may be reimbursed.

📌 **Exam Tip:** CEA for disabled children is admissible **even if the institution is not recognized but approved by Government**.

### I. Home-Based Education for Disabled Children

Sometimes a disabled child may not be able to attend school.

In such cases, reimbursement may be allowed for **special education provided at home**.

To claim this reimbursement, the Government servant must submit:

- payment receipt from teacher or instructor
- self-certification confirming the education provided

➤ **Example:** If a special educator teaches a disabled child at home, the fees may be reimbursed under CEA.

📌 **Exam Tip:** CEA is admissible for **home-based education of disabled children**.

### J. Additional Fees for Disabled Children

Sometimes schools charge additional fees to meet the **special needs of disabled children**.

These additional charges may also be reimbursed if they are:

- certified by the school authorities
- directly related to the child's special needs

➤ **Example:** If a school charges extra fees for special assistance to a disabled child, those charges may be reimbursed.

📌 **Exam Tip:** Special education fees for disabled children are **reimbursable if certified by the school**.

### K. Higher Reimbursement for Disabled Children

For children with disabilities, the reimbursement amount is **double the normal rate**.

With effect from **1 July 2017**, the annual reimbursement ceiling for disabled children is: **₹54,000 per year**

**Table: CEA for Disabled Children**

Item	Amount
Normal CEA rate	₹2,812.50 per month
Disabled child reimbursement	Double the normal rate $2812.50 \times 2 = 5625$
Annual ceiling	₹67,500

➤ **Example:** If the normal reimbursement is ₹2,812.50 per month, a disabled child may receive double that amount.

📌 **Exam Tip:** CEA for disabled children = **double the normal rate with annual ceiling ₹67,500**

### L. Automatic Increase in CEA Rates

The rates of Children Education Allowance will automatically increase.

Whenever the **Dearness Allowance (DA) increases by 50%**, the CEA rates will increase by **25%**.

This ensures that the allowance keeps pace with inflation.

➤ **Example:** If DA increases by 50%, the CEA reimbursement rate will automatically increase by 25%.

📌 **Exam Tip:** CEA rates increase by 25% whenever DA increases by 50%.

### M. Declaration by Government Servant

If the spouse of the Government servant is employed or earning, the employee must submit an **undertaking or declaration**.

The declaration must confirm that **no other person has claimed CEA for the same child**.

This prevents duplicate claims.

➤ **Example:** If both parents are employed but only one claims CEA, the claimant must submit a declaration.

📌 **Exam Tip:** Government servant must submit **undertaking that no other person has claimed CEA for the same child**.

### N. Frequency of Reimbursement

Children Education Allowance reimbursement is **not paid monthly**.

Instead, it is reimbursed **once a year** after completion of the financial year.

The employee must submit the claim along with required documents.

➤ **Example:** If school expenses were incurred during the year 2023–24, reimbursement may be claimed after the financial year ends.

📌 **Exam Tip:** CEA reimbursement is **made once a year after the financial year**.

## Hostel Subsidy

Hostel Subsidy is a financial assistance provided to Central Government employees when their children study in a **residential school and stay in a hostel away from the employee's place of residence or posting**.

The purpose of hostel subsidy is to help Government servants meet the **boarding and lodging expenses of their children studying in residential schools**.

➤ **Example:** If a Government servant is posted in Jaipur and his child studies in a residential school in Delhi and stays in the hostel, the employee may claim Hostel Subsidy.

📌 **Exam Tip:** Hostel Subsidy is reimbursable when a child studies in a **residential school and stays in a hostel away from the parent's station**.

### A. Admissibility of Hostel Subsidy

Hostel Subsidy is admissible to a Government servant if his/her child stays in the **hostel of a residential school**

**located away from the place where the employee resides or is posted.**

This benefit is admissible **irrespective of whether the employee has a transfer liability or not**.

In other words, even if the employee is not frequently transferred, the subsidy may still be claimed.

➤ **Example:** A Government servant permanently posted in a city may still claim hostel subsidy if the child studies in a residential school in another city.

📌 **Exam Tip:** Hostel Subsidy is admissible **irrespective of transfer liability**.

### B. Meaning of Hostel Subsidy

Hostel Subsidy refers to the **expenses incurred by a Government servant for keeping his/her child in the hostel of a residential school or institution**.

The hostel must be located **beyond a distance of 50 kilometres from the residence of the Government servant**.

**Table: Conditions for Hostel Subsidy**

Condition	Requirement
Type of school	Residential school
Distance from residence	More than 50 km
Type of expenses	Boarding and lodging charges

➤ **Example:** If a child studies in a residential school located 70 km away from the employee's residence, hostel subsidy may be claimed.

📌 **Exam Tip:** Hostel Subsidy is allowed only when the school hostel is **more than 50 km away from the employee's residence**.

### C. Rate of Hostel Subsidy

The maximum amount of Hostel Subsidy reimbursable is:

**₹8,437.50 per month per child**

However, reimbursement will be limited to the **actual expenditure incurred on boarding and lodging**.

If the actual amount spent is less than ₹8,437.50, only the actual amount will be reimbursed.

**Table: Hostel Subsidy Amount**

Item	Amount
Maximum Hostel Subsidy	₹8437.50 per month

Basis of reimbursement	Lower of actual expenditure or ceiling
------------------------	--

➤ **Example:** If hostel charges are ₹5,000 per month, reimbursement will be ₹5,000 and not ₹8,437.50.

📌 **Exam Tip:** Hostel Subsidy ceiling = **₹8,437.50 per month per child.**

#### D. Documents Required for Hostel Subsidy

To claim Hostel Subsidy, the Government servant must submit **supporting documents from the school.**

The most important document is:

• Certificate from the **Head of the Institution**

This certificate must confirm:

• that the child studied in the school during the academic year

• the amount paid by the employee towards **boarding and lodging**

If such certificate cannot be obtained, the employee may submit:

• self-attested copy of the report card

• original fee receipts or e-receipts indicating hostel charges

#### Table: Documents Required for Claim

Document	Purpose
Certificate from Head of Institution	Confirmation of study and hostel expenses
Report card	Proof of schooling
Fee receipts	Proof of hostel expenditure

➤ **Example:** If the school provides a certificate confirming hostel charges, it can be used to claim hostel subsidy.

📌 **Exam Tip:** Hostel Subsidy claim requires **certificate from Head of Institution mentioning boarding and lodging expenses.**

#### E. Academic Year Basis

Hostel Subsidy is calculated based on the **academic year.**

The academic year generally consists of **twelve months of the complete academic session.**

Therefore, reimbursement is normally calculated for the **entire academic year.**

➤ **Example:** If the academic year runs from April to March, hostel subsidy may be claimed for that entire period.

📌 **Exam Tip:**

Hostel Subsidy is calculated based on the **academic year (12 months).**

#### F. Educational Level Covered

Hostel Subsidy is admissible only for children studying up to:

• **10 + 2 stage (Class XII)** where the education system follows the 10+2+3 pattern.

In other places, it is admissible up to:

• **Higher Secondary or Senior Secondary level**

This applies whether the child studies in:

- Kendriya Vidyalaya
- Government school
- any recognized school.

#### Table: Education Level for Hostel Subsidy

Education Level	Eligibility
Primary school	Eligible
Secondary school	Eligible
Higher Secondary (Class XII)	Eligible
Beyond Class XII	Not eligible

➤ **Example:** If a child studies in Class XI in a residential school hostel, hostel subsidy may be claimed.

📌 **Exam Tip:** Hostel Subsidy is admissible **only up to Class XII stage.**

#### G. Condition Linked with CEA

Hostel Subsidy can be claimed **only for a child for whom Children Education Allowance (CEA) is also admissible.**

This means hostel subsidy is **not an independent benefit.**

It must be linked with eligibility under the CEA scheme.

➤ **Example:** If a child is eligible for CEA and stays in a hostel, hostel subsidy may also be claimed.

📌 **Exam Tip:** Hostel Subsidy is admissible **only for children eligible for CEA.**

#### 3. Journey Fare for Children Studying at Outstations

Another important benefit under the educational assistance scheme is **Journey Fare for children studying away from the place of residence of the Government servant.**

This concession allows reimbursement of travel expenses when the child travels between:

- the place of study
- the employee's headquarters

➤ **Example:** If a child studies in Delhi while the parent is posted in Lucknow, the child may receive reimbursement of travel fare once a year.

📌 **Exam Tip:** Journey Fare concession is allowed **once in a calendar year during vacation**.

### 1. Scope of the Scheme

This concession applies to:

- Central Government civilian employees
- State Government employees on deputation to Central Government
- Industrial or work-charged employees on regular establishment posted in India

However, the scheme **does not apply to certain categories of employees**.

**Table: Employees Covered Under Journey Fare Scheme**

Category	Eligibility
Central Government civilian employees	Eligible
State Government employees on deputation to Centre	Eligible
Industrial employees on regular establishment	Eligible
Railway employees	Not eligible
Armed Forces personnel	Not eligible
Staff in Indian Missions abroad	Not eligible
Part-time or contingent employees	Not eligible

➤ **Example:** A Central Government civilian employee posted in India may claim this benefit for children studying away from home.

📌 **Exam Tip:** Journey Fare concession is **not applicable to Railways and Armed Forces employees**.

### 2. Eligibility of Children

The benefit is admissible to:

- legitimate children
- stepchildren
- adopted children

However, the child must be studying in a **recognized educational institution in India**.

The institution must be located **away from the residence of the Government servant or his family**.

The concession will not be allowed if the child resides at the **same place where the family is living**.

➤ **Example:** If the employee's family lives in the same city as the child's school, travel reimbursement will not be allowed.

📌 **Exam Tip:** Journey Fare is allowed only when the child studies **away from the employee's residence**.

### 3. Frequency of Concession

The travel concession is allowed **once in a calendar year**.

It must be used during the **vacation declared by the educational institution**.

The journey covered is:

- from the place of study to the employee's headquarters
- and back to the place of study.

However, if the child **does not return to the institution after vacation**, the concession will not be admissible.

➤ **Example:** If a child returns home during summer vacation and later returns to school, the fare may be reimbursed.

📌 **Exam Tip:** Journey Fare concession is allowed **once per calendar year during vacation**.

### 4. Amount of Travel Reimbursement

Travel reimbursement is restricted to:

- **Second Class railway fare at student concessional rate**

The travel must be calculated between:

- the railway station nearest to the school
- the railway station nearest to the employee's headquarters

The travel must follow the **shortest route**.

If rail service is not available, reimbursement may be allowed for:

- ordinary bus fare
- lowest class ship or steamer fare.

**Table: Travel Reimbursement Limits**

Mode of Travel	Reimbursement Limit
Rail	Second Class student concessional fare
Bus	Ordinary bus fare
Ship/Steamer	Lowest class fare

➤ **Example:** If a student travels by train from Delhi to Bhopal during vacation, reimbursement will be limited to second class student fare.

📌 **Exam Tip:** Travel reimbursement limited to **Second Class rail fare at student concessional rate, Annual Ceiling ₹1,01,250**.

### 5. When Both Parents Are Central Government Employees

If both husband and wife are **Central Government servants**, only **one of them** may claim the journey fare concession.

➤ **Example:** If both parents work in Central Government service, only one parent may claim travel reimbursement.

📌 **Exam Tip:** When both spouses are Central Government employees, **only one can claim the concession.**

## 6. During Transfer of Employee

When a Government servant is transferred, two options are available regarding travel expenses of children studying at outstations.

The employee may choose either:

- travel concession under this scheme, or
- Travelling Allowance (TA) for children under transfer rules.

However, **both benefits cannot be claimed together.**

➤ **Example:** If a Government servant claims TA for children during transfer, he cannot claim the concession under this scheme.

📌 **Exam Tip:** During transfer, employee may claim **either Journey Fare concession or Transfer TA, but not both.**

## 7. Time Limit for Claim

The reimbursement claim must be submitted within **three months after completion of the return journey.**

The claim must include:

- prescribed claim form
- certificate from the educational institution.

If the claim is not submitted within the time limit, the claim will be **forfeited.**

➤ **Example:** If the child completes travel on 1 June, the claim must be submitted before 1 September.

📌 **Exam Tip:**

Journey Fare claim must be submitted **within three months of return journey.**

# CHAPTER: 02. PAY

## Introduction

Pay is the **salary received by a government employee for the work performed in a particular post.** In the Central Government, the pay system is decided based on the recommendations of the **Pay Commission**, which periodically reviews and revises salaries of government employees.

The **7th Central Pay Commission (7th CPC)** introduced a **new pay system called the Pay Matrix.** This system replaced the earlier pay structure that consisted of **Pay Bands and Grade Pay.**

The main objective of introducing the Pay Matrix was to:

- Simplify the pay structure
- Ensure transparency in salary progression
- Remove confusion regarding pay levels
- Provide a clear career progression system

Thus, under the **CCS (Revised Pay) Rules, 2016**, the Pay Matrix became the new pay structure for Central Government employees.

## Old Pay System (Before 7th Pay Commission)

Before the 7th Pay Commission, government employees were paid according to a **Pay Band and Grade Pay system** introduced by the **6th Pay Commission.**

The pay structure consisted of:

1. **Pay Band (PB)** – A range of salary
2. **Grade Pay (GP)** – Additional pay based on the post and responsibility

Example structure:

Pay Band	Grade Pay
PB-1	₹1800
PB-2	₹4200
PB-3	₹5400

However, this system had several problems:

- It was **complex to understand**

- Employees in the same band had **different grade pays**
- Promotions and increments were **not clearly visible**

To remove these issues, the **7th Pay Commission abolished Pay Bands and Grade Pay.**

➤ **Example:** Earlier a Section Officer might receive Pay Band + Grade Pay, but now the pay is directly placed in a **specific level of the Pay Matrix.**

## 2. Pay Matrix

### Meaning of Pay Matrix

The **Pay Matrix** is a **table that shows the salary structure of Central Government employees in a transparent and systematic way.**

It replaces the previous pay structure and provides **clear information about pay levels and increments.**

The Pay Matrix is designed in a **two-dimensional format**, meaning it has:

1. **Horizontal Levels**
2. **Vertical Pay Cells**

These two dimensions together determine the salary of a government employee.

### Structure of the Pay Matrix

The Pay Matrix consists of **two important components:**

#### 1. Horizontal Range (Levels)

The horizontal side of the Pay Matrix shows **Levels.**

Each **Level represents a particular post or position in the government hierarchy.**

The levels start from **Level 1 and go up to Level 18.**

Lower levels correspond to **junior posts**, while higher levels correspond to **senior posts.**

Example hierarchy:

Level	Example Post
Level 1	Multi-Tasking Staff
Level 4	Lower Division Clerk
Level 6	Inspector
Level 7	Section Officer
Level 13	Director
Level 18	Cabinet Secretary

Thus, each level represents **functional responsibility and rank** in government service.

➤ **Example:** A Section Officer is placed in **Level 7 of the Pay Matrix.**

📌 **Exam Tip:** The Pay Matrix contains **18 levels representing different posts in the government hierarchy.**

#### 2. Vertical Range (Pay Progression)

The vertical side of the Pay Matrix represents **pay progression within the same level.**

This means:

- When an employee receives **annual increments**, the salary moves **upward within the same level.**
- Promotion to a higher post usually moves the employee **to a higher level.**

Thus:

- **Horizontal movement → Promotion**
- **Vertical movement → Annual Increment**

➤ **Example:** If an employee in Level 7 gets an annual increment, the salary moves **one step upward within Level 7.**

📌 **Exam Tip:** In Pay Matrix, **vertical movement represents annual increments**, while **horizontal movement represents change in level or promotion.**

#### Starting Point of the Pay Matrix

The **starting point of the Pay Matrix is the minimum pay.**

For the 7th Pay Commission, the **minimum basic pay was fixed at ₹18,000.**

All pay levels start from this minimum value and increase gradually based on increments and promotions.

➤ **Example:** The minimum salary for Central Government employees under the 7th CPC is **₹18,000 per month.**

📌 **Exam Tip:** The **minimum basic pay under the 7th Pay Commission is ₹18,000.**

#### Replacement of Old Pay Scales

All pay scales that existed from **1 January 2006 (6th Pay Commission)** were replaced by the **Pay Matrix from 1 January 2016.**

Thus:

Pay Commission	Pay Structure
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6th Pay Commission	Pay Band + Grade Pay
7th Pay Commission	Pay Matrix

The change came into effect through the **CCS (Revised Pay) Rules, 2016**.

### 3. Pay Fixation in the New Pay Structure

#### Meaning of Pay Fixation

**Pay fixation** refers to the process of determining the **new salary of a government employee after implementation of a revised pay structure**.

When the **7th Pay Commission** was implemented, the salary of employees under the old pay system had to be converted into the new Pay Matrix system.

#### Method of Pay Fixation

According to **Rule 7 of CCS (Revised Pay) Rules, 2016**, pay fixation is done using the following steps:

#### Step 1: Identify Existing Basic Pay

First, the employee's **existing basic pay as on 1 January 2016** is identified.

Existing basic pay includes:

- Pay in the Pay Band
- Grade Pay

These two together form the **existing basic pay**.

➤ **Example:** If an employee had ₹20,000 pay in Pay Band and ₹4,200 Grade Pay, the existing basic pay would be **₹24,200**.

📌 **Exam Tip:** Existing basic pay under the old system = **Pay in Pay Band + Grade Pay**.

#### Step 2: Multiply by Fitment Factor

The existing basic pay is multiplied by the **fitment factor of 2.57**.

This factor was recommended by the **7th Pay Commission** to revise salaries.

Formula:

$$\text{New Pay} = \text{Existing Basic Pay} \times 2.57$$

The result is then **rounded off to the nearest rupee**.

➤ **Example:** If existing basic pay is ₹24,200

$$\text{New pay} = 24,200 \times 2.57 = \mathbf{₹62,194}$$

📌 **Exam Tip:** The **fitment factor used in the 7th Pay Commission** is **2.57**.

#### Step 3: Locate Pay in the Pay Matrix

The calculated figure is then located in the **Pay Matrix at the level corresponding to the employee's Grade Pay**.

Each Grade Pay under the old system corresponds to a **specific level in the Pay Matrix**.

Example:

Grade Pay	Pay Matrix Level
₹1800	Level 1
₹2400	Level 4
₹4200	Level 6
₹4600	Level 7

Thus the employee is placed in the **appropriate level**.

#### Step 4: Find the Exact Pay Cell

After identifying the correct level:

- If the calculated pay **exactly matches a cell in the Pay Matrix**, that value becomes the new pay.
- If there is **no exact match**, the employee is placed in the **next higher cell in that level**.

This ensures that the employee does **not receive less pay after revision**.

➤ **Example:** If calculated pay is ₹62,194 but the Pay Matrix shows ₹62,200, the new pay will be **₹62,200**.

📌 **Exam Tip:** If the calculated pay does not match a cell in the Pay Matrix, the **next higher cell is selected**.

#### Key Features of the Pay Matrix

The Pay Matrix has several important features:

##### 1. Transparency

Employees can easily understand their **salary progression and increments**.

##### 2. Simplified Structure

The system eliminates the confusion caused by **Pay Bands and Grade Pay**.

##### 3. Clear Career Progression

Employees can easily track **promotions and pay growth**.

##### 4. Uniform Pay System

All Central Government employees follow **one common pay matrix system**.

➤ **Example:** An employee can see future increments directly by looking at the next cell in the Pay Matrix.

📌 **Exam Tip:** The Pay Matrix was introduced mainly to ensure **transparency and simplicity in salary progression.**

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## ❖ Clarifications for Fixation of Pay in Level-13

Under the **CCS (Revised Pay) Rules, 2016**, certain clarifications were issued regarding **fixation of pay in Level-13 of the Pay Matrix**.

Level-13 corresponds to **senior administrative posts**, and therefore specific rules were required to avoid incorrect pay fixation.

### (i) Fitment Factor for Level-13

Normally, many levels of the Pay Matrix use different fitment indices. However, for **Level-13**, the fitment factor must be **2.57 only**.

This means that the **existing basic pay is multiplied by 2.57 to determine the revised pay**, and not by 2.67, which is applicable to some higher levels.

➤ **Example:** If an officer's basic pay before revision was ₹50,000, then revised pay =  $₹50,000 \times 2.57 = ₹1,28,500$ .

❖ **Exam Tip:** For **Level-13 pay fixation**, the fitment factor is **2.57 and not 2.67**.

### (ii) Waiver of Recovery for Overpayment

In some cases, after correcting the pay fixation in Level-13, it was found that the **earlier fixed pay was higher than the corrected pay**.

In such cases, **any recovery of excess payment made up to 30-6-2017 is waived**.

This means the government will **not recover the excess amount already paid**.

➤ **Example:** If an officer received ₹5,000 extra salary per month due to incorrect fixation until June 2017, that amount will **not be recovered**.

❖ **Exam Tip:** Excess payment due to incorrect Level-13 fixation **up to 30-6-2017 will not be recovered**.

### (iii) Cases of Retired Employees

Employees who **retired between 1-1-2016 and 30-6-2017** and whose pay fixation falls under the above rule will have their cases processed according to **Rule 66 of CCS (Pension) Rules**.

This ensures that **their pension and retirement benefits are properly adjusted**.

➤ **Example:** An officer who retired in **March 2017** will have his revised pension calculated under **Rule 66 of CCS (Pension) Rules**.

❖ **Exam Tip:** Pay revision cases of retired employees are processed under **Rule 66 of CCS (Pension) Rules**.

## (iv) Re-exercise of Option for Revised Pay Structure

Employees who were **eligible for Level-13 on 1-1-2016** were allowed to **re-exercise their option to shift to the revised pay structure**.

This option had to be exercised **within 3 months from 28-9-2017**.

➤ **Example:** An officer who chose the revised pay structure earlier but found it disadvantageous could **change the option within the allowed period**.

❖ **Exam Tip:** Re-exercise of option for Level-13 was allowed **within 3 months from 28-9-2017**.

## ❖ Revision of Pay for Employees Stagnating at Maximum Pay

Sometimes employees remain **stuck at the maximum stage of a pay band or grade pay** for several years because there is **no higher stage available**.

This situation is known as **stagnation**.

To provide relief, the rules allow **additional increments**.

### Rule for Stagnation Increment

If an employee had been drawing the **maximum pay of a pay band and grade pay for more than two years as on 1-1-2016**, he/she will be granted:

**One additional increment for every two completed years of stagnation.**

However, the revised pay **must not exceed the maximum pay of that level in the Pay Matrix**.

➤ **Example:** If an employee remained at the **maximum pay for 4 years**, he/she will get **two additional increments**.

❖ **Exam Tip:** One increment is granted **for every two years of stagnation at the maximum pay**.

## ❖ Bunching of Stages in the Revised Pay Structure

### Meaning of Bunching

**Bunching** occurs when employees drawing **different salaries in the old pay structure get fixed at the same pay cell in the Pay Matrix after revision**.

This creates inequality because employees with **higher previous pay may receive the same revised pay as those with lower pay**.

To correct this, the rules provide **additional increments**.

## Rule for Bunching

If two or more stages in the old pay structure are **merged into the same cell in the Pay Matrix**, then:

- **One additional increment is given for every two stages that are bunched.**
- The employee with higher pre-revised pay is placed in the **next higher cell in the Pay Matrix**.

➤ **Example:** If two employees earlier received ₹40,000 and ₹41,200 but both get fixed at ₹44,900 in the Pay Matrix, the higher-paid employee may get **one additional increment**.

🔴 **Exam Tip:** Bunching occurs when different pre-revised pay stages merge into the same Pay Matrix cell.

## Condition for Bunching

For bunching to apply, the difference between two pay stages must be **at least 3%**.

If the difference is **less than 3%**, the benefit of bunching **will not be given**.

➤ **Example:** If the difference between two salaries is only **2%**, bunching benefit will **not be granted**.

🔴 **Exam Tip:** Bunching benefit applies only if **pay difference is at least 3%**.

## ❖ Fixation of Pay on Promotion

When a government employee is **promoted from one level to another**, the pay fixation follows a specific method.

### Method of Pay Fixation on Promotion

1. One increment is first granted **in the current level**.
2. The resulting pay is then **placed in the corresponding cell of the higher level**.
3. If the exact amount does not exist in the higher level, the employee is placed at the **next higher cell**.

➤ **Example:** If an employee in **Level 6 with ₹44,900** gets promoted to **Level 7**, first increment may raise pay to ₹46,200, and then the pay is fixed at **₹47,600 or next higher cell in Level 7**.

🔴 **Exam Tip:** Promotion involves **one increment in the old level and placement in the next higher cell of the new level**.

## Limit for Doctors Receiving NPA

Government doctors receiving **Non-Practicing Allowance (NPA)** have a salary ceiling.

Their **Basic Pay + NPA must not exceed ₹2,37,500**, which is the average of the pay in:

- Apex Level
- Cabinet Secretary Level

➤ **Example:** If a doctor's basic pay is ₹2,20,000 and NPA is ₹25,000, the total must not exceed **₹2,37,500**.

🔴 **Exam Tip:** **Basic Pay + NPA cannot exceed ₹2,37,500**.

## ❖ Fixation of Pay from Date of Next Increment (DNI)

Employees promoted after **1-1-2016** have an option to **fix their pay from the Date of Next Increment (DNI)**.

### Procedure

1. From the **date of promotion until DNI**, the employee is placed in the **next higher cell in the promoted level**.
2. On the **DNI**, pay is re-fixed.
3. Two increments may be granted in the previous level and then placed in the appropriate cell in the promoted level.

➤ **Example:** If promotion occurs in **March and the DNI is July**, the employee can choose to fix pay on **July** to get additional benefit.

🔴 **Exam Tip:** Option for fixation from **Date of Next Increment (DNI)** is available under **FR 22(I)(a)(1)**.

## ❖ Transfer from Higher Post to Lower Post (On Own Request)

Under **FR 15(a)**, if an employee voluntarily requests transfer to a **lower level post**, pay fixation is done as follows:

1. Pay is fixed at **the same stage in the lower level if available**.
2. If the stage is not available, pay is fixed at **the next lower stage**.
3. The difference may be granted as **Personal Pay**.

However, if the pay drawn earlier **exceeds the maximum of the lower level**, it will be **restricted to the maximum of that level**.

➤ **Example:** If an employee drawing ₹70,000 requests transfer to a lower post where the maximum pay is ₹67,000, the pay will be restricted to **₹67,000**.

🔴 **Exam Tip:** Transfer to lower post on own request is regulated under **FR 15(a)**.

## ❖ Financial Upgradation under MACP Scheme

Under the **Modified Assured Career Progression (MACP) Scheme**, employees receive **financial upgradation after certain years of service** if no promotion occurs.

During MACP:

- Pay fixation follows **the same method as promotion.**
- The employee moves to the **next higher level in the Pay Matrix.**

➤ **Example:** An employee in Level 5 receiving MACP will move to Level 6.

📌 **Exam Tip:** Under MACP, the employee is placed in the **immediate next higher Pay Matrix level.**

### ❖ Option to Choose Date for Pay Fixation

Employees promoted between **1-1-2016 and 25-7-2016** were given an option to **change their earlier choice if it was disadvantageous.**

The revised option had to be exercised **within one month from 29-9-2016.**

However, this option **does not apply to:**

- Ex-cadre posts
- Ad hoc appointments
- Direct recruitment posts

➤ **Example:** An officer who selected an earlier pay fixation option but later realized it reduced benefits could change the option within the allowed period.

📌 **Exam Tip:** Revised option for pay fixation had to be exercised **within one month from 29-9-2016.**

### ❖ Grant of Option to Retired Government Servant for Fixation of Pay

Sometimes a Government servant **retires before his service is regularized**, but later the **Competent Authority regularizes his appointment.**

In such cases, the retired employee is allowed to **exercise an option for fixation of pay**, just like the junior employees who are still in service.

This ensures that the **retired employee does not suffer financial loss due to delay in regularization.**

The retired employee must exercise this option **within three months from the date on which his junior becomes eligible to exercise the option.**

➤ **Example:** If an officer retires in 2022 but his service is regularized in 2023, he may exercise the option for pay fixation within **three months of the regularization date.**

📌 **Exam Tip:** Retired employees can exercise option for pay fixation **within 3 months from the date their junior becomes eligible.**

### ❖ Revision of Option

Government servants were given an opportunity to **re-exercise their option for revised pay structure.**

This facility was available **within three months from 12-12-2018.**

However, if an employee chooses to revise the option and had already received higher salary earlier, the **excess payment will be recovered** for the period from **1-1-2016 up to the revised option date.**

➤ **Example:** If an employee earlier opted for revised pay from January 2016 but later changes the option to July 2016, the salary drawn from January to July may be **recovered if excess payment occurred.**

📌 **Exam Tip:** Re-exercise of option was allowed **within 3 months from 12-12-2018.**

### ❖ Fixation of Pay on Appointment to an Ex-Cadre Post

An **Ex-Cadre Post** is a post that does **not belong to the employee's parent department or cadre**, usually during **deputation.**

When a government servant is appointed to an ex-cadre post, he has **two options:**

#### Option 1

Draw the **pay of the ex-cadre post.**

#### Option 2

Continue drawing the **Basic Pay in the parent cadre plus Deputation (Duty) Allowance.**

If the employee chooses the **pay of the ex-cadre post**, the pay fixation will follow:

- **FR 22(I)(a)(1)** if the ex-cadre post is higher
- **FR 22(I)(a)(2)** if the ex-cadre post is not higher

If he chooses **parent cadre pay**, no fixation in the ex-cadre post is required.

➤ **Example:** An officer deputed to another ministry may choose either the **salary of that ministry's post or his parent cadre salary plus deputation allowance.**

📌 **Exam Tip:** On deputation, employee may choose **ex-cadre pay OR parent cadre pay plus deputation allowance.**

### ❖ Transfer from One Ex-Cadre Post to Another Ex-Cadre Post

If an employee moves from **one deputation post to another deputation post**, the pay fixation will be determined based on **his pay in the parent cadre**, not the previous ex-cadre post.

If the salary in the second ex-cadre post becomes **lower than the salary received in the earlier ex-cadre post**, the difference will be given as **Personal Pay.**

This personal pay will be **absorbed in future increments**.

➤ **Example:** If an officer draws ₹90,000 in one deputation post and ₹85,000 in another, the difference ₹5,000 may be granted as **Personal Pay**.

● **Exam Tip:** Pay fixation between ex-cadre posts is done **with reference to parent cadre pay**.

### ❖ Promotion to Higher Post in Parent Department after Deputation

When an employee returns from an **ex-cadre (deputation) post** and gets promoted in his **parent department**, the pay fixation will be done based on the **pay he would have drawn in his parent cadre if he had not gone on deputation**.

This is called **presumptive pay**.

The pay drawn during deputation **will not be considered** for fixation.

➤ **Example:** If an officer was on deputation for three years, his promotion pay will be calculated as if he had **continued in his parent department**.

● **Exam Tip:** Promotion after deputation is based on **presumptive pay in the parent cadre**.

### ❖ Re-appointment to the Same Post or Same Pay Scale

If a government servant is **re-appointed to the same post or a post having identical pay scale**, the pay will be fixed under **FR 22(I)(a)(1) or FR 22(I)(a)(2)**.

However, the pay **cannot be lower than the pay he drew earlier** in that post.

The period during which he previously drew that pay will **count for future increments**.

● **Exam Tip:** On re-appointment to the same post, **pay cannot be less than the last drawn pay**.

### ❖ Re-appointment after Break in Service

If a government servant is re-appointed after a **break in service**, the pay is usually fixed at the **minimum of the pay scale of that post**.

However, if the break in service **was not due to resignation, removal, or dismissal**, and the post is **same or identical**, then the pay will not be lower than the **last drawn pay**.

➤ **Example:** If an employee leaves service temporarily due to personal reasons and later rejoins the same post, his pay may be fixed **not less than his previous pay**.

● **Exam Tip:** Pay after break in service is usually **minimum pay**, unless the break was not due to resignation or dismissal.

### ❖ Reduction to Lower Stage in Time-Scale (Penalty)

When a government servant receives a **disciplinary penalty**, his pay may be reduced to a **lower stage in the pay scale**.

The order imposing the penalty must clearly state:

1. Stage to which pay is reduced
2. Duration of reduction
3. Whether increments will be postponed
4. Whether increments will be earned during reduction
5. Whether seniority will be restored after punishment

The reduction **cannot be indefinite**.

➤ **Example:** An officer's pay may be reduced from ₹70,000 to ₹65,000 for **two years as a disciplinary penalty**.

● **Exam Tip:** Pay reduction as penalty must clearly specify **stage, period, and increment conditions**.

### ❖ Reduction to Lower Grade or Post

Sometimes the penalty involves **reduction to a lower post or lower grade**.

The punishment order must specify:

- Duration of reduction
- Stage of pay in the lower post
- Effect on future increments

If the duration is **not specified**, restoration to the original post **will not be automatic**.

When re-appointed to the higher post later, pay will be fixed under **FR 22(I)(a)(1)**.

➤ **Example:** An officer may be reduced from **Level 9 to Level 7 for three years as punishment**.

● **Exam Tip:** Reduction to lower grade may be **temporary or indefinite depending on the penalty order**.

### ❖ Pay Revision in Autonomous Bodies and Statutory Organizations

The Pay Matrix system may also be extended to employees working in:

- Autonomous Bodies
- Statutory Bodies
- Quasi-Government Organizations

However, this is **not automatic**.

It requires approval from the **Administrative Ministry and Ministry of Finance**.

Certain conditions must also be satisfied:

1. Working conditions must be similar to Central Government employees
2. Employees must opt for revised pay structure
3. PF/NPS deductions will be based on revised pay

➤ **Example:** Employees of some **autonomous research institutions** may receive the same Pay Matrix benefits after approval.

📌 **Exam Tip:** Pay Matrix extension to autonomous bodies requires **approval of Ministry of Finance**.

### ❖ Technical Resignation and Pay Protection

A **Technical Resignation** occurs when a government servant leaves one government post to join another government post with proper permission.

In such cases:

- **Past service is counted for increment**
- **Pay protection is given**
- The employee may draw **presumptive pay of the previous post**

This ensures that employees **do not lose salary benefits when moving within government service**.

📌 **Exam Tip:** Technical resignation ensures **pay protection and continuity of service benefits**.

### ❖ Pay Fixation of Candidates from Public Sector Undertakings (PSUs)

When a person working in **PSUs or Autonomous Bodies** joins **Central Government service** as a **direct recruit**, the pay fixation follows certain guidelines.

The government tries to **protect the employee's previous salary and Dearness Allowance**.

Rules include:

1. Pay should match the **previous salary + DA as closely as possible**.
2. If an exact stage is not available, pay is fixed at the **next lower stage**.
3. If the previous pay exceeds the **maximum pay of the level**, pay will be restricted to the **maximum of that level**.
4. If the minimum pay of the level is higher than previous pay, the employee will get the **minimum pay**.

This rule applies especially to posts requiring **prior experience in the relevant field**.

➤ **Example:** If a PSU officer earning ₹70,000 joins a Level-7 government post, his pay may be fixed close to ₹70,000 within that level.

📌 **Exam Tip:** Pay protection for PSU employees joining government service is allowed **when experience is required under recruitment rules**.

### 🌐 Stepping Up of Pay to Remove Anomalies

#### Meaning of Stepping Up of Pay

Sometimes a situation arises where a **senior Government servant draws less salary than his junior**, even though the senior was promoted earlier or holds the same post.

Such situations are called **pay anomalies**.

To remove this anomaly, the government allows **stepping up of pay**, which means **raising the salary of the senior employee so that it becomes equal to the salary of the junior employee**.

This rule ensures **fairness and equality in pay among employees in the same cadre**.

➤ **Example:** If a senior officer receives ₹60,000 but his junior receives ₹62,000 after pay revision, the senior's pay may be **stepped up to ₹62,000**.

📌 **Exam Tip:** *Stepping up of pay is allowed when a senior employee receives less pay than his junior due to pay revision or promotion rules.*

#### General Rule for Stepping Up of Pay

If a senior Government servant was promoted before **1 January 2016**, but after the implementation of the **7th Pay Commission**, he receives **less pay than his junior who was promoted on or after 1 January 2016**, then the pay of the senior employee will be **increased to match the pay of the junior**.

This increase will take effect **from the date of promotion of the junior employee**.

➤ **Example:**

- Senior promoted in **2015** receives ₹56,000 in revised pay.
- Junior promoted in **2016** receives ₹57,800.

The senior's pay will be **stepped up to ₹57,800 from the date of junior's promotion**.

📌 **Exam Tip:** *Stepping up of pay is effective from the date the junior is promoted, not from the earlier date.*

## Another Situation of Pay Anomaly

Sometimes both employees are promoted **after 1-1-2016**, but due to certain pay fixation rules the junior still gets **higher salary than the senior**.

In such cases also, the senior employee's pay will be **stepped up to the level of the junior employee**.

➤ **Example:** Two officers are promoted after 2016. Due to increment benefits, the junior gets ₹67,700 while the senior gets ₹65,000. The senior's pay will be **increased to ₹67,700**.

📌 **Exam Tip:** *Stepping up of pay can also occur when both promotions happen after 1-1-2016.*

## Conditions for Stepping Up of Pay

Stepping up of pay is allowed only if the following conditions are satisfied.

### 1. Same Cadre

Both the **senior and junior employees must belong to the same cadre**.

The posts to which they are promoted must also be **identical**.

➤ **Example:** A senior and junior **Section Officer** can claim stepping up, but a **Section Officer and Inspector** cannot.

📌 **Exam Tip:** *Stepping up is allowed only when employees belong to the same cadre and identical posts.*

### 2. Same Pay Scale in Lower and Higher Posts

The senior and junior employees must have **held identical pay scales in the lower post** and must also hold **identical pay scales in the higher post**.

➤ **Example:** If both employees were earlier in **Level 6** and later promoted to **Level 7**, this condition is satisfied.

📌 **Exam Tip:** *Identical pay scales in both lower and higher posts are necessary for stepping up.*

### 3. Anomaly Must Arise from Pay Fixation Rules

The difference in salary must arise **only because of pay fixation rules such as FR 22 or CCS (RP) Rules**.

If the difference occurs due to other reasons, stepping up will not be allowed.

➤ **Example:** If salary difference occurs due to **Rule FR 22 pay fixation**, stepping up is permitted.

📌 **Exam Tip:** *Stepping up is allowed only when anomaly arises due to official pay fixation rules.*

## 4. Stepping Up Allowed Only Once

Stepping up of pay is normally allowed **only once with reference to the first junior employee**.

However, if the junior later gets his pay stepped up with reference to another junior, the senior may again be granted stepping up.

➤ **Example:** If Junior-1 gets stepping up based on Junior-2, the senior employee may also get stepping up.

📌 **Exam Tip:** *Stepping up generally occurs only once with reference to the first junior.*

## 5. Junior Should Not Have Drawn Higher Pay Earlier

The junior employee **should not have drawn higher pay than the senior in the lower post**.

If the junior already earned more salary earlier, stepping up will not be allowed.

➤ **Example:** If the junior previously had higher pay due to longer service, stepping up cannot be claimed.

📌 **Exam Tip:** *Stepping up is not allowed if the junior had higher pay even in the lower post.*

## Special Case: Direct Recruit vs Departmental Promotee

Sometimes **direct recruits receive increment benefits during training**, while departmental candidates do not.

This may result in the **direct recruit drawing more salary than a departmental promotee senior**.

In such cases, the pay of the **departmental promotee may be stepped up from the date of next increment of the direct recruit**.

➤ **Example:** A direct recruit officer receives increment during training and earns ₹50,000 while a departmental promotee senior earns ₹48,000. The senior's pay may be stepped up.

📌 **Exam Tip:** *Stepping up may be allowed when direct recruit training counts for increments but departmental service does not.*

## Situations Where Stepping Up is NOT Allowed

There are several situations where **higher pay of a junior is not treated as an anomaly**.

Therefore stepping up of pay **will not be permitted**.

### 1. Extraordinary Leave

If the senior employee took **extraordinary leave**, which postponed his increment, the junior may draw higher pay.

This is **not considered an anomaly**.

➤ **Example:** A senior took one year leave without pay, so his increment was delayed.

📌 **Exam Tip:** *Extraordinary leave delaying increment does not qualify for stepping up.*

### 2. Senior Refuses Promotion

If the senior **refuses promotion**, and the junior gets promoted earlier and earns higher pay, stepping up is not allowed.

➤ **Example:** A senior declines promotion but later claims higher pay equal to junior.

📌 **Exam Tip:** *If senior refuses promotion, stepping up cannot be claimed.*

### 3. Junior Served Earlier in Higher Post

If the junior served earlier in a higher post through **ad-hoc or officiating promotion**, the higher salary is valid.

➤ **Example:** A junior served as acting officer for two years before senior.

📌 **Exam Tip:** *Ad-hoc or officiating service of junior does not create pay anomaly.*

### 4. Senior Joins Later

If the senior joins the higher post **later than the junior**, lower pay is natural and stepping up is not allowed.

➤ **Example:** Junior joins promotion post in January while senior joins in April.

📌 **Exam Tip:** *Late joining by senior cannot be treated as pay anomaly.*

### 5. Senior Appointed Later in Lower Post

If the senior himself joined service **later than the junior**, lower pay is justified.

➤ **Example:** Senior officer joined service in 2012 while junior joined in 2010.

📌 **Exam Tip:** *Later appointment of senior does not qualify for stepping up.*

### 6. Higher Pay Due to Additional Qualifications

If the junior receives extra increments due to **higher educational qualifications**, stepping up is not allowed.

➤ **Example:** A junior receives additional increments after completing a PhD.

📌 **Exam Tip:** *Extra increments for qualifications do not justify stepping up.*

## 🌀 Increments

### Meaning of Increment

An **increment** is the **annual increase in the basic pay of a Government employee**.

Under the Pay Matrix system, increments are shown in the **vertical cells of each level**.

This means that every year the employee moves **one step upward within the same level**.

➤ **Example:** If an employee receives ₹44,900 in Level 7, the next increment may increase the pay to ₹46,200.

📌 **Exam Tip:** *Increment means movement to the next vertical cell in the Pay Matrix level.*

### Dates for Grant of Increment

Under the **7th Pay Commission**, there are **two possible dates for annual increment**:

1. **1 January**
2. **1 July**

However, an employee can receive **only one increment in a year**.

The date depends on the **date of appointment, promotion, or financial upgradation**.

➤ **Example:** An employee appointed in March may receive increment on **1 January of the following year**.

📌 **Exam Tip:** *Two increment dates exist: 1 January and 1 July.*

### Rule for Determining Increment Date

The increment date depends on the period during which the employee was appointed, promoted, or received financial upgradation.

#### Case 1

If appointment/promotion occurs **between 2 January and 1 July**, increment will be granted on **1 January**.

➤ **Example:** Promotion on **15 March** → **Increment on 1 January**.

📌 **Exam Tip:** *Promotion between 2 Jan – 1 Jul → Increment on 1 Jan.*

#### Case 2

If appointment/promotion occurs **between 2 July and 1 January**, increment will be granted on **1 July**.

➤ **Example:** Promotion on **10 October** → **Increment on 1 July.**

📌 **Exam Tip:** *Promotion between 2 Jul – 1 Jan → Increment on 1 Jul.*

## Increment After Promotion

If an employee is promoted on **1 January or 1 July**, the first increment in the promoted level will be granted **on the next increment date**, provided that **six months of service in that level is completed**.

➤ **Example:** Promotion on **1 January 2024** → **Next increment on 1 July 2024.**

📌 **Exam Tip:** *Minimum 6 months service required before granting next increment.*

## Special Opportunity to Change Pay Fixation Option

Employees promoted or granted financial upgradation after **1-1-2016** were given an opportunity to **exercise or re-exercise the option for pay fixation**.

Another opportunity to exercise this option was provided **for three months from 4-7-2023**.

➤ **Example:** An officer who earlier fixed pay from the promotion date could change the option during the allowed period.

📌 **Exam Tip:** *Another opportunity for option revision was allowed from 4-7-2023 for three months.*

## Important Rule

Employees who were **appointed or promoted between 2-1-2015 and 1-7-2015** are **not eligible for increment on 1-1-2016**.

➤ **Example:** An employee promoted on **10 March 2015** will **not get increment on 1 January 2016**.

📌 **Exam Tip:** *Promotion between 2-1-2015 and 1-7-2015 → No increment on 1-1-2016.*

## Periods Which Count for Increment

For a Government servant to receive an **annual increment**, he/she must complete a **qualifying period of service in a particular stage of the Pay Matrix**.

However, not only the period of normal duty counts for increment. Certain other periods of service are also treated as **qualifying service for increment**.

These periods are specified under **Fundamental Rule 26 (FR 26)**.

## Periods That Count for Increment

The following periods are treated as **qualifying service for earning an increment**.

### 1. All Periods of Duty

Every period during which the Government servant performs **official duties** counts for increment.

Duty includes normal working time in the office or organization.

➤ **Example:** If an employee works continuously in a department for one year, the entire period will count for increment.

📌 **Exam Tip:** *All periods of duty automatically count for increment.*

### 2. Service in Another Post (Except Lower Pay Post)

If a Government servant is transferred or appointed to **another post carrying equal or higher pay**, that service also counts for increment.

However, if the new post carries **lower pay**, that service will not count.

➤ **Example:** If an officer temporarily works in another department with the same pay scale, the service will count for increment.

📌 **Exam Tip:** *Service in another post counts for increment only if the pay is **not lower**.*

### 3. All Types of Leave (Except Extraordinary Leave)

All types of leave such as:

- Earned Leave
- Half Pay Leave
- Commuted Leave
- Maternity Leave

count for increment.

However, **Extraordinary Leave (EOL)** usually does not count unless certain conditions are fulfilled.

➤ **Example:** If an employee takes **30 days of earned leave**, that period still counts for increment.

📌 **Exam Tip:** *All leave counts for increment except **Extraordinary Leave (EOL)**.*

### 4. Extraordinary Leave (EOL) in Special Cases

Extraordinary Leave normally **does not count for increment**, but it will count in the following situations.

#### (a) EOL on Medical Certificate

If Extraordinary Leave is granted **on medical grounds**, it counts for increment.

➤ **Example:** If an employee is hospitalized and takes EOL with a medical certificate.

📌 **Exam Tip:** *EOL with medical certificate counts for increment.*

### (b) EOL Due to Civil Commotion

If an employee cannot join duty due to **civil disturbances or riots**, EOL granted for that reason counts for increment.

➤ **Example:** If an employee cannot reach office due to riots or political unrest.

📌 **Exam Tip:** *EOL due to civil commotion counts for increment.*

### (c) EOL for Higher Technical or Scientific Studies

If the Government servant takes EOL for **pursuing higher technical or scientific studies**, it may count for increment.

➤ **Example:** An officer pursuing a **technical research program** approved by the government.

📌 **Exam Tip:** *EOL for higher technical/scientific education counts for increment.*

## 5. Deputation Outside India

If a Government servant is sent on **official deputation abroad**, that period counts for increment.

➤ **Example:** An officer sent to another country for international training.

📌 **Exam Tip:** *Deputation outside India counts for increment.*

## 6. Foreign Service

If the employee works for an **organization outside government but on behalf of the government**, the service counts for increment.

➤ **Example:** A government officer deputed to a public sector organization.

📌 **Exam Tip:** *Foreign service counts for increment.*

## 7. Joining Time

The time allowed for joining a new post after transfer is called **joining time**.

This period also counts for increment.

➤ **Example:** An employee transferred from Delhi to Mumbai receives joining time of 10 days.

📌 **Exam Tip:** *Joining time counts as qualifying service for increment.*

## 8. Training Period Before Appointment

Training received **before formal appointment**, whether with stipend or not, also counts for increment.

➤ **Example:** A probationer undergoing training before appointment.

📌 **Exam Tip:** *Training period before appointment counts for increment.*

## Special Requirement for Counting Certain Periods

If an employee goes on **leave or deputation abroad while officiating in a post**, the competent authority must certify that:

The employee **would have continued in that post if he had not gone on leave or deputation.**

Only then will those periods count for increment.

➤ **Example:** If an officer goes on deputation but would otherwise have continued in the same post.

📌 **Exam Tip:** *Certification by competent authority is required in such cases.*

## Withholding of Increment

Increment can also be **withheld as a disciplinary punishment**.

This punishment may be imposed in two ways.

### 1. With Cumulative Effect

If the increment is withheld **with cumulative effect**, the employee permanently loses the increment.

This means the loss continues even in future increments.

➤ **Example:** If an increment is withheld with cumulative effect for one year, the employee will permanently lose that increment.

📌 **Exam Tip:** *With cumulative effect = permanent loss of increment.*

### 2. Without Cumulative Effect

If the increment is withheld **without cumulative effect**, the loss is only temporary.

After the punishment period ends, the employee will receive increments normally.

➤ **Example:** If increment is withheld for one year without cumulative effect, normal increments resume afterward.

📌 **Exam Tip:** *Without cumulative effect = temporary loss of increment.*

## Qualifying Period for Increment

To receive an increment on **1 July**, an employee must complete **six months of qualifying service**.

However, if an employee is **appointed or promoted on 1 January**, but joins the office on the **next working day due to a holiday**, he is still treated as completing six months service.

➤ **Example:** If 1 January is a Sunday and the employee joins on 2 January, he is still eligible for increment on 1 July.

📌 **Exam Tip:** Six months qualifying service is required for increment.

### Effect of Extraordinary Leave on Increment

If an employee takes **Extraordinary Leave without medical certificate** and the total qualifying service becomes **less than six months**, the increment will be **postponed**.

➤ **Example:** If an employee remains on EOL for four months, he may not complete the required six months for increment.

📌 **Exam Tip:** EOL without medical certificate may postpone increment.

### 5. Advance Increments

**Advance increment** means granting one or more increments **before the normal due date**.

It is also known as **premature increment**.

This may be granted to:

- Remove anomalies in pay fixation
- Fix pay in special circumstances
- Reward special achievements such as passing skill tests

➤ **Example:** A stenographer passing a higher shorthand speed test may receive advance increments.

📌 **Exam Tip:** Advance increment is also called premature increment.

### Advance Increments for Stenographers

Stenographers recruited with **80 words per minute shorthand speed** can receive additional increments by passing higher speed tests.

#### Case 1

If a stenographer qualifies **100 w.p.m. speed test**, he receives **one advance increment**.

➤ **Example:** A stenographer passes a departmental shorthand test of 100 w.p.m.

📌 **Exam Tip:** 100 w.p.m shorthand test → 1 advance increment.

#### Case 2

If the stenographer qualifies **120 w.p.m speed test**, he receives **another advance increment**.

➤ **Example:** Passing 120 w.p.m shorthand test gives an additional increment.

📌 **Exam Tip:** 120 w.p.m shorthand test → 1 more advance increment.

#### Case 3

If the stenographer directly qualifies **120 w.p.m**, he may receive **two increments at once**.

➤ **Example:** A stenographer recruited at 80.p.m qualifies directly for 120 w.p.m.

📌 **Exam Tip:** Direct qualification of 120 w.p.m → 2 increments.

### Features of Advance Increments

1. Granted from the date of passing the test.
2. Not absorbed in future increments.
3. Treated as pay for all purposes.
4. Do not change the date of next increment.

➤ **Example:** If an employee passes a test in March, the increment is granted from that date.

📌 **Exam Tip:** Advance increments do not affect the date of the next increment.

### Situations Where Advance Increment Cannot Be Granted

Advance increments should not be granted:

1. As a reward for **meritorious work**.
2. In violation of **Ministry of Finance advice**.
3. Ignoring normal **pay fixation rules**.
4. To compensate loss of allowances from a previous post.

➤ **Example:** Advance increment cannot be granted simply because an officer performs well.

📌 **Exam Tip:** Advance increments cannot be granted as rewards.

### 6. Lumpsum Incentive for Higher Qualifications

Government employees who acquire **higher qualifications relevant to their job** may receive a **one-time lumpsum incentive**.

This scheme came into effect from **1 July 2017**.

#### Amount of Incentive

Qualification	Incentive Amount
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PhD	₹30,000
PG Degree / Diploma (more than 1 year)	₹25,000
PG Degree / Diploma (1 year or less)	₹20,000
Degree / Diploma (more than 3 years)	₹15,000
Degree / Diploma (3 years or less)	₹10,000

➤ **Example:** An officer completing a PhD relevant to his work may receive ₹30,000.

📌 **Exam Tip:** *Maximum incentive for higher qualification = ₹30,000.*

## 7. Attachment for Debt and Maintenance

Sometimes courts order **attachment of salary** to recover debts or maintenance payments.

However, the law protects a certain portion of salary.

### Salary Protected from Attachment

The following portion of salary is protected:

- **First ₹1,000 of salary**
- **Two-thirds of the remaining salary**

➤ **Example:** If salary is ₹9,000, the attachable amount will be calculated after protecting ₹1,000 and two-thirds of the remainder.

📌 **Exam Tip:** *First ₹1,000 of salary is always exempt from court attachment.*

### Allowances That Cannot Be Attached

Certain allowances are **completely exempt from court attachment**, such as:

- Travelling Allowance
- Conveyance Allowance
- Uniform Allowance
- House Rent Allowance
- Children Education Allowance
- Medical reimbursement
- Dearness Allowance relief payments

➤ **Example:** HRA received by a government servant cannot be attached by a court.

📌 **Exam Tip:** *HRA and TA are fully exempt from salary attachment.*

## CHAPTER:03. CENTRAL GOVERNMENT HEALTH SCHEME (CGHS)

(CGHS)

The Central Government Health Scheme (CGHS) is a medical facility scheme introduced by the Government of India to provide healthcare services to Central Government employees, pensioners, and their family members.

The scheme was started in the year 1954 in Delhi. Initially, the purpose of the scheme was to help Central Government employees obtain medicines and medical treatment without facing difficulties in reimbursement of medical expenses.

At that time, there were very few private hospitals and medical facilities available, and employees faced problems in getting outpatient medicines and treatment. Therefore, the Government created CGHS to provide direct medical facilities through Government dispensaries.

Originally, the scheme was intended only for Central Government employees in Delhi and it was not designed to be an all-India scheme. However, over time the scheme gradually expanded to many cities across India.

Today, CGHS provides healthcare services to more than 10 lakh cardholders and over 32 lakh beneficiaries through a wide network of wellness centres, hospitals, and diagnostic centres

➤ **Example:** A Central Government employee working in Delhi can visit a CGHS Wellness Centre to obtain OPD consultation and medicines without paying full medical expenses.

📌 **Exam Tip:** CGHS was started in 1954 in Delhi to provide medical facilities to Central Government employees and their families

### A. Expansion of CGHS to Various Cities

Although CGHS initially started in Delhi, it was gradually extended to other cities across the country to serve a larger number of Government employees and pensioners.

The expansion took place in different phases over several decades.

**Table – Expansion of CGHS to Major Cities**

Year	Cities Covered
1954	Delhi
1963	Mumbai
1969	Allahabad
1972	Kanpur, Kolkata, Ranchi
1973	Nagpur
1975	Chennai
1976	Patna, Bengaluru, Hyderabad
1977	Meerut
1978	Jaipur, Lucknow, Pune
1979	Ahmedabad

1988	Bhubaneswar
1991	Jabalpur
1996	Guwahati, Thiruvananthapuram
2002	Bhopal, Chandigarh, Shillong
2005	Dehradun
2007	Jammu
2015	Gandhinagar
2016	Shimla, Indore, Puducherry
2017	Visakhapatnam, Gangtok, Agartala, Kohima, Imphal, Aizawl

At present, CGHS is functioning in around 80 cities across India.

➤ **Example:** A retired Central Government employee living in Jaipur can obtain treatment through CGHS facilities available in the city.

📌 **Exam Tip:** CGHS started in Delhi in 1954 and gradually expanded to about 35 cities.

### B. Beneficiaries Covered under CGHS

CGHS provides medical facilities to several categories of beneficiaries.

The major beneficiaries include:

- Serving Central Government employees
- Central Government pensioners
- Family members of eligible employees
- Certain other notified categories such as Members of Parliament and some autonomous body employees

The scheme currently serves **over 10 lakh CGHS cardholders and more than 32 lakh beneficiaries**.

➤ **Example:** A retired Central Government officer and his spouse can receive medical treatment through CGHS after obtaining a CGHS card.

📌 **Exam Tip:** CGHS serves **more than 10 lakh cardholders and about 32 lakh beneficiaries**.

### C. Salient Features of CGHS

CGHS provides **comprehensive healthcare services through a large network of facilities**.

These services include **outpatient treatment, medicines, specialist consultation, hospitalization, and diagnostic services**.

#### 1 Outpatient Department (OPD) Services

CGHS provides OPD consultation and medicines through its **network of Wellness Centres, Poly Clinics and laboratories**.

Beneficiaries can visit these centres to receive:

- consultation from CGHS doctors
- medicines for prescribed treatment
- basic diagnostic services

➤ **Example:** A CGHS beneficiary suffering from fever can visit the nearest CGHS Wellness Centre and receive consultation and medicines.

📌 **Exam Tip:** CGHS provides **OPD services through Wellness Centres and Poly Clinics**.

#### 2. Empanelment of Private Hospitals

CGHS has empaneled a number of **private hospitals and diagnostic centres** in different cities.

These hospitals provide:

- diagnostic tests
- specialized treatment
- hospitalization facilities

Empanelment allows beneficiaries to obtain treatment in **private hospitals approved by CGHS**.

➤ **Example:** If a CGHS beneficiary requires surgery, he may be referred to an empaneled private hospital.

📌 **Exam Tip:** CGHS empanels **private hospitals and diagnostic centres for investigations and indoor treatment**.

#### 3. Referral System

CGHS follows a **referral system for specialized treatment**.

Under this system:

1. The patient first visits a **CGHS Wellness Centre**.
2. If specialized treatment is required, the CGHS doctor refers the patient to a **Government hospital or specialist**.
3. Based on the specialist's recommendation, the patient may be referred to an **empaneled private hospital** for further treatment.

This system ensures **proper medical supervision before referring patients to private hospitals**.

➤ **Example:** A patient requiring heart surgery may first be examined by a CGHS doctor and then referred to a cardiology specialist.

📌 **Exam Tip:** CGHS treatment in private hospitals usually requires **referral from CGHS doctor or Government specialist**.

#### 4. Restrictions on OPD Treatment in Private Hospitals

Generally, **OPD consultation in empaneled private hospitals is not allowed** under CGHS.

However, an exception exists for **post-operative follow-up treatment** in the same hospital where the surgery was performed.

This exception applies to certain major treatments such as:

- Cardiac surgery
- Cancer treatment
- Neuro-surgery
- Kidney transplant
- Hip or knee joint replacement

➤ **Example:** If a patient undergoes heart surgery in an empaneled hospital, follow-up consultation may be allowed in that hospital.

📌 **Exam Tip:** OPD consultation in empaneled private hospitals is **generally not allowed except for post-operative follow-up cases**.

#### 5. Supply of Medicines

CGHS provides medicines to beneficiaries based on **prescriptions issued by CGHS doctors or Government doctors**.

Medicines are supplied through **CGHS dispensaries**.

If a required medicine is **not available in the CGHS dispensary**, it is procured through **authorized local chemists** and provided to the patient.

All medicines are supplied **according to the prescribed CGHS formulary**.

➤ **Example:** If a prescribed medicine is not available in the CGHS dispensary, it may be obtained from an authorized chemist.

📌 **Exam Tip:** CGHS medicines are issued **based on prescriptions and supplied through dispensaries or authorized chemists.**

## 6. Specialist Consultation

CGHS beneficiaries may receive specialist consultation through:

- CGHS specialists working at polyclinics
- Specialists in Central Government hospitals
- General Duty Medical Officers (GDMOs) with specialist qualifications

This ensures that patients receive **expert medical advice for serious diseases.**

➤ **Example:** A CGHS patient with neurological problems may be referred to a neurologist at a CGHS polyclinic.

📌 **Exam Tip:** Specialist consultation is available through **CGHS polyclinics and Government hospital specialists.**

## 7. Feedback and Improvement Mechanism

CGHS regularly collects:

- suggestions
- complaints
- representations

from beneficiaries regarding the functioning of the scheme.

This feedback helps the Government **identify issues and improve the functioning of CGHS facilities.**

➤ **Example:** If beneficiaries complain about medicine shortages, the CGHS administration may improve procurement procedures.

📌 **Exam Tip:** Beneficiary feedback is used to **improve the functioning of CGHS services.**

## 8. Demarcation of CGHS Covered Areas under CGHS Wellness Centre

The **Central Government Health Scheme (CGHS)** provides medical facilities through **CGHS Wellness Centres** located in various cities.

To ensure proper administration of services, the **coverage area of each CGHS Wellness Centre is clearly demarcated.** Only beneficiaries living within the defined area are normally entitled to receive services from that particular Wellness Centre.

According to Government instructions, the **coverage of CGHS is generally limited to an area within approximately 5 kilometres radius of the CGHS Wellness Centre.**

This rule applies in all CGHS cities where such demarcation was not previously defined.

The responsibility for identifying and notifying these areas lies with the **Additional Director of CGHS in the respective city.**

➤ **Example:** If a CGHS Wellness Centre is located in a particular locality of Delhi, beneficiaries living within

approximately **5 km radius** of that centre will normally receive medical services from that centre.

📌 **Exam Tip:** CGHS Wellness Centre coverage is generally **within about 5 km radius.**

## 9. Role of Additional Director, CGHS

The **Additional Director of CGHS in each city** has the authority to determine and notify the areas covered by each CGHS Wellness Centre.

This ensures that:

- beneficiaries are evenly distributed among centres
- overcrowding in particular centres is avoided
- medical services are delivered efficiently.

➤ **Example:** The Additional Director of CGHS in Mumbai may notify which residential colonies fall under the jurisdiction of a particular CGHS Wellness Centre.

📌 **Exam Tip:** Area demarcation of CGHS Wellness Centres is notified by the **Additional Director of CGHS of that city.**

## 10. Employees Residing Outside CGHS Areas

In some cases, Central Government employees may live **outside the demarcated CGHS coverage area.**

Such employees are **not covered under CGHS.**

Instead, they receive medical facilities under the **Central Services (Medical Attendance) Rules, commonly known as CS (MA) Rules.**

These rules provide **medical reimbursement facilities rather than direct treatment through CGHS Wellness Centres.**

➤ **Example:** If a Central Government employee lives far away from any CGHS Wellness Centre, he will receive medical facilities under **CS (MA) Rules** instead of CGHS.

📌 **Exam Tip:** Employees residing outside CGHS coverage areas are covered under **CS (MA) Rules.**

## 11. One-Time Option for Employees within Municipal Limits

In CGHS cities, Central Government employees who reside **within the municipal limits of the city** are allowed a **one-time option.**

They may choose either:

- CGHS facilities, or
- CS (MA) Rules.

If they opt for CGHS, they will receive medical services from the **nearest CGHS Wellness Centre.**

Once exercised, this option generally **cannot be changed repeatedly.**

➤ **Example:** A Central Government employee living within the municipal limits of Jaipur may choose to avail CGHS instead of CS (MA) Rules.

📌 **Exam Tip:** Employees living within municipal limits of CGHS cities get a **one-time option to choose CGHS instead of CS (MA) Rules.**

## 12. Persons Eligible for CGHS Facilities

CGHS facilities are available to several categories of persons who are connected with the Central Government. The following table summarizes the major categories of beneficiaries.

**Table – Persons Eligible for CGHS**

Sl. No.	Category Eligible for CGHS	Example
1	Central Government employees paid from Civil Estimates (except Railway employees and Delhi Administration employees)	A Central Secretariat employee in Delhi
2	Central Government pensioners and their families (excluding Railway and Armed Forces pensioners)	A retired Central Government officer
3	Retired Divisional Accountants	A Divisional Accountant retired from Government service
4	Widows or children receiving family pension, including dependent minor brothers or sisters	Family of a deceased Government employee
5	Delhi Police employees and their families (in Delhi only)	Delhi Police constable posted in Delhi
6	Employees of the Railway Board	Officers working in Railway Board
7	Former Governors and Lieutenant Governors and their families	Retired Governor of a State
8	Former Vice Presidents of India and their families	Former Vice President
9	Civilian employees of Defence Services (except in Mumbai)	Civilian engineer working in Defence establishment

10	PSU absorbees who had commuted 100% pension and whose one-third pension has been restored after 15 years	Employee absorbed in PSU earlier
11	Central Government employees absorbed in Autonomous or Statutory Bodies who receive Central Civil Pension	Officer absorbed in a statutory authority
12	Employees of Indian Pharmacopoeia Commission and their families	Scientist working in IPC
13	Employees of the Supreme Court Legal Services Committee	Staff working in SCLSC

➤ **Example:** A retired Central Government employee living in Lucknow can avail CGHS medical facilities along with his spouse.

📌 **Exam Tip:** CGHS beneficiaries include **Central Government employees, pensioners, and several other notified categories.**

## 13. Special Cases of CGHS Eligibility

Certain categories of individuals are granted CGHS facilities even though they are not regular Central Government employees.

These include:

- Former Governors and Lieutenant Governors
- Former Vice Presidents
- Certain employees of statutory or autonomous bodies
- Employees of the Supreme Court Legal Services Committee
- Employees of the Indian Pharmacopoeia Commission

These provisions ensure that **important constitutional functionaries and certain government-related organizations receive medical coverage.**

➤ **Example:** An employee working in the Indian Pharmacopoeia Commission may receive CGHS medical facilities.

📌 **Exam Tip:** Employees of **Indian Pharmacopoeia Commission and Supreme Court Legal Services Committee are also covered under CGHS.**

## 14. Additional Categories Eligible for CGHS Facilities

Over time, the Government has expanded CGHS coverage to include several **additional categories of employees, pensioners, and organizations connected with the Central Government.**

These extensions were introduced through **various Office Memorandums (OMs)** issued by the Government of India.

The purpose of these provisions is to ensure that **employees serving in related Government organizations or those absorbed in certain institutions are also able to access CGHS medical facilities.**

## 15. Employees on Deemed Deputation to Autonomous / Statutory Bodies

Central Government employees who are working on **deemed deputation to Autonomous Bodies (ABs) or Statutory Bodies (SBs)** of the Central Government are eligible for CGHS facilities **after retirement**, provided certain conditions are satisfied.

The main conditions are:

- The employee must **retire while on deemed deputation** to the Autonomous Body or Statutory Body.
- The employee must be **receiving Central Civil Pension.**
- The employee must **not be availing medical facilities provided by the Autonomous Body or Statutory Body after retirement.**

➤ **Example:** A Central Government officer deputed to an autonomous body who retires while serving there may continue to use CGHS facilities if he receives Central Civil Pension.

📌 **Exam Tip:** Employees retiring from **deemed deputation to Autonomous or Statutory Bodies** are eligible for CGHS if they receive Central Civil Pension.

## 16. Employees of Department of Posts and Department of Telecom

From **1 August 2013**, employees and pensioners of the **Department of Posts and Department of Telecommunications** became eligible for CGHS facilities in certain cities.

This was done after **19 Postal Dispensaries were merged with CGHS.**

The cities covered include:

- Ahmedabad
- Bhopal
- Bhubaneswar
- Dehradun
- Guwahati
- Jaipur
- Jammu
- Jabalpur
- Lucknow
- Pune
- Ranchi
- Shillong

Employees and pensioners living in these cities are now covered under CGHS.

➤ **Example:** A retired postal employee living in Pune can obtain CGHS medical facilities after the merger of Postal Dispensaries with CGHS.

📌 **Exam Tip:** Postal Dispensaries were merged with CGHS in **2013**, extending CGHS coverage to **Department of Posts and Telecom employees.**

## 17. Employees on Short-Term Deputation to Autonomous Bodies

Central Government employees who are on **short-term deputation to Autonomous Bodies or Statutory Bodies** are also allowed to use CGHS facilities during their deputation period.

However, such employees must choose between:

- CGHS medical facilities, or
- Medical facilities provided by the organization where they are deputed.

They cannot use both simultaneously.

➤ **Example:** A Central Government officer deputed to an autonomous body may continue using CGHS if he opts for it.

📌 **Exam Tip:** Employees on deputation may choose **either CGHS or the medical facilities of the borrowing organization.**

## 18. Defence Industrial Employees in Mumbai

Certain **Defence Industrial employees** working in Mumbai are also allowed to use CGHS facilities.

These include employees working in:

- Naval Dockyard
- Central Ordnance Depot
- Armed Forces Medical Stores Depot (AFMSD)

These employees can avail CGHS facilities **on par with other Defence Industrial employees.**

➤ **Example:** An employee working in the Naval Dockyard in Mumbai may receive CGHS medical facilities.

📌 **Exam Tip:** Defence Industrial employees of **Naval Dockyard, Central Ordnance Depot and AFMSD in Mumbai** are eligible for CGHS.

## 19. Retired Employees of Certain Autonomous Organizations

Retired employees of several Government-related institutions are allowed to use CGHS facilities **only in Delhi / NCR**, subject to specific conditions.

These institutions include:

- Central Council for Research in Yoga and Naturopathy (CCRYN)
- Lalit Kala Akademi (LKA)
- Indira Gandhi National Centre for the Arts (IGNCA)
- Indian Council for Cultural Relations (ICCR)
- Indian Red Cross Society
- Central Social Welfare Board (CSWB)
- National Seeds Corporation Limited
- Gandhi Smriti and Darshan Samiti

➤ **Example:** A retired employee of Lalit Kala Akademi living in Delhi may obtain CGHS medical facilities.

📌 **Exam Tip:** Retired employees of certain autonomous institutions can avail CGHS **only in Delhi / NCR**.

## 20. Retired Employees of Air India

After the **disinvestment of Air India**, the Government allowed **eligible retired employees of Air India Ltd.** to avail CGHS facilities.

However, these benefits are granted **subject to specific terms and conditions laid down by the Government**.

➤ **Example:** An eligible retired Air India employee may obtain CGHS medical coverage after fulfilling the prescribed conditions.

📌 **Exam Tip:** Retired Air India employees became eligible for CGHS **after disinvestment in 2023**.

### A. Accrual of CGHS Benefits

CGHS benefits become available **from the date on which the Government servant applies for a CGHS card**.

For Central Government employees residing in CGHS-covered areas, the scheme is **compulsory**. Therefore, once an employee joins Government service and **declares a residential address within a CGHS area**, CGHS contribution must be deducted automatically from salary.

This deduction must be made **even if the CGHS card has not yet been issued**, provided the employee resides within CGHS coverage.

Departments must ensure that employees **submit their CGHS card applications promptly**.

➤ **Example:** If a newly appointed Government employee lives in a CGHS-covered locality, CGHS contribution will be deducted from salary even before the card is issued.

📌 **Exam Tip:** CGHS contribution must be deducted **once an employee resides within a CGHS-covered area**.

### Important Notes regarding CGHS Coverage

#### Note 1 – Residence Requirement

A Government servant must normally **reside within the CGHS-covered area** to avail CGHS services.

However, **pensioners are allowed to register at any CGHS dispensary**, even if they were not previously living in that city.

➤ **Example:** A retired employee may shift from Delhi to Jaipur and register at a CGHS dispensary there.

📌 **Exam Tip:** Pensioners can **register at any CGHS dispensary irrespective of their earlier place of residence**.

#### Note 2 – Spouse Working in Another Organization

If a CGHS-covered employee has a spouse working in:

- Defence Services
- Railway Services
- State Government
- Autonomous bodies
- Local bodies
- Private organizations providing medical facilities

the employee may **opt out of CGHS and use the medical facilities provided by the spouse's employer**.

➤ **Example:** If a CGHS employee's spouse works in Railways and receives Railway medical facilities, the employee may opt out of CGHS.

📌 **Exam Tip:** Employees may opt out of CGHS if their spouse's employer provides medical facilities.

#### Note 3 – Illness Outside CGHS Areas

If a CGHS beneficiary falls ill in a place **not covered under CGHS**, treatment expenses may be reimbursed under the **Central Services (Medical Attendance) Rules (CS MA Rules)**.

➤ **Example:** If a CGHS employee falls ill while travelling in a town where CGHS facilities are not available, treatment will be covered under CS (MA) Rules.

📌 **Exam Tip:** Treatment outside CGHS cities is covered under **CS (MA) Rules**.

### B. Validity of CGHS Card

The CGHS card is the **official document that allows beneficiaries to obtain CGHS medical services**.

The validity of the card depends on the category of beneficiary.

**Table – Validity of CGHS Card**

Category	Validity
Serving employees and dependants	5 years from the date of approval of the plastic card
Pensioners	Valid for the period covered by subscription

Whole Life Card holders	Valid for lifetime
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➤ **Example:** A serving Government employee who receives a CGHS plastic card in 2024 will have a card valid for **five years**.

📌 **Exam Tip:** CGHS plastic card validity for serving employees = **5 years**.

### Validity of CGHS Card Across India

A CGHS card issued in one city is **valid at any CGHS Wellness Centre anywhere in India**.

Beneficiaries can obtain treatment from **any CGHS Wellness Centre without submitting additional documents**.

This rule ensures that beneficiaries can receive treatment even when they are **travelling or temporarily residing in another CGHS city**.

➤ **Example:** A CGHS beneficiary from Delhi travelling to Chennai may obtain treatment at a CGHS Wellness Centre in Chennai.

📌 **Exam Tip:** CGHS card is **valid in any CGHS Wellness Centre across India**.

#### i). Issue of Medicines and Referral Facility

Under CGHS, beneficiaries receive medicines and treatment through **CGHS Wellness Centres and empanelled hospitals**.

### Important Provisions

#### 1. Medicines for Chronic Diseases

CGHS beneficiaries who are undergoing treatment for **chronic diseases** can receive medicines for a **maximum period of three months at a time** from the CGHS Wellness Centre.

This provision helps patients suffering from long-term illnesses such as diabetes, hypertension, heart disease, etc., so that they do not need to visit the Wellness Centre frequently.

➤ **Example:** A CGHS beneficiary suffering from diabetes may receive medicines for **three months at a time** from the Wellness Centre.

📌 **Exam Tip:** For **chronic diseases**, medicines can be issued for **up to 3 months** under CGHS.

#### 2. Referral to Private Hospitals

CGHS beneficiaries may be referred to **empanelled private Health Care Organizations (HCOs)** for specialized treatment.

Such **referrals or endorsements** can be issued by **any CGHS Wellness Centre**.

This means a patient does not need to go only to the original Wellness Centre where he/she is registered.

➤ **Example:** A CGHS beneficiary registered in Delhi may obtain a referral from another CGHS Wellness Centre for treatment in an empanelled hospital.

📌 **Exam Tip:** Referral to empanelled private hospitals can be issued by **any CGHS Wellness Centre**.

### C. Renewal of CGHS Card

CGHS plastic cards are not permanent and require **periodic renewal**.

#### Renewal Rules

Beneficiaries must apply for renewal of the CGHS plastic card **three months before the expiry date of the existing card**.

If any person covered under the card becomes **ineligible for CGHS benefits**, the main cardholder must inform:

- Additional Director CGHS
- Chief Medical Officer (CMO) In-charge

Failure to inform may result in:

- Withdrawal of CGHS benefits
- Administrative action by the concerned authority

Departments are responsible for removing names from CGHS records when employees:

- are transferred to **non-CGHS areas**,
- **resign**, or
- **retire**.

➤ **Example:** If an employee is transferred from Delhi (CGHS area) to a small town without CGHS coverage, his department must remove him from CGHS records.

📌 **Exam Tip:** CGHS card renewal application must be made **3 months before expiry**.

### D. Definition of Family under CGHS

The definition of **family** for CGHS benefits follows the rules mentioned under **Medical Attendance Rules (Family definition)**.

However, CGHS also includes some **special categories of dependents**.

#### 1. Parents

If **both husband and wife are CGHS beneficiaries**, the **eligible parents of both** may receive CGHS medical facilities.

➤ **Example:** If both spouses are Central Government employees under CGHS, the parents of both may be covered.

📌 **Exam Tip:** Parents of **both husband and wife** may be covered if both are CGHS beneficiaries.

## 2. Disabled Unmarried Sons

Unmarried sons suffering from **permanent disability (physical or mental including schizophrenia)** are eligible for CGHS facilities if:

- disability is **40% or more**,
- they are **financially dependent**, and
- they are **living with the CGHS beneficiary**.

There is **no age limit** in such cases.

However, a **disability certificate must be submitted every five years**.

➤ **Example:** An unmarried son aged 30 with 50% disability living with his parents may receive CGHS facilities.

📌 **Exam Tip:** Disabled dependent sons are eligible **irrespective of age** if disability is **40% or more**.

## 3. Disabled Sons after 25 Years

If a son becomes disabled **after the age of 25 years**, he may still be considered a dependent for CGHS benefits, provided he fulfills the prescribed conditions.

➤ **Example:** If a son becomes disabled at age 28 and is financially dependent on his parents, he may be covered under CGHS.

📌 **Exam Tip:** Disabled sons **even after age 25** may be covered under CGHS subject to conditions.

## 4. Disabled Unmarried Brothers

Permanently disabled unmarried brothers are also eligible for CGHS facilities if:

- disability is **40% or more**,
- they are **financially dependent**, and
- they **reside with the CGHS beneficiary**.

➤ **Example:** An unmarried brother with 60% disability living with a CGHS beneficiary may avail CGHS facilities.

📌 **Exam Tip:** Disabled unmarried brothers may be covered under CGHS if **40% disability and dependency conditions are satisfied**.

## 5. Children of Widowed or Separated Daughters

Minor children of **widowed or separated daughters** who live with and depend on the CGHS beneficiary are eligible for CGHS benefits.

These benefits are available **until the child reaches 18 years of age**.

➤ **Example:**

If a widowed daughter lives with her parents, her minor children may receive CGHS medical facilities.

📌 **Exam Tip:**

Minor children of widowed/separated daughters are eligible **up to 18 years**.

## 6. Income Limit for Dependency

To qualify as a dependent family member under CGHS, the **income limit** is:

**₹9,000 per month + Dearness Relief (DR) on ₹9,000**

This rule applies to **all family members except spouse**.

The Dearness Relief considered is **the amount actually drawn**, not the amount due.

➤ **Example:** If DR on ₹9,000 is ₹3,600, then the dependency limit becomes **₹12,600 per month**.

📌 **Exam Tip:** Dependency income limit = **₹9,000 + Dearness Relief**.

## CGHS Contributions (From 1-2-2017)

CGHS beneficiaries must pay **monthly contributions** depending on their **Pay Matrix Level under the 7th Pay Commission**.

**Table – CGHS Contribution Rates**

Sl. No	Pay Level (7th CPC)	Monthly Contribution
1	Level 1 to 5	₹250
2	Level 6	₹450
3	Level 7 to 11	₹650
4	Level 12 and above	₹1,000

➤ **Example:** A Government employee in **Level 7** will pay **₹650 per month** as CGHS contribution.

📌 **Exam Tip:** CGHS contribution ranges from **₹250 to ₹1,000 per month depending on pay level**.

## Contribution Rules for Pensioners

For **pensioners and family pensioners**, the CGHS contribution is determined based on:

The **pay level the employee would have drawn at the time of retirement** if he/she had continued in service.

Pensioners applying for CGHS cards after **31 January 2017** must pay contributions according to the **revised rates effective from 1 February 2017**.

➤ **Example:** If a retired officer belonged to **Level 10 at retirement**, his CGHS contribution will be calculated based on that level.

📌 **Exam Tip:** Pensioners pay CGHS contribution based on **last pay level at retirement**.

## Contribution when Both Husband and Wife are Government Employees

If both husband and wife are Central Government employees covered under CGHS:

- Contribution is deducted **only from one person**.
- The deduction is made from the employee **whose salary is higher**.

The CGHS contribution is deducted from salary during:

- duty
- suspension
- leave (except extraordinary leave beyond 4 months)

If leave exceeds **four months of Extraordinary Leave (EOL)**, the employee may choose not to pay CGHS contribution, but in that case **CGHS facilities will not be available** during that period.

➤ **Example:** If both spouses are Government employees and the husband has higher pay, CGHS contribution will be deducted only from him.

📌 **Exam Tip:** When both spouses are Government employees, **CGHS contribution is deducted from the higher paid employee only**.

## Change in CGHS Contribution after Promotion

If CGHS contribution increases because of:

- promotion
- Non-Functional Selection Grade (NFSG)
- change in pay level

the **revised CGHS contribution becomes payable only from the date of issue of the promotion order**, not from the retrospective date of pay revision.

➤ **Example:** If promotion is effective from January but the order is issued in March, the new CGHS contribution will be payable from **March**.

📌 **Exam Tip:** Change in CGHS contribution is effective **from the date of order**, not the retrospective date.

## Medical Advance

Medical advance is provided to CGHS beneficiaries to meet **immediate medical expenses before treatment**, especially when the cost of treatment is high. The advance helps employees or pensioners avoid financial difficulty during treatment.

Medical advance may be granted for **both indoor (hospitalization) and outdoor treatment**, subject to prescribed conditions.

### (a) Medical Advance for Indoor Treatment

Medical advance is admissible for **hospitalization (indoor treatment)** in a Government or recognized hospital.

### Key Rules

• Medical advance is **90% of the approved CGHS package rate**.

• It is admissible for **all indoor treatments**, whether the disease is **major or minor**.

• A **certificate from the treating physician** of the Government/recognized hospital is required.

The certificate must confirm that the patient requires hospitalization and treatment.

➤ **Example:** If the CGHS package rate for a surgery is ₹1,00,000, the admissible medical advance will be ₹90,000.

📌 **Exam Tip:** Medical advance for **indoor treatment = 90% of CGHS package rate**.

### (b) Medical Advance for Outdoor Treatment

Medical advance may also be granted for **outpatient treatment (OPD)** in certain cases.

#### Conditions

• Advance is admissible only when the **estimated treatment cost exceeds ₹10,000**.

• The advance amount is **90% of the estimated expenditure**, including tests and investigations.

The purpose of this provision is to help beneficiaries when **expensive diagnostic tests or treatment procedures are required without hospitalization**.

➤ **Example:** If the estimated cost of tests and treatment is ₹20,000, the admissible advance will be ₹18,000 (90%).

📌 **Exam Tip:** For **outdoor treatment**, advance is granted only when estimated cost **exceeds ₹10,000**.

#### Time Limit for Release of Advance

The medical advance must be released **within 10 days** of receiving the request from the employee.

The request is processed by the **Administrative Department, Ministry, or Office**.

➤ **Example:** If an employee submits the advance request on **1 June**, the office should release the advance by **10 June**.

📌 **Exam Tip:** Medical advance must be released **within 10 days of request**.

### (c) Clarification on Grant of Medical Advance

Sometimes treatment procedures **do not have a predefined CGHS package rate**. In such cases, the following method is used to calculate the admissible advance.

#### Procedure for Determining Advance

Situation	Rate Used
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If CGHS package rate exists	CGHS package rate
If CGHS rate is not available	AIIMS rate
If neither CGHS nor AIIMS rate exists	Actual estimate of hospital

Hospitals must provide a **detailed item-wise estimate of treatment costs**.

The admissible medical advance is then calculated as: **90% of the admissible rate determined above.**

➤ **Example:** If a procedure has no CGHS rate but AIIMS rate is ₹80,000, the medical advance will be ₹72,000 (90%).

📌 **Exam Tip:** If CGHS rate is not available → AIIMS rate is used.

#### 4. CGHS Facilities for Pensioners and Family Pensioners

CGHS facilities are also available to **Central Government pensioners and family pensioners** after retirement.

##### Eligible Pensioners

The following pensioners are eligible:

- Central Government pensioners
- Family pensioners
- Pensioners who retired under **Contributory Provident Fund (CPF)** scheme

However, the following are **not eligible**:

- Railway pensioners
- Armed Forces pensioners

➤ **Example:** A retired Central Government officer receiving pension under CCS Pension Rules can obtain CGHS facilities after retirement.

📌 **Exam Tip:** CGHS is available to **Central Government pensioners but not Railway or Armed Forces pensioners.**

##### Pensioners Eligible Even if They Were Not CGHS Members Earlier

Pensioners can join CGHS **even if they were not members of CGHS while in service.**

This rule ensures that retired employees can still receive Government medical support.

➤ **Example:** A Central Government employee who worked in a town without CGHS can still apply for CGHS after retirement.

📌 **Exam Tip:** CGHS membership **before retirement is not mandatory.**

##### CGHS Facilities for Post and Telegraph Retired Employees

Retired employees of the **Post and Telegraph Department** can also avail CGHS facilities after

**retirement**, even if they were not CGHS members earlier.

They must pay the prescribed CGHS subscription.

➤ **Example:** A retired postal employee can obtain a CGHS pensioner card after retirement.

📌 **Exam Tip:** Retired **Post and Telegraph employees are eligible for CGHS irrespective of earlier membership.**

##### CGHS Facilities Based on Place of Residence

CGHS facilities for pensioners depend on whether they live in a **CGHS-covered city** or a **non-CGHS area**.

**Table: CGHS Benefits Based on Residence**

Residence of Pensioner	Facility Available
CGHS city	OPD + IPD facilities through CGHS
Non-CGHS city	Fixed Medical Allowance (FMA)
Non-CGHS city but registered in CGHS	OPD + IPD from nearest CGHS city

##### Option Available to Pensioners in Non-CGHS Areas

Pensioners living in non-CGHS areas have three options:

1. Take **Fixed Medical Allowance (FMA)** for OPD treatment.
2. Register in nearest CGHS city and use **both OPD and IPD services.**
3. Take **FMA for OPD** and **CGHS facility for IPD.**

➤ **Example:** A pensioner living in a village can take **FMA for OPD treatment and CGHS benefits for hospitalization.**

📌 **Exam Tip:** Pensioners in non-CGHS areas may choose **FMA or CGHS facilities.**

##### Dependants of Family Pensioners

Family pensioners can use CGHS facilities **only for dependants of the deceased CGHS beneficiary.**

They cannot include new dependants beyond those recognized under CGHS rules.

➤ **Example:** A widow receiving family pension may continue CGHS benefits for herself and her dependent children.

📌 **Exam Tip:** Family pensioners can avail CGHS **only for dependants of the deceased beneficiary.**

## Pensioner Registration, Contribution, and Facilities

### (b) Registration of Pensioners / Family Pensioners

Central Government pensioners and family pensioners who wish to avail CGHS facilities must **register themselves under the CGHS system**.

#### Registration Procedure

Pensioners or family pensioners can register at **any CGHS dispensary located in CGHS cities**.

They must submit an **application in the prescribed form** to the **Additional Director of CGHS** in the concerned city.

After verification, the CGHS authority issues a **CGHS Identity Card** to the beneficiary.

➤ **Example:**A retired Central Government officer living in Delhi can apply to the Additional Director CGHS Delhi and obtain a CGHS identity card.

📌 **Exam Tip:**CGHS registration for pensioners is done through the **Additional Director CGHS of the concerned city**.

#### Compassionate Appointees

Individuals appointed on **compassionate grounds**, who previously held **family pensioner CGHS cards**, may apply for **serving CGHS cards** according to their **current higher entitlement**, subject to prescribed conditions.

➤ **Example:**If a dependent receives a job under compassionate appointment, he may convert his family pensioner CGHS card into a serving employee CGHS card.

📌 **Exam Tip:**Compassionate appointees may obtain **serving CGHS cards based on their present entitlement**.

### (c) Registration Fee

If a retired employee does **not join CGHS immediately after retirement**, but later decides to join, he must pay a **registration fee of ₹30**.

This fee is payable when applying for the CGHS identity card after retirement.

➤ **Example:**If a pensioner applies for CGHS membership two years after retirement, he must pay **₹30 registration fee**.

📌 **Exam Tip:**Late registration under CGHS requires **₹30 registration fee**.

#### Contribution Options for Pensioners

Pensioners and family pensioners have **two options** regarding CGHS contribution.

#### Option 1 – Contribution Based on Last Pay Drawn

If the pensioner pays contribution based on the **last pay drawn**, he will receive **full CGHS facilities similar to serving employees**.

#### Option 2 – Contribution Based on Pension

If the pensioner pays contribution based on **pension or family pension**, he will receive **limited CGHS facilities**.

The contribution must be deposited **one year in advance** for the period ending **December of the concerned year** through the **Pay and Accounts Office (PAO)**.

➤ **Example:**A pensioner paying contribution based on last pay drawn will receive the same CGHS facilities as serving employees.

📌 **Exam Tip:**Pensioners may choose **full facilities (based on last pay) or limited facilities (based on pension)**.

#### Whole-Life CGHS Card

CGHS provides the option of a **Permanent or Whole-Life CGHS Card**.

#### Eligibility

A Whole-Life CGHS Card is issued in the following cases:

Category	Condition
Government servant retiring from service	Pays lump sum equal to <b>10 years CGHS contribution</b>
Pensioner who earlier subscribed for less than 10 years	Pays remaining balance contribution
Pensioner who has already completed 10 years subscription	Eligible automatically

➤ **Example:**A retiring employee paying lump sum equal to **10 years CGHS contribution** will receive a **Whole-Life CGHS Card**.

📌 **Exam Tip:**Whole-Life CGHS card requires **lump sum contribution equal to 10 years subscription**.

#### Pensioners on Re-employment

If a pensioner takes up **re-employment in Government service**, he must pay CGHS contribution **like other serving employees**.

➤ **Example:**A retired officer re-employed in a government department must pay CGHS contribution from salary.

📌 **Exam Tip:** Re-employed pensioners pay **normal CGHS contribution as serving employees.**

### Application Before Retirement

An employee may apply for a **CGHS pensioner card up to three months before retirement.**

However, the card will be **issued only after the date of retirement or superannuation.**

➤ **Example:** An officer retiring on 30 June may apply for CGHS pensioner card in April.

📌 **Exam Tip:** CGHS pensioner card application can be submitted **3 months before retirement.**

### (d) Employees Absorbed in Statutory Bodies / Autonomous Bodies

Central Government employees who were absorbed in **Statutory Bodies (SB) or Autonomous Bodies (AB)** and later retired can also obtain CGHS facilities.

Their CGHS contribution will be calculated based on the **Grade Pay or Pay Level they would have drawn in Government service** if they had not been absorbed in the Autonomous Body.

➤ **Example:** An employee absorbed in an autonomous body after leaving Central Government service will pay CGHS contribution based on the pay he would have drawn in the Government post.

📌 **Exam Tip:** CGHS contribution for absorbed employees is calculated based on **notional Government pay level.**

### (e) Nomination Facility

The **Principal CGHS Cardholder** can nominate a person in a prescribed form to receive **medical reimbursement claims** in case of his/her death.

This helps the nominee claim reimbursement for medical expenses incurred by the deceased beneficiary.

➤ **Example:** A CGHS beneficiary may nominate his spouse to receive reimbursement if he dies before the claim is settled.

📌 **Exam Tip:** Principal CGHS cardholder can **nominate a person for medical reimbursement claims.**

## 5. When Only Family Can Avail CGHS Facilities

Sometimes the employee may move to another place but the family remains at the original CGHS station.

In such cases, CGHS benefits can continue for the family under certain conditions.

### Conditions

- The employee must continue paying CGHS contribution.
- The family may continue receiving CGHS benefits at the original station.

However, if the employee is transferred to a **non-CGHS station**, the family can avail CGHS facilities **only for six months.**

➤ **Example:** An employee transferred from Delhi to a foreign country may continue CGHS benefits for his family staying in Delhi.

📌 **Exam Tip:** Family may continue CGHS benefits at old station **if contribution continues.**

## 6. Facilities Available under CGHS

CGHS provides a wide range of medical services to beneficiaries.

### Main Facilities

#### (i) Medical Consultation

Beneficiaries can obtain medical consultation from:

- CGHS Wellness Centres
- CGHS Polyclinics
- Government hospitals
- Recognized hospitals

➤ **Example:** A CGHS beneficiary may consult a doctor at a CGHS Wellness Centre for general illness.

📌 **Exam Tip:** CGHS consultation is available at **dispensaries, polyclinics, and recognized hospitals.**

#### (ii) Diagnostic Facilities

CGHS provides diagnostic tests such as:

- X-ray
- Laboratory tests
- Other diagnostic investigations

These tests may be conducted at:

- CGHS laboratories
- Government hospitals
- Empanelled hospitals

➤ **Example:** A doctor at CGHS may refer a patient for blood tests at a CGHS laboratory.

📌 **Exam Tip:** CGHS provides **diagnostic tests through CGHS labs or recognized hospitals.**

#### (iii) Supply of Medicines

CGHS supplies medicines prescribed by the **Authorized Medical Attendant (AMA).**

Additional services include:

- administration of injections
- dressing of wounds
- minor surgical procedures

These services are provided at **CGHS dispensaries or specialist centres.**

➤ **Example:** A patient prescribed antibiotics by a CGHS doctor will receive medicines from the CGHS dispensary.

📌 **Exam Tip:** Medicines must normally be obtained from CGHS dispensary.

#### (iv) Hospitalization Facilities

CGHS provides hospitalization facilities including:

- inpatient treatment
- antenatal care
- delivery (confinement)
- postnatal care

➤ **Example:** A CGHS beneficiary may be admitted to an empanelled hospital for childbirth.

📌 **Exam Tip:** CGHS covers **antenatal, confinement, and postnatal care.**

#### (v) Treatment in Specialized Hospitals

Treatment in specialized hospitals may be allowed even if the hospital is not recognized under CGHS, provided the Director CGHS certifies that such treatment is essential.

➤ **Example:** If a rare treatment is available only in a specialized hospital, CGHS may approve treatment there.

📌 **Exam Tip:** Director CGHS may approve treatment in non-recognized specialized hospitals.

#### (vi) Special Disease Treatment

CGHS provides treatment for serious diseases such as:

- Tuberculosis (TB)
- Cancer
- other major diseases

➤ **Example:** A CGHS beneficiary diagnosed with cancer may receive treatment in an empanelled cancer hospital.

📌 **Exam Tip:** CGHS provides **special treatment for diseases like TB and cancer.**

#### (vii) Specialist Consultation

Specialist consultation is available in:

- CGHS polyclinics
- Government hospitals
- recognized hospitals

➤ **Example:** A patient suffering from heart disease may consult a cardiologist through CGHS referral.

📌 **Exam Tip:** Specialist consultation available at polyclinics and hospitals.

#### (viii) Super-Speciality Treatment

CGHS also provides advanced treatments such as:

- Kidney Transplant
- Coronary Artery Bypass Graft (CABG)

➤ **Example:** A patient requiring bypass surgery may receive treatment in an empanelled hospital under CGHS.

📌 **Exam Tip:** Super-speciality treatments like CABG and kidney transplant are covered under CGHS.

#### (ix) Dental Treatment

CGHS provides dental treatment through recognized dental facilities.

➤ **Example:** A CGHS beneficiary may undergo dental treatment such as tooth extraction or root canal treatment.

📌 **Exam Tip:** CGHS covers **dental treatment services.**

#### (x) Eye Treatment

CGHS provides facilities such as:

- cataract surgery
- intra-ocular lens implantation
- reimbursement of spectacles after cataract operation

➤ **Example:** After cataract surgery, CGHS may reimburse the cost of spectacles.

📌 **Exam Tip:** CGHS covers **intra-ocular lens implantation and spectacles after cataract surgery.**

#### Important Note

Beneficiaries receiving **basic pay or pension of ₹33,480 or above** may directly consult **specialists in Government hospitals** without referral.

➤ **Example:** A senior officer drawing pension above ₹33,480 may directly consult a cardiologist in a Government hospital.

📌 **Exam Tip:** Direct specialist consultation allowed if **basic pay/pension ≥ ₹33,480.**

#### (xi) Angioplasty / PTCA Reimbursement

CGHS reimburses the cost of **Angioplasty (PTCA)** performed in recognized hospitals.

#### Conditions

- Prior permission from CGHS is required.
- Reimbursement is limited to **CGHS ceiling rates.**
- The amount includes **cost of CD record and medical report.**

➤ **Example:**

If a CGHS beneficiary undergoes angioplasty in a recognized hospital with prior CGHS approval, the cost will be reimbursed according to CGHS ceiling rates.

📌 **Exam Tip:**

Angioplasty reimbursement requires **prior CGHS permission and is limited to ceiling rates.**

#### (xii) Reimbursement of Medical Devices

CGHS reimburses the cost of several important medical devices.

#### Table – Devices Covered under CGHS

Medical Device	Rule
Digital Hearing Aid	Reimbursable
Cypher Stent	Maximum <b>3 stents</b> allowed
TAXUS Stent	Maximum <b>3 stents</b> allowed
CPAP / BIPAP Machine	Allowed <b>once in lifetime</b>
Hearing Aid Replacement	Every <b>3 years for children below 12 years</b>

➤ **Example:** A CGHS beneficiary suffering from sleep apnea may receive reimbursement for a **CPAP machine once in lifetime**.

📌 **Exam Tip:** CPAP/BIPAP machines are reimbursed **only once in lifetime**.

### (xiii) Diabetes Equipment

CGHS provides:

- **Glucometer** to diabetic patients suffering from diabetic gangrene
- **Insulin analogue penfil / cartridges**

➤ **Example:** A diabetic patient with severe complications may receive a glucometer under CGHS.

📌 **Exam Tip:** CGHS may issue **glucometer and insulin cartridges for severe diabetic cases**.

### (xiv) Post-Operative Treatment

CGHS allows **post-operative follow-up treatment** in the same hospital where surgery was performed.

#### Applicable for

- Neurosurgery
- Cardiac diseases
- Cancer treatment
- Kidney transplantation
- Hip/Knee replacement surgery

However, **prior CGHS permission is required**.

➤ **Example:** If a patient undergoes heart surgery in an empanelled hospital, post-operative follow-up treatment may continue in the same hospital.

📌 **Exam Tip:** Post-operative treatment may continue in the **same hospital with CGHS approval**.

### (xv) Medicines for OPD Treatment

For **OPD treatment**, beneficiaries must obtain medicines from the **CGHS dispensary**.

### Important Rule

- Medicines purchased outside are **not normally reimbursable**.

### Exception – Emergency

If medicines must be purchased during emergency:

- They can be bought from **authorized chemist shops**
- Reimbursement may be claimed through:

Category	Claim Submitted To
Serving Employees	Head of Department / Ministry
Pensioners	Additional / Joint / Deputy Director CGHS

➤ **Example:** If a medicine is urgently required and not available in CGHS dispensary, the beneficiary may purchase it from an authorized chemist and claim reimbursement.

📌 **Exam Tip:** OPD medicines must normally be obtained from **CGHS dispensary**.

### OPD Consultation in Government Hospitals

No prior permission is required to consult doctors in **Government hospitals including AYUSH hospitals**.

Medicines will still be issued by the **CGHS Wellness Centre**.

➤ **Example:** A CGHS beneficiary may directly consult a doctor in a Government hospital without referral.

📌 **Exam Tip:** Direct OPD consultation allowed in **Government hospitals including AYUSH hospitals**.

### (xvi) Neuro-Implant Reimbursement

CGHS reimburses the cost of advanced **neuro-implant devices** such as:

- Deep Brain Stimulation Implants
- Intrathecal Baclofen Pump
- Intrathecal Morphine Pump
- Spinal Cord Stimulators

However, reimbursement is subject to **conditions prescribed by CGHS**.

➤ **Example:** A patient suffering from severe neurological disorders may receive reimbursement for a Deep Brain Stimulation Implant.

📌 **Exam Tip:** Neuro-implants are reimbursed subject to **specific CGHS conditions**.

### (xvii) Cochlear Implant

CGHS reimburses the cost of **cochlear implant surgery** used for treating severe hearing loss.

This reimbursement is subject to prescribed conditions.

➤ **Example:** A child with severe hearing impairment may undergo cochlear implant surgery under CGHS.

📌 **Exam Tip:** CGHS reimburses **cochlear implant surgery** for hearing loss.

### (xviii) Ambulance Charges

CGHS reimburses **ambulance charges** for transporting patients to hospitals.

This is allowed **subject to prescribed conditions**.

➤ **Example:** If a patient requires emergency transportation to a hospital by ambulance, the cost may be reimbursed.

📌 **Exam Tip:** Ambulance charges may be reimbursed **under CGHS rules**.

### (xix) Treatment in Non-CGHS Areas

CGHS pensioners and beneficiaries living in **non-CGHS areas** can still receive treatment.

#### Conditions

- Must possess a **valid CGHS card**
- Allowed **in-patient treatment and post-operative treatment**

Similarly, CGHS beneficiaries visiting non-CGHS areas may receive **emergency treatment**.

➤ **Example:** If a CGHS beneficiary falls ill while visiting a non-CGHS town, emergency treatment may still be reimbursed.

📌 **Exam Tip:** Emergency treatment is allowed **even in non-CGHS areas**.

#### Direct Consultation with Specialists

Beneficiaries drawing **basic pay / pension  $\geq$  ₹33,480 per month** may directly consult specialists in:

- Central Government hospitals
- State Government hospitals
- Municipal hospitals

No referral is required.

➤ **Example:** A pensioner drawing ₹40,000 pension can directly consult a cardiologist in a Government hospital.

📌 **Exam Tip:** Direct specialist consultation allowed if **pay/pension  $\geq$  ₹33,480**.

### (xx) Rehabilitation Therapy

CGHS reimburses expenses for **domiciliary rehabilitation therapies**, including:

- Physiotherapy
- Occupational therapy

- Speech therapy
- Certified care-giver services

However, reimbursement is limited to **prescribed ceiling rates**.

➤ **Example:** A stroke patient receiving physiotherapy at home may receive reimbursement under CGHS.

📌 **Exam Tip:** Home-based therapies such as **physiotherapy and speech therapy are reimbursable**.

### (xxi) IVF Treatment

CGHS allows reimbursement for **In-Vitro Fertilization (IVF)** treatment.

This is allowed **subject to specific conditions**.

➤ **Example:** A couple undergoing IVF treatment in a recognized hospital may claim reimbursement under CGHS.

📌 **Exam Tip:** IVF treatment may be reimbursed **under prescribed CGHS conditions**.

### (xxii) Coronary / Vascular Stents

CGHS reimburses the cost of **coronary and vascular stents** used in heart procedures. However, reimbursement is restricted to **CGHS ceiling rates**.

➤ **Example:** If a patient undergoes heart surgery involving stent implantation, CGHS will reimburse up to the prescribed rate.

📌 **Exam Tip:** Stent reimbursement is limited to **CGHS ceiling rates**.

### (xxiii) Liver Transplant Surgery

CGHS allows reimbursement for **liver transplant surgery** performed in:

- Government hospitals
- Registered private hospitals under the **Transplantation of Human Organs Act, 1994**

Prior permission from CGHS is required.

➤ **Example:** A patient undergoing liver transplant in a registered hospital may receive CGHS reimbursement.

📌 **Exam Tip:** Liver transplant reimbursement requires **CGHS approval and registered hospital**.

### (xxiv) Prostate Surgery (PVP)

CGHS reimburses the cost of **Photo Selective Vaporization of Prostate (PVP)** surgery using **Green Light HPS Fibre technology**.

➤ **Example:** A patient suffering from prostate enlargement may undergo PVP surgery under CGHS reimbursement.

📌 **Exam Tip:** CGHS reimburses **PVP prostate surgery using Green Light HPS Fibre**.

### (xxv) Bariatric Surgery

CGHS allows reimbursement for **Bariatric surgery** (weight-loss surgery) subject to medical conditions and eligibility criteria.

➤ **Example:** A patient suffering from severe obesity may receive reimbursement for bariatric surgery.

📌 **Exam Tip:** Bariatric surgery is reimbursable **subject to CGHS conditions**.

### (xxvi) Artificial Appliances

CGHS reimburses the cost of **artificial medical appliances**, subject to eligibility rules.

➤ **Example:** Artificial limbs or medical support devices may be reimbursed under CGHS.

📌 **Exam Tip:** Artificial medical appliances are reimbursable under CGHS.

### (xxvii) Cardiac Pacemaker and AICD

CGHS reimburses the cost of:

- Cardiac Pacemaker
- Automatic Implantable Cardioverter Defibrillator (AICD)

subject to prescribed conditions.

➤ **Example:** A patient with heart rhythm problems may receive reimbursement for a pacemaker.

📌 **Exam Tip:** Pacemaker and AICD costs are reimbursable under CGHS.

### (xxviii – xxxi) Revised Treatment Rates

CGHS periodically revises reimbursement rates for treatments such as:

- Gynaecology and Obstetrics
- Nephrology and Urology
- General Surgery
- Ophthalmology
- Imaging investigations
- Cardiology
- Cancer surgeries
- Knee and hip implants

➤ **Example:** If the rate for knee replacement surgery is revised, reimbursement will follow the updated CGHS rates.

📌 **Exam Tip:** CGHS periodically revises treatment rates for major surgeries.

### (xxxii) Consultation in Government Hospitals

CGHS beneficiaries may obtain consultation, diagnostic tests, or treatment procedures from **any Government hospital (Central or State)**.

## Government Hospital Includes

- Central Government hospitals
- State Government hospitals
- Railway hospitals
- Atomic Energy Commission hospitals
- PSU hospitals
- Municipal hospitals

➤ **Example:** A CGHS beneficiary may consult doctors at AIIMS or a State Government hospital.

📌 **Exam Tip:** CGHS beneficiaries can consult **any Government hospital**.

### Submission of Medical Reimbursement Claims

Category	Claim Submitted To
Pensioners / Ex-MPs	CGHS Wellness Centre
Serving Employees	Ministry / Department / Office
Members of Parliament	Lok Sabha / Rajya Sabha Secretariat
Autonomous Body Employees	Concerned Autonomous Body

➤ **Example:** A serving Government employee will submit reimbursement claim to his **department**.

📌 **Exam Tip:** Serving employees submit claims to **their Ministry or Department**.

### (xxxiv) Autism Therapy Reimbursement

CGHS reimburses therapies for individuals with **Autism Spectrum Disorder (ASD), ADHD, or learning disabilities**, including:

- Occupational therapy
- Speech therapy
- Applied Behaviour Analysis (ABA)

➤ **Example:** A child with autism receiving speech therapy may receive reimbursement under CGHS.

📌 **Exam Tip:** CGHS reimburses **ABA therapy, occupational therapy, and speech therapy for autism/ADHD**.

### (xxxv) Insulin Pump Therapy

CGHS reimburses **Continuous Subcutaneous Insulin Infusion (CSII) Pump Therapy** for diabetes treatment subject to conditions.

➤ **Example:**

A diabetic patient requiring insulin pump therapy may receive reimbursement under CGHS.

📌 **Exam Tip:**

CSII insulin pump therapy is reimbursable under CGHS.

### 📌 Consultation Charges under CGHS

Consultation fees are fixed for **empanelled hospitals under CGHS**. These charges apply for **OPD and Indoor consultations**.

**Table: Consultation Charges**

S. No.	Type of Consultation	Fee Payable (₹)	Key Conditions / Notes
1	OPD – Specialist	₹350	Includes emergency and casualty consultations
2	OPD – Super Specialist (DM / MCh)	₹700	Same rate for all empanelled hospitals (multi-specialty / super-specialty), whether the doctor is in-house or visiting
3	OPD – Psychiatry Consultation	₹700	Fixed enhanced rate for psychiatric consultations
4	Indoor (IPD) Consultation – Specialist / Super Specialist	₹350	Same flat rate for indoor consultations irrespective of specialty
5	Eye Consultation	₹350	Includes refraction, tonometry and fundus examination

➤ **Example:** If a CGHS beneficiary consults a cardiologist (specialist) in OPD, the consultation fee payable will be **₹350**.

📌 **Exam Tip:** OPD Specialist consultation fee under CGHS = **₹350**.

### Important Conditions for Consultation

- Consultation fee includes **examination consumables** such as:
  - paper gloves
  - unsterile gloves
  - examination gloves
- These consumables **cannot be charged separately**.
- Each consultation remains **valid for 7 days**, provided:
  - the consultation is for the **same disease**, and

- the **same medical specialty** is consulted.

➤ **Example:** If a patient consults a dermatologist today, another consultation within **7 days for the same skin problem** will be treated as the same consultation.

📌 **Exam Tip:** Consultation validity under CGHS = **7 days for the same specialty**.

### ICU Charges under CGHS

ICU charges are standardized for both **NABH-accredited and Non-NABH hospitals**.

**Table: ICU Charges**

Hospital Category	ICU Rate (₹ per day)
NABH / Non-NABH Hospital	₹5,400

### Important Points

ICU charges include:

- Monitoring charges
- Oxygen charges

However, **ventilator charges are excluded** and may be charged separately.

➤ **Example:** If a patient is admitted in ICU for 3 days, the ICU charges will be **₹16,200 (₹5,400 × 3 days)**.

📌 **Exam Tip:** ICU charges under CGHS = **₹5,400 per day**.

### Ward Charges under CGHS

Ward entitlement depends on the **basic pay or pension of the beneficiary**.

Ward charges include:

- bed charges
- patient diet
- water and electricity
- linen
- nursing care
- housekeeping
- Resident Medical Officer (RMO) / Duty Medical Officer charges

**Table: Ward Charges under CGHS**

S. No.	Category	Pay Level / Basic Pay	Description	Room Charges (₹ per day)
1	General Ward	Up to ₹36,50	Hall accommodating <b>4–10 patients</b>	₹1,500

2	Semi-Private Ward	₹36,501 – ₹50,500	Room for 2–3 patients, attached toilet, AC, nurse call system	₹3,000
3	Private Ward	₹50,501 and above	Single patient room, attached toilet, AC, furnishings and attendant bed	₹4,500

➤ **Example:** If a CGHS beneficiary has basic pay ₹45,000, he is eligible for a **Semi-Private Ward costing ₹3,000 per day.**

📌 **Exam Tip:** Ward entitlement depends on **basic pay or pension level.**

### 📌 ICU / Critical Care Units

ICU charges are the same for all ward entitlement categories.

**Table: Critical Care Charges**

Type of Unit	Charges (₹ per day)	Notes
ICU / ICCU / NICU / PICU / HDU / Isolation Ward	₹5,400	Monitoring and oxygen included; ventilator excluded

➤ **Example:** Even if a patient is entitled to a general ward, ICU charges remain **₹5,400 per day.**

📌 **Exam Tip:** ICU charges are **same for all ward categories.**

### 📌 Day Care Charges

Day care treatment refers to procedures that **do not require overnight hospitalization.**

These procedures normally require **6 to 8 hours of observation.**

**Table: Day Care Charges**

Category	Description	Charges (₹)
Day Care Procedure	Procedures requiring monitoring without full admission	₹1,500

Examples of day care procedures:

- minor surgeries
- endoscopy
- short diagnostic procedures

➤ **Example:** If a patient undergoes a minor procedure requiring monitoring for 6 hours, the hospital may charge **₹1,500 as day care charges.**

📌 **Exam Tip:** Day care charges under CGHS = **₹1,500.** The text you shared explains **CGHS medical facilities**, especially **hospital accommodation, free diet, and referral procedures** for government employees and pensioners. It is governed under the **Central Government Health Scheme.**

### Hospital Accommodation Entitlement

Hospital room type depends on the **Basic Pay (7th CPC).**

Basic Pay (7th CPC)	Ward Entitlement in Private Hospitals (CGHS Empanelled)	Ward in AIIMS
Up to ₹36,500	General Ward	General
₹36,501 – ₹50,500	Semi-Private Ward	General
₹50,501 – ₹63,100	Private Ward	General
₹63,101 – ₹80,900	Private Ward	Private
₹80,901 and above	Private Ward	Deluxe / Private

This applies in hospitals recognized under **Central Government Health Scheme**, including hospitals like **All India Institute of Medical Sciences New Delhi.**

### 2. Nursing Home Facilities

Nursing home facilities in Government/State hospitals are available for those drawing:

- **₹47,600 per month or above** (pay/pension/family pension).

### 3. Free Diet Facility

Free diet is available only for:

- Patients undergoing treatment for **TB**
- Patients undergoing treatment for **mental illness**

Other patients may get free diet only if their **pay/pension is up to ₹44,900.**

### 4. Referral to Private Hospitals

CGHS beneficiaries can get treatment in **empanelled private hospitals** if:

1. A CGHS/Government hospital specialist recommends treatment.
2. The beneficiary chooses a CGHS empanelled hospital.
3. A permission letter is issued before admission.

Important:

- No bed availability certificate is required from government hospitals.

### 5. Emergency Treatment

In emergency:

- Patient can directly go to CGHS empanelled private hospital.
- Hospital must inform CGHS authority within 24 hours.

### 6. OPD Treatment Rules

OPD treatment is **not allowed** in private hospitals except for follow-up treatment after surgery such as:

- Neurosurgery
- Cardiac surgery (CABG, angioplasty)
- Cancer treatment
- Kidney transplant
- Joint replacement
- Accident cases

### 7. Medical Reimbursement Limits

Medical reimbursement approval authority:

Amount	Authority
₹2,000 (OPD) / ₹5,000 (IPD)	Head of Office
Up to ₹2 lakh	Head of Department
₹2–5 lakh	Department authority
Above ₹5 lakh	Ministry with Finance Division

#### Important Point:

Reimbursement will be **only up to CGHS package rates**.

If the hospital charges more, **the extra amount must be paid by the patient**.

### Hospital Accommodation and Free Diet

Under CGHS, the **type of hospital ward accommodation and free diet facility** depends on the **basic pay / pension / family pension of the beneficiary**.

This determines whether the patient is entitled to a **General Ward, Semi-Private Ward, or Private Ward**.

### (a) Entitlement of Hospital Accommodation

#### Ward Entitlement Based on Basic Pay (7th CPC)

Sl. No	Basic Pay / Pension (7th CPC)	Ward Entitlement in CGHS Empanelled Private Hospitals	Ward Entitlement in AIIMS, New Delhi
1	Up to ₹36,500	General Ward	General Ward
2	₹36,501 – ₹50,500	Semi-Private Ward	General Ward
3	₹50,501 – ₹63,100	Private Ward	General Ward
4	₹63,101 – ₹80,900	Private Ward	Private Ward
5	₹80,901 and above	Private Ward	Deluxe / Private Ward

➤ **Example:** If an employee draws ₹45,000 basic pay, he will be entitled to a **Semi-Private Ward in CGHS empanelled hospitals**.

📌 **Exam Tip:** Ward entitlement depends on basic pay / pension level under 7th CPC.

### Nursing Home Facilities in Government Hospitals

Beneficiaries drawing **₹47,600 per month or above** (pay/pension/family pension) are eligible for **Nursing Home facilities** in Government / State Government / Municipal hospitals.

➤ **Example:** A pensioner receiving ₹50,000 pension can avail **Nursing Home facility in Government hospitals**.

📌 **Exam Tip:** Nursing Home facility is available if **pay/pension ≥ ₹47,600**.

### (b) Free Diet Facility

CGHS provides **free diet in Central Government hospitals** under specific conditions.

Table – Eligibility for Free Diet

Category	Free Diet Eligibility
Patients treated for TB or Mental Disease in Central Government Hospitals	Free diet allowed
Other patients	Allowed if pay/pension ≤ ₹69,700
Very low pay/pension cases	Up to ₹44,900

➤ **Example:** A patient receiving treatment for **Tuberculosis in a Government hospital** will receive **free diet**.

📌 **Exam Tip:** Free diet is available mainly for **TB and mental**

### I disease patients in Government hospitals.(c) Procedure for Referral to Recognized Hospitals

CGHS beneficiaries can receive specialized treatment in **empanelled private hospitals**.

This requires **recommendation from a CGHS specialist or Government hospital specialist**.

Importantly, **a certificate stating non-availability of beds in Government hospital is not required**.

➤ **Example:** If a CGHS specialist recommends heart surgery, the patient may choose any CGHS empanelled hospital.

📌 **Exam Tip:** No **bed-availability certificate** is required for referral to empanelled hospitals.

### Definition of Government Hospital

For CGHS purposes, **Government hospital includes:**

- Central Government hospitals
- State Government hospitals
- Railway hospitals
- Atomic Energy Commission hospitals
- Public Sector Undertaking hospitals

➤ **Example:** A Railway hospital is considered a **Government hospital under CGHS**.

📌 **Exam Tip:** Government hospital includes **Central, State, Railway and PSU hospitals**.

### Procedure for Obtaining Administrative Approval

For **non-emergency treatment**, certain documents are required before issuing the permission letter.

#### Documents Required

1. Photocopy of **valid CGHS card**
2. **Request letter** from beneficiary mentioning hospital choice
3. Copy of **prescription from CGHS/Government hospital specialist**

Permission must always be issued **before the patient visits the private hospital**.

➤ **Example:** Before undergoing knee replacement surgery in a private hospital, the beneficiary must obtain permission from CGHS.

📌 **Exam Tip:** Permission letter must be issued **before treatment in private hospital**.

### Referral by CGHS Medical Officer

If the **CMO In-charge can diagnose the illness**, he may directly refer the patient for certain procedures such as:

- Cataract surgery

However, for **major specialized procedures**, a **specialist's opinion is required**.

### Specialized Cases Requiring Specialist Opinion

- Heart diseases
- Joint replacement
- Organ transplantation

➤ **Example:** A cataract patient may be referred by CMO directly to an empanelled hospital.

📌 **Exam Tip:** Major surgeries require **specialist recommendation**.

### Emergency Admission

In emergency situations:

- The patient may directly go to a **CGHS empanelled hospital**.
- The hospital must inform CGHS authorities **within 24 hours**.

➤ **Example:** If a CGHS beneficiary suffers a heart attack, he may be admitted directly to an empanelled hospital.

📌 **Exam Tip:** Emergency admission allowed without prior permission.

### OPD Treatment in Private Hospitals

Normally, **OPD treatment is not allowed in private empanelled hospitals**.

However, follow-up treatment is allowed for certain surgeries.

### Conditions Where Follow-up OPD is Allowed

Condition
Neurosurgery
Cardiac Surgery (CABG / Angioplasty)
Cancer treatment
Kidney transplantation
Joint replacement
Accidental injuries

➤ **Example:** After bypass surgery, the patient may receive follow-up treatment in the same hospital.

📌 **Exam Tip:** OPD in private hospitals allowed only for **post-operative follow-up**.

### Reimbursement Limit

CGHS reimburses expenses only up to the **approved CGHS package rates**.

Any amount beyond this must be **paid by the beneficiary**

➤ **Example:** If hospital charges ₹2,00,000 but CGHS package rate is ₹1,50,000, CGHS will reimburse only ₹1,50,000.

📌 **Exam Tip:** Reimbursement limited to **CGHS package rates**.

### Treatment in Another City

If the treatment facility exists in the beneficiary's city but the patient chooses another city:

- Permission from CGHS authorities is required.
- **No T.A./D.A. will be paid.**

➤ **Example:** If surgery is available in Delhi but the patient chooses Mumbai, travel expenses will not be reimbursed.

📌 **Exam Tip:** No TA/DA if treatment is voluntarily taken in another city.

### Pensioners Seeking Treatment in Another City

If treatment is **not available in the same city**, CGHS authorities may allow treatment in another city.

In such cases:

- Travel expenses may be reimbursed
- Limited to the **nearest referral hospital**

➤ **Example:** If a special surgery is unavailable in a small city, the pensioner may be referred to the nearest major city.

📌 **Exam Tip:** TA allowed if treatment **not available in the local city**.

### Procedures Without CGHS Rates

If CGHS has not fixed rates for a procedure:

- The Head of Department may approve reimbursement **up to ₹20,000** based on AIIMS rates.

If AIIMS rates are also unavailable:

- Reimbursement may be made **based on actual cost**.

➤ **Example:** If a rare test has no CGHS rate, reimbursement may follow **AIIMS rate**.

📌 **Exam Tip:** When CGHS rate unavailable → **AIIMS rate is used**.

### Delegation of Powers for Medical Claims

#### Authority for Medical Claim Settlement

Authority	Claim Limit
Head of Office	OPD ₹2,000 / IPD ₹5,000

Head of Department	Up to ₹2 lakh
Head of CGHS City	Up to ₹2 lakh (Pensioners)
Ministry / Department (without IFD consultation)	₹2 lakh – ₹5 lakh
Ministry / Department (with IFD consultation)	Above ₹5 lakh

➤ **Example:** A medical claim of ₹1.5 lakh may be approved by the **Head of Department**.

📌 **Exam Tip:** Head of Department can approve claims **up to ₹2 lakh**.

### Simplified Procedure for Treatment in Private Empanelled Hospitals

CGHS simplified the procedure for treatment in empanelled hospitals.

#### Key Rules

1. Beneficiaries can undergo treatment in **any CGHS empanelled hospital** based on specialist advice.
2. **No additional permission letter is required** if the treatment procedure exists in CGHS rate list.
3. CGHS doctor should not recommend a **specific hospital by name**.

Instead, the prescription should state:

**“Referred to any CGHS empanelled hospital.”**

➤ **Example:** A patient requiring cataract surgery may choose any CGHS empanelled hospital.

📌 **Exam Tip:** Doctors must refer to **“any CGHS empanelled centre”**, not a specific hospital.

### Cashless Treatment Facility

Empanelled hospitals must provide **cashless treatment** to:

- Pensioners
- Ex-Members of Parliament
- Freedom Fighters
- Serving Government employees eligible for credit facility

Hospitals must attach the **prescription issued by CGHS or Government specialist** with the hospital bill.

➤ **Example:** A CGHS pensioner undergoing surgery in an empanelled hospital can receive **cashless treatment**.

📌 **Exam Tip:** Cashless facility available for **pensioners and eligible CGHS beneficiaries**.

### Emergency Admission in Empanelled Hospitals

Empanelled hospitals **cannot refuse treatment** to CGHS beneficiaries in emergency.

They also **cannot demand advance payment**.

Failure to provide treatment may lead to **cancellation of hospital empanelment**.

➤ **Example:** If a CGHS beneficiary arrives with a medical emergency, the hospital must admit him without demanding advance payment.

📌 **Exam Tip:** Hospitals cannot refuse **emergency admission to CGHS beneficiaries**.

## 8. Simplification of Referral System

To make treatment easier for beneficiaries, CGHS introduced a **simplified referral system**.

This allows CGHS beneficiaries to consult specialists in **empanelled private hospitals** with fewer formalities.

### (i) OPD Consultation with Specialists in Empanelled Hospitals

All CGHS beneficiaries in any CGHS city may consult **specialists in CGHS empanelled private hospitals**.

#### Conditions

- Referral must be given by a **Medical Officer of CGHS Wellness Centre**.
- Referral is usually mentioned on the **computer-generated prescription slip**.

After consultation, the beneficiary must return to the **CGHS Wellness Centre**, where:

- the **MO/CMO will endorse investigations or treatment procedures**, and
- medicines will be issued according to CGHS guidelines.

➤ **Example:** A CGHS patient with heart disease may obtain referral from the Wellness Centre and consult a cardiologist in a CGHS empanelled private hospital.

📌 **Exam Tip:** OPD consultation in empanelled hospitals requires **referral from CGHS Wellness Centre doctor**.

### Listed vs Unlisted Procedures

#### Listed Investigations / Procedures

If the investigation or procedure is already listed in the **CGHS rate list**, it can be endorsed directly by the CMO.

#### Unlisted Investigations / Procedures

Category	Permission Authority
Pensioners	Competent Authority through CGHS

Serving Employees	Concerned Ministry / Department
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➤ **Example:** If a rare diagnostic test is not in the CGHS rate list, the pensioner must obtain approval from the CGHS competent authority.

📌 **Exam Tip:** Unlisted procedures require **permission from Competent Authority**.

#### Validity of Referral

A referral issued by a **CGHS Medical Officer or CGHS Specialist** has specific validity rules.

#### Referral Validity Rules

Referral Type	Validity
Specialist consultation	30 days
Maximum consultations	3 consultations
Maximum specialists in one visit	3 specialists
Listed investigations	Valid for 30 days

➤ **Example:** If a patient receives referral on 1 June, he may consult specialists in the same hospital until **30 June**.

📌 **Exam Tip:** Referral validity = **30 days and maximum 3 consultations**.

#### (i-a) Referral When Beneficiary Cannot Visit Wellness Centre

Sometimes patients cannot physically visit the Wellness Centre.

#### In such cases:

- A **representative may submit the request**.
- The CGHS doctor may issue referral based on the documents.

If required, the doctor may:

- contact the beneficiary through **video call**, or
- conduct a **home visit**.

➤ **Example:** A bedridden patient may receive referral through a family member submitting documents.

📌 **Exam Tip:** Physical presence is **not mandatory** for referral in special cases.

### Supply of Medicines Prescribed by Specialists

Medicines prescribed by specialists will be supplied by CGHS according to the **generic name available in the Wellness Centre**.

#### If generic medicine is not available

- An **alternative brand with the same composition** will be provided.

### If the medicine is not available at all

- It will be procured from an **Authorized Local Chemist**.

➤ **Example:** If a specialist prescribes a branded medicine, CGHS may provide the same medicine in **generic form**.

📌 **Exam Tip:** CGHS usually supplies medicines by **generic name**.

### Validity of Advice for Listed Treatment Procedures

Advice from a **Government Specialist or CGHS Medical Officer** for listed treatment procedures is valid for:

**3 months**

During this period, the patient may undergo treatment in **any CGHS empanelled hospital of his/her choice**.

No additional referral or permission letter is required.

➤ **Example:** If a doctor advises cataract surgery on 1 March, the patient can undergo surgery until **31 May**.

📌 **Exam Tip:** Advice for listed procedures is valid for **3 months**.

### Emergency Investigations

If a listed investigation advised by a specialist is required urgently and certified as an emergency:

- It may be performed **in the same empanelled hospital immediately**.

➤ **Example:** If a patient requires urgent cardiac investigation, it can be performed immediately in the empanelled hospital.

📌 **Exam Tip:** Emergency investigations can be done **without additional permission**.

### Referral Format

Referrals issued by CGHS doctors may be:

- computer-generated, or
- handwritten with **official stamp and signature**.

➤ **Example:** A manually signed referral by a CGHS doctor is valid if it carries the official stamp.

📌 **Exam Tip:** Referral may be **computerized or manual**.

### Charges for Specialist Consultation

Empanelled hospitals must provide OPD consultation to CGHS beneficiaries.

They **cannot charge more than CGHS consultation rates**.

➤ **Example:** If CGHS consultation fee is ₹350, the hospital cannot charge ₹500.

📌 **Exam Tip:** Hospitals cannot charge more than **CGHS consultation fee**.

### Special Validity for Certain Treatments

### Haemo-Dialysis

Advice for haemodialysis may remain valid for **6 months**.

### Radiotherapy / Chemotherapy

Advice is valid for **all cycles of treatment**, provided the specialist specifies the procedure.

➤ **Example:** If a patient requires chemotherapy for cancer, the referral remains valid for the entire treatment cycle.

📌 **Exam Tip:** Dialysis advice valid **6 months**, chemotherapy advice valid for **all cycles**.

### Post-Operative Follow-Up Treatment

For certain surgeries, follow-up consultation may continue in the same empanelled hospital.

#### Conditions Covered

Post-operative Condition
Post-cardiac surgery / angioplasty
Post-organ transplant (liver, kidney, heart)
Post-neurosurgery or brain stroke
End-stage renal disease
Liver failure
Cancer treatment
Autoimmune disorders (e.g., Rheumatoid arthritis)
Neurological disorders (e.g., Parkinson's, Dementia)

These cases may continue follow-up treatment **without time limit**.

➤ **Example:** A kidney transplant patient may continue follow-up treatment indefinitely at the same hospital.

📌 **Exam Tip:** Certain chronic conditions allow **unlimited follow-up consultation**.

### Submission of Permission Letter

Beneficiaries must submit a **self-attested photocopy of permission letter** to the hospital.

### Claim Submission

Category	Authority
Pensioners	CGHS

Members of Parliament	Lok Sabha / Rajya Sabha Secretariat
Serving Employees	Ministry / Department
Autonomous Body Employees	Concerned Autonomous Body

➤ **Example:** A serving employee must submit the permission letter to his **department for reimbursement**.

📌 **Exam Tip:** Serving employees submit claims to **their department**.

## Non-Listed Procedures

If a specialist advises **investigations or procedures not included in CGHS rate list**, permission from the **Competent Authority** is required.

However, in **emergency cases**, treatment may proceed without prior permission.

➤ **Example:** If a rare surgery not included in CGHS rate list is required, approval must be obtained from CGHS authority.

📌 **Exam Tip:** Non-listed procedures require **prior approval unless emergency**.

### Key Concept to Remember

Topic	Key Rule
Referral validity	30 days
Consultation limit	3 consultations
Listed procedure advice	3 months
Dialysis validity	6 months
Chemotherapy	Valid for all cycles

## Powers Delegated to Additional Directors of CGHS Cities/Zones

Certain administrative powers are delegated to **Additional Directors of CGHS Cities/Zones** for cases related to **pensioners, ex-Members of Parliament, freedom fighters, etc.**

These powers can be exercised **without relaxation of CGHS rules**.

### 1. Permission for Treatment in Non-Empanelled Hospitals

Additional Directors may grant **permission or ex-post facto approval** for treatment in **non-empanelled hospitals, diagnostic labs, or imaging centres**.

#### Conditions

- Applies mainly to **elective treatments or investigations**.
- Reimbursement will be limited to **CGHS package rates or actual expenditure, whichever is less**.

➤ **Example:** If a pensioner undergoes MRI scan in a non-empanelled diagnostic centre, reimbursement will be limited to the **CGHS rate for MRI**.

📌 **Exam Tip:** Treatment in non-empanelled hospitals is reimbursed only up to **CGHS package rates**.

### 2. Approval in Cases of Procedural Lapse

Sometimes treatment may be taken in empanelled hospitals **without proper referral or prior permission**. Additional Directors can approve such cases.

#### Examples of Procedural Lapse

- No recommendation from **Government Specialist or CGHS CMO**

- Treatment taken without **prior permission**

However:

- Reimbursement will still be limited to **CGHS package rate or actual expenditure (whichever is lower)**.

➤ **Example:** If a pensioner undergoes surgery in an empanelled hospital without referral, Additional Director may approve reimbursement up to CGHS rates.

📌 **Exam Tip:** Procedural lapses may be condoned but reimbursement remains limited to **CGHS rates**.

### 3. Delegation of Powers for Medical Reimbursement Claims

#### Settlement Powers for Pensioner Beneficiaries

Authority	Medical Claim Limit	Hospital Bills (Approved Rates)	Unlisted Procedures / Implants
Additional Director, CGHS City/Zone	₹7,00,000	₹7,00,000	₹1,00,000
Director, CGHS	₹15,00,000	₹15,00,000	₹1,50,000
Additional Secretary & DG, CGHS	₹25,00,000	₹25,00,000	₹1,50,000

#### If No CGHS Rate Exists

If treatment or implant has **no CGHS package rate**:

1. **AIIMS package rate** will be used.
2. If AIIMS rate also does not exist → reimbursement may be made **as per actual expenditure**.

➤ **Example:** If a rare implant has no CGHS rate but AIIMS rate is ₹80,000, reimbursement will be based on **AIIMS rate**.

📌 **Exam Tip:** When CGHS rate unavailable → **AIIMS rate is applied**.

## Guidelines for Settlement of Medical Claims

### 1. Timeline for Settlement of Medical Claims

CGHS has fixed a timeline for settlement of **normal medical reimbursement claims**.

#### Timeline

The entire process—from submission of claim to payment—must be completed within:

**30 days**

Payment is made by the **Pay and Accounts Office (PAO)**.

Proper calculation sheets should be prepared to explain **any deductions** to beneficiaries.

➤ **Example:** If a pensioner submits a claim on 1 July, payment should be completed by **31 July**.

📌 **Exam Tip:** Medical claims must be settled within **30 days**.

### 2. Full Reimbursement Cases

In special situations, CGHS may allow **full reimbursement even beyond CGHS package rates**.

These cases are divided into two categories:

1. **Non-HPC cases**
2. **HPC cases (High Power Committee cases)**

#### (a) Full Reimbursement – Non-HPC Cases

The following situations may qualify for full reimbursement without referring the case to High Power Committee.

#### Situations Covered

Situation
Emergency treatment in private unrecognized hospital when patient was unconscious
Emergency treatment for head injury, coma, septicemia, multi-organ failure
Emergency treatment for advanced cancer
Treatment taken in higher accommodation due to non-availability of entitled ward
Isolation required to prevent infection

Treatment taken during strike in Government hospitals
Emergency treatment during official tour in non-CGHS area

➤ **Example:** If a patient suffering from coma is admitted in a nearby private hospital during emergency, full reimbursement may be considered.

📌 **Exam Tip:** Emergency treatment in **unrecognized hospital may qualify for full reimbursement**.

### Expert Committee Review

Certain cases require **expert committee review**, such as:

- Head injury
- Coma
- Septicemia
- Advanced cancer

However, administrative cases such as:

- higher accommodation due to non-availability
- hospital strikes
- emergency during official tour

may be approved directly by the **Additional Director**.

➤ **Example:** If treatment was taken during a strike in Government hospitals, Additional Director may approve reimbursement.

📌 **Exam Tip:** Administrative cases do **not require expert committee review**.

### Approval Process for Full Reimbursement

1. Additional Director prepares a **self-contained note**.
2. File is sent to **Director CGHS**.
3. Approval is obtained from:

- **Additional Secretary & DG CGHS**
- **Internal Finance Division (IFD)**
- **Secretary, Health & Family Welfare**

➤ **Example:** If reimbursement exceeds CGHS package rate, final approval must come from **Secretary (Health & Family Welfare)**.

📌 **Exam Tip:** Full reimbursement beyond CGHS rates requires **Secretary H&FW approval**.

#### (b) Full Reimbursement – HPC Cases

Certain cases require approval from the **High Power Committee (HPC)**.

#### Composition of High Power Committee

Position	Role
Special Director General, DGHS	Chairperson
Director, CGHS	Member
Additional Director CGHS (HQ) / Additional DDG	Member

Additional Director CGHS (R&H)	Member Secretary
Government Specialist (Concerned Specialty)	Member

➤ **Example:** A complex medical reimbursement case requiring rule relaxation may be referred to the HPC.

📌 **Exam Tip:** High Power Committee is chaired by Special Director General (DGHS).

### Cases Considered by High Power Committee

The HPC considers cases related to:

1. **Air travel approval** for treatment in another city.
2. Requests for **full reimbursement under special circumstances**.
3. **Relaxation of CGHS rules**.

➤ **Example:** If a patient requires air travel to another city for treatment, HPC approval may be required.

📌 **Exam Tip:** HPC deals with **air travel approvals and rule relaxation cases**.

### HPC Meeting Schedule

- The High Power Committee meets **once every month**.
- Decisions are implemented within **7 days of the meeting**.

➤ **Example:** If HPC meets on 10 August, implementation of its decisions must be completed by **17 August**.

📌 **Exam Tip:** HPC decisions must be implemented within **7 days**.

### Additional Expert Committees

Certain medical cases are handled by specialized expert committees.

#### Examples

- Liver transplant cases
- Bariatric surgery cases
- Bone marrow / stem cell transplant
- Implant justification cases
- Cochlear implant approval
- Approval of certain expensive drugs

➤ **Example:** A liver transplant case may require expert committee approval.

📌 **Exam Tip:** Special procedures like **liver transplant** require expert committee review.

### 4. Timelines for Settlement of Pensioner Medical Claims

#### Procedure

1. Pensioner submits claim to **CMO in-charge of CGHS Wellness Centre**.
2. CMO assigns a **serial number** and forwards claim to Additional Director CGHS.
3. Claim is processed by **Dealing Assistant and CMO**.
4. After approval by Additional Director, bill is sent to **Pay and Accounts Office (PAO)**.
5. Payment is made through **ECS (Electronic Clearing System)**.

#### Timeline

The entire process must be completed within **30 days from submission of claim**.

➤ **Example:** If a pensioner submits medical claim on 5 May, payment should be completed by **4 June**.

📌 **Exam Tip:** Medical reimbursement for pensioners must be completed within **30 days**.

#### Points

Topic	Key Rule
Settlement timeline	30 days
Additional Director claim limit	₹7 lakh
Director CGHS claim limit	₹15 lakh
DG CGHS claim limit	₹25 lakh
Referral validity	30 days
Listed treatment advice	3 months
Dialysis referral validity	6 months

### 1. Time Limits for Settlement of Medical Claims

Type of Medical Claim	Time Limit
Claims requiring higher authority approval (Delhi)	<b>45 days</b>
Claims requiring higher authority approval (Other cities)	<b>60 days</b>
Claims requiring specialist opinion	<b>45 days</b>

Important rule:

- **CMO In-charge must verify documents before accepting claims** so that claims are not returned later.

### 2. Submission of Files for Approval

When approval from **Directorate / Ministry** is required:

- Additional Director must send **only an e-file**
- Include **self-contained note + recommendation**
- Attach **relevant scanned documents only**

Important principle: ➔ Medical claims should **not be rejected for minor procedural lapses**.

### 3. Reimbursement with Medical Insurance

CGHS beneficiaries who also have **medical insurance policies**:

- Can claim from **both Insurance Company and CGHS**

But:

**Total reimbursement cannot exceed actual treatment cost.**

Example: Treatment cost = ₹1,00,000

Insurance pays = ₹60,000

CGHS reimbursement allowed = ₹40,000

### 4. Post-Facto Approval by Head of Department (HoD)

HoD can approve treatment taken:

- In **empanelled hospital without prior permission**

Conditions:

- Prescription must be from **Government Specialist**
- Reimbursement limited to **CGHS ceiling rates**

### 5. Treatment in Non-Empanelled Hospitals

HoD may grant **post-facto approval** in genuine cases.

Conditions:

- Non-emergency treatment allowed in **special circumstances**
- Reimbursement limited to **CGHS prescribed rates**

### 6. Treatment During Grace Period After Retirement

Medical reimbursement allowed for treatment taken within:

**3 months from date of retirement**

After 3 months:

- Reimbursement generally **not allowed**, unless special conditions are satisfied.

### 7. Validity of Prescription for Diagnostic Tests

Prescription for investigations by:

- CGHS Medical Officer
- Government Specialist

Validity:

**Single use within 2 weeks**

Unless doctor specifies a different validity.

### 8. Referral Rules for Diagnostic Centres

Doctors **must not refer by hospital name**.

Instead they must write:

**“Referred to CGHS empanelled centre.”**

This avoids favoritism toward specific hospitals.

### 9. Medicines in Chronic Diseases

For chronic conditions like:

- Diabetes
- Hypertension
- Heart disease
- Epilepsy
- Tuberculosis

CGHS doctor may continue issuing medicines **even if specialist prescription expired**, provided:

- Patient condition is stable.

However:

Regular specialist follow-up is recommended for:

- Chemotherapy
- Immunosuppressant therapy.

### 10. Chronic Treatment Prescription Rules

If diagnosis and treatment plan already decided by specialist:

- Patient **need not visit specialist again just to extend prescription validity**

CGHS doctor can:

- Continue medicines.

But specialist consultation required if:

- Diagnosis changes
- Treatment plan changes.

### 11. Medicines After Hospital Discharge

CGHS beneficiaries can receive medicines from Wellness Centre for:

**Up to 7 days after discharge** from empanelled private hospital.

### 12. Processing Incomplete Claims

If claim documents are incomplete:

Additional Director should check for **minor deficiencies**, such as:

- Copy of CGHS card
- Emergency certificate
- Hospital bed ticket

If missing:

- Beneficiary must be informed **within 5 working days**.

Communication should be through:

- Speed post
- Phone / Email.

### 13. Priority Processing

Medical claims of beneficiaries aged:

**80 years and above**

Must be processed **on priority basis**.

### 14. Time Limit for Submitting Medical Claims

Final claim must be submitted within:

**6 months from date of treatment / discharge**

If submitted after 6 months:

- Delay must be **condoned by competent authority**.

## 15. Documents Required for Relaxation Cases

If reimbursement above CGHS limits is requested, the following documents must be submitted.

### Mandatory Documents

1. Recommendation from **Joint Secretary / HoD**
2. Patient details and **CGHS Card copy**
3. Detailed **treatment expenditure breakdown**
4. Amount admissible under **CGHS rates**
5. Medical reimbursement claim form
6. Permission letter / sanction order
7. Details of advance paid
8. Hospital details and treatment period
9. Hospital bills
10. Investigation reports
11. Discharge summary
12. Emergency certificate (if applicable)
13. Contact details of responsible officer

## 16. Issue of Medicines at CGHS Wellness Centres

### Medicine Supply Duration

For chronic diseases:

**Maximum 3 months medicines at a time**

Examples:

- Diabetes
- Hypertension
- TB
- Heart disease

### Prescription Revalidation

CMO can revalidate prescription and issue medicines again for:

**Another 3 months**

Maximum total duration without specialist visit:

**6 months**

After that:

Patient must consult **Government specialist again**.

## 17. Medicines for Beneficiaries Going Abroad

CGHS beneficiaries traveling abroad may receive medicines for:

**Up to 6 months**

Documents required:

- CGHS card copy
- Valid prescription
- Travel documents (visa / ticket)

## 18. Drug Supply Rules

Medicines issued:

- As per **CGHS formulary**
- If drug not available in formulary:
- Can be procured through **authorized chemist**.

## 19. Special Drugs (Not Approved by DCGI)

For certain drugs not approved by **Drug Controller General of India (DCGI)**:

- Case must be reviewed by **Expert Committee of DGHS**.

## 20. Reimbursement for Unlisted Procedures

If procedure or implant is not in CGHS list:

Reimbursement based on:

1. **AIIMS rates**
2. **GB Pant Hospital rates**
3. **Actual expenditure**

Whichever is **lowest**.

## 21. Prescription Rules for Doctors

CGHS doctors must:

- Prescribe medicines **in generic name**
  - Write prescriptions **clearly in CAPITAL LETTERS**
- Goal:
- Promote **rational drug use**

## Special Provisions for Senior Citizens

### 1. Special Facilities for CGHS Beneficiaries Aged 80 Years and Above

The Government has introduced special facilities to support very elderly CGHS beneficiaries.

#### Facilities Available

1. **Doctor consultation without standing in queue** at CGHS Wellness Centre.
2. **Monthly welfare call / home visit**
  - CGHS doctors will call **at least once every month** to enquire about their health.
  - If the beneficiary lives within **5 km of the Wellness Centre**, the doctor may make a **home visit**.
3. **Priority settlement of medical claims**
  - Medical reimbursement claims are processed **out of turn**.
4. **Follow-up treatment with same specialist**
  - Even in **non-empanelled hospitals**, if the patient was earlier treated there.

- Allowed due to difficulty in changing physician at advanced age.

Condition:

- Reimbursement limited to **CGHS rates**.

## 2. Relaxation for CGHS Beneficiaries Aged 75 Years and Above

Special relaxation of referral rules is available.

### Direct Specialist Consultation

CGHS beneficiaries aged 75+ may:

- directly consult specialists in **CGHS empanelled private hospitals** ⇒ Referral from CGHS Wellness Centre is NOT required.

## Investigations / Procedures

If specialist advises tests:

Situation	Rule
Emergency investigations	No authorization required
Non-emergency unlisted procedures	Approval of competent authority required

Important rule:

Medicines prescribed by specialists must be obtained from:

**CGHS Wellness Centre**

### Diagnostic Tests

Investigations at empanelled labs **cannot be done without prescription** from:

- Government specialist
- CGHS Medical Officer
- Specialist of empanelled hospital

Unlisted investigations require:

**Approval of competent authority.**

### Cashless Treatment

Private hospitals empanelled under CGHS must provide **cashless treatment at CGHS rates** for:

- Pensioners
- Members of Parliament
- Ex-MPs

- Freedom Fighters
- Other eligible CGHS beneficiaries

## Dependants Above 75

Dependants aged 75+ of serving employees:

- Not eligible for cashless treatment.

They must:

- claim reimbursement from **concerned Ministry/Department**.

Employees of **Autonomous Bodies / Statutory Bodies**:

- claim reimbursement from **their organization**.

## Annual Health Check-Up

Primary CGHS cardholders aged 75+ can undergo:

### Annual Health Check-up

Conditions:

- Conducted at **CGHS empanelled hospitals**
- Permission issued by **CMO In-charge of Wellness Centre**
- Cashless facility available
- Charged at **CGHS rates**

## 3. CGHS Rules for Employees Under New Pension Scheme (NPS)

### Eligibility after Retirement

Minimum qualifying service required for CGHS membership:

**10 years**

### Exception

No minimum service required in case of:

- Death
- Disability

### Absorption in Autonomous Bodies / Statutory Bodies

NPS employees absorbed into **AB/SB** can avail CGHS after retirement only if:

- The **AB/SB** provides CGHS facility to its retired employees.

### Deputation to AB/SB

During deputation:

- CGHS facility **not available**

Unless:

- The organization itself is covered under CGHS.

### For Serving NPS Employees

Existing CGHS rules continue to apply.

Other conditions remain same for:

- Definition of family
- CGHS contribution
- Dependency rules.

#### 4. Emergency Treatment in Non-Empanelled Hospitals

CGHS beneficiaries may take treatment in:

- Government hospitals
- Empanelled private hospitals
- **Any private hospital (in emergency)** if emergency treatment taken in **non-empanelled hospital**:

Reimbursement limited to:

CGHS rates OR actual cost (whichever is lower).

y)

#### Reimbursement Rule

#### Use of Health Insurance

Beneficiaries can use their **health insurance policy**.

Dual claim allowed:

1. First claim to **insurance company**
2. Remaining claim to CGHS

But:

Total reimbursement cannot exceed **actual treatment cost**.

#### Emergency Treatment in Empanelled Hospital

In emergency:

CGHS Wellness Centre / Nodal Officer may issue a letter to hospital stating:

**“Bills shall be paid as per CGHS rules.”**

Hospital must provide **credit (cashless) facility**.

## CHAPTER: 04. CENTRAL SERVICES (MEDICAL ATTENDANCE) RULES, 1944

(CSMA-1944)

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### PREAMBLE

The **Central Services (Medical Attendance) Rules, 1944** were made by the Government under the powers given in **Section 241(2) read with Section 313(3) of the Government of India Act, 1935**.

These rules were created to regulate the **medical treatment and medical facilities available to Government servants** when they fall ill while serving the Government.

The rules explain:

- who is entitled to medical attendance
- who can provide medical treatment
- what types of treatment are allowed
- what facilities are included in treatment in Government hospitals

In simple terms, these rules ensure that **Government employees receive proper medical care at Government expense when they fall ill**.

#### ➤ Example:

If a Central Government employee becomes sick while on duty, these rules decide **where he will get treatment and what medical expenses will be covered**.

📌 **Exam Tip:**

**Central Services (Medical Attendance) Rules, 1944 regulate medical treatment and facilities for Central Government employees**

## Rule 1 – Short Title and Extent of Application

### Rule 1(1) – Short Title

These rules are called the **Central Services (Medical Attendance) Rules, 1944**.

The short title simply gives the official name of the rules so that they can be easily referred to in Government documents and administrative procedures.

➤ **Example:** When Government offices refer to medical treatment rules, they write “**CS (MA) Rules, 1944.**”

📌 **Exam Tip:** Short title of the rules = **Central Services (Medical Attendance) Rules, 1944.**

### Rule 1(2) – Extent of Application

These rules apply to **all Central Government servants**, but there are certain exceptions.

The rules **do not apply** to the following employees:

1. Employees working in **Railway Service**.
2. **Non-Gazetted employees stationed in or passing through Calcutta** whose service conditions are governed by separate rules.

Apart from these exceptions, the rules apply to Government servants in the following situations:

- when they are **on duty**
- when they are **on leave**
- when they are on **foreign service in India**
- when they are **under suspension**

This means the employee continues to receive medical facilities even if he is not actively working but still remains in Government service.

**Table: Situations Where the Rules Apply**

Situation	Whether Medical Rules Apply
Government servant on duty	Yes
Government servant on leave	Yes
Government servant on foreign service in India	Yes
Government servant under suspension	Yes
Railway employees	No

Certain non-gazetted staff in Calcutta	No
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➤ **Example:** If a Government employee is **on earned leave and becomes ill**, he can still receive treatment under **CS (MA) Rules, 1944**.

📌 **Exam Tip:** CS (MA) Rules apply even during **leave, suspension, or foreign service in India**.

## Rule 2 – Definitions

Rule 2 explains the **important terms used in these rules**. These definitions help in understanding who provides medical treatment and what facilities are covered.

### Rule 2(a) – Authorised Medical Attendant (AMA)

An **Authorised Medical Attendant (AMA)** is the doctor who is officially permitted by the Government to treat Government employees. A **Department of the Central Government** or the **Head of Department (as defined in SR 2(10))** has the authority to appoint Authorised Medical Attendants.

The following categories of doctors may be appointed as AMAs:

- Medical Officers employed under the **Central Government**
- Medical Officers employed under **State Governments**
- Medical Officers employed in **Union Territories**
- **Private registered medical practitioners**, when necessary

This provision allows flexibility so that Government servants can receive medical treatment even in areas where Government doctors are limited.

➤ **Example:** A Central Government department posted in a remote district may appoint a **local Government doctor or a private registered doctor as AMA**.

📌 **Exam Tip:** AMA can be **Government doctor or private registered practitioner appointed by Government authority**.

Sometimes the Government may not appoint a specific AMA in a particular area.

In such cases, the rules automatically designate certain doctors as AMAs depending on the salary level of the Government servant.

### Table: Authorised Medical Attendant Based on Rank

Category of Government Servant	Authorised Medical Attendant
Group 'A' officers or employees drawing pay ₹2,500 or more per month	Principal Medical Officer of the District
Officers drawing pay between ₹1,200 and ₹2,500 per month	Assistant Surgeon Grade I in the station
All other employees	Assistant Surgeon Grade II (Medical Licentiate) or if unavailable Assistant Surgeon Grade I

This classification ensures that Government servants receive medical care from doctors appropriate to their service status.

➤ **Example:** A senior officer of Central Service Class I will be treated by the **Principal Medical Officer of the district.**

📌 **Exam Tip:** **Authorised Medical Attendant (AMA)** is the doctor appointed by Government to treat Government servants.

#### Determination of AMA Based on Place of Illness

The Authorised Medical Attendant for a Government servant is determined based on the **place where the employee falls ill.**

It does **not depend on the permanent residence of the employee.**

Therefore, the AMA will be decided based on the location where the illness occurs.

This rule applies whether the employee is at:

- permanent residence
- temporary residence
- place of casual stay
- official posting location

➤ **Example:** If a Government employee posted in Delhi falls ill while visiting **Chennai**, the AMA will be determined according to the **Chennai district medical authority.**

📌 **Exam Tip:** AMA is determined by **place where the employee falls ill, not permanent residence.**

#### Consultation with Authorised Medical Attendant

In places where AMAs have been officially appointed, Government servants must normally **consult the appointed AMA for medical treatment.**

If an AMA has been appointed in that area, treatment should **not be taken from another doctor without permission.**

This rule ensures proper control and documentation of Government medical facilities.

#### ➤ **Example:**

If a Government office in a city has an appointed AMA, employees should normally consult that doctor for treatment.

#### 📌 **Exam Tip:**

If an AMA is appointed in an area, **Government servants should normally take treatment from that AMA.**

#### Treatment in Suburban Areas

In suburban areas where no AMA has been appointed, Government servants may take treatment from an AMA working in a **Government hospital in the adjoining city.**

However, treatment should **not be taken from a private medical practitioner appointed as AMA outside the place of duty**, unless specifically permitted.

This rule prevents misuse of medical facilities.

#### ➤ **Example:**

If an employee works in a suburban town where no AMA is appointed, he may take treatment from the **AMA in the nearby city Government hospital.**

#### 📌 **Exam Tip:**

In suburban areas without AMA, treatment may be taken from **AMA in adjoining city Government hospital.**

#### Reference to Specialist or Other Medical Officer

Sometimes the illness may require specialized medical care.

In such cases, the Authorised Medical Attendant has the authority to refer the patient to a **specialist doctor or another medical officer.**

The AMA may take either of the following actions:

1. Send the patient to the **nearest specialist or medical officer** for further examination.
2. Request the **specialist doctor to visit the patient**, especially if the patient is too ill to travel.

This rule ensures that Government servants receive **advanced medical care whenever necessary.**

**Table: Powers of Authorised Medical Attendant**

Situation	Action by AMA
Patient requires specialized treatment	Refer patient to specialist
Patient too ill to travel	Specialist may be called to patient's residence

➤ **Example:** If a patient is suffering from a serious heart condition, the AMA may refer him to a **cardiology specialist in a Government hospital**.

📌 **Exam Tip:** AMA can refer patient to specialist or summon specialist if patient cannot travel.

### Rule 2(b) – District

The word **district** refers to the district **where the Government servant becomes ill**.

This is important because the authorised medical facilities depend on the district where treatment is required.

➤ **Example:** If a Government employee working in Delhi becomes ill while visiting Jaipur, the **Jaipur district** will be considered for treatment purposes.

📌 **Exam Tip:** “District” means **the district where the Government servant falls ill**.

### Rule 2(c) – Government

The word **Government** in these rules refers to the authority responsible for medical treatment arrangements.

The meaning depends on the type of state.

Type of State	Meaning of Government
Part A or Part B State	State Government
Part C State	Lieutenant Governor or Chief Commissioner

This definition clarifies which authority manages medical arrangements.

➤ **Example:** If a Government servant falls ill in a **Part A State**, the **State Government** will be responsible for medical facilities.

📌 **Exam Tip:** “Government” refers to the **administrative authority responsible for medical treatment in that State**.

### Rule 2(d) – Government Hospital

A **Government Hospital** includes several types of hospitals where Government servants can receive treatment.

These include:

1. Government civil hospitals
2. Military hospitals (subject to army medical regulations)
3. Hospitals maintained by **local authorities**
4. Hospitals with which the Government has **formal arrangements for treatment**

This means treatment may be available not only in Government hospitals but also in certain approved hospitals.

➤ **Example:** If the Government has an agreement with a **municipal hospital**, Government employees may receive treatment there under these rules.

📌 **Exam Tip:** Government hospital includes **military hospitals, local authority hospitals, and approved hospitals**.

### Rule 2(e) – Medical Attendance

Medical attendance means **the medical care provided to a Government servant when he falls ill**.

The type of medical attendance differs depending on the category of employee.

#### Medical Attendance for Senior Officers

For senior officers, medical attendance may include:

- treatment in hospital
- treatment at residence
- diagnostic tests such as laboratory tests or X-rays
- consultation with specialists

➤ **Example:** A senior officer suffering from a serious illness may receive **home treatment and specialist consultation**.

📌 **Exam Tip:** Medical attendance includes **diagnosis, treatment, and specialist consultation**.

#### Medical Attendance for Other Government Servants

For other Government servants, treatment generally includes:

- hospital treatment
- home treatment only when illness requires bed rest
- diagnostic tests available in the nearest Government hospital
- specialist consultation if necessary

➤ **Example:** If an employee cannot move due to illness, the doctor may visit his **residence for treatment**.

📌 **Exam Tip:** Home medical attendance is allowed **only when illness prevents hospital visit.**

### Medical Attendance for Class IV Employees

For employees in **Central Service Class IV**, treatment normally takes place in **Government hospitals.**

Specialist consultation may be provided if recommended by the authorised medical attendant.

➤ **Example:** A Class IV employee with fever may receive treatment in the **nearest Government hospital.**

📌 **Exam Tip:** Class IV employees usually receive treatment in **hospital rather than at residence.**

#### Rule 2(f) – Patient

A **patient** means a Government servant who is covered under these rules and **has fallen ill.**

This definition ensures that medical benefits apply only to eligible Government servants.

➤ **Example:** A Central Government employee suffering from illness becomes a **patient under CS (MA) Rules.**

📌 **Exam Tip:** Patient = **Government servant who falls ill and is covered by the rules.**

#### Rule 2(g) – State

The term **State** refers to the State **where the Government servant becomes ill.**

This definition helps determine which medical authority or hospital will provide treatment.

➤ **Example:** If an employee posted in Delhi becomes ill during travel in **Maharashtra**, Maharashtra will be treated as the **State for medical treatment purposes.**

📌 **Exam Tip:** “State” means **the State where the patient falls ill.**

#### Rule 2(h) – Treatment

Treatment means the **medical care provided to a Government servant in a Government hospital.**

Treatment includes the following facilities:

#### Components of Treatment

Type of Facility	Meaning
Diagnostic tests	Laboratory tests, X-rays, or medical examinations

Medicines	Drugs and therapeutic substances available in hospital
Special medicines	Medicines not available in hospital but certified necessary
Accommodation	Hospital ward suitable to employee status
Nursing care	Normal nursing provided to hospital patients
Specialist consultation	Advice from medical specialists

#### Accommodation Rule

Hospital accommodation should match the **status of the employee.** However, **Class IV employees are normally placed in general wards or free wards.**

➤ **Example:** If a Government officer requires surgery, treatment may include **diagnostic tests, medicines, hospital stay, and nursing care.**

📌 **Exam Tip:** Treatment includes **diagnosis, medicines, hospital accommodation, nursing, and specialist consultation.**

#### What is Not Included in Treatment

Treatment does **not include:**

- special diet requested by the employee
- accommodation superior to the status allowed under the rules

This prevents misuse of Government medical facilities.

➤ **Example:** If an employee requests a **luxury private room in hospital**, it may not be allowed unless permitted under the rules.

📌 **Exam Tip:** Treatment does **not include special diet or higher-class accommodation requested by the employee.**

#### Special Diseases and Recognized Hospitals

Under the **Central Services (Medical Attendance) Rules, 1944**, certain **serious and long-term diseases** require specialized treatment in hospitals that have advanced medical facilities.

For such diseases, the Government allows treatment only in **recognized hospitals or specialized institutions** which have proper facilities and are officially approved.

These diseases are called “**Special Diseases**” because they require **specialized doctors, special equipment, and long-term medical care.**

➤ **Example:** If a Government servant is diagnosed with **cancer**, he may be treated in a **recognized cancer hospital or specialized cancer treatment center.**

📌 **Exam Tip:** Special diseases under CS(MA) Rules require **treatment in recognized specialized hospitals.**

### List of Special Diseases and Recognized Treatment Institutions

The following table explains **special diseases and the types of hospitals where treatment is allowed.**

Sl. No.	Special Disease	Recognized Hospital / Treatment Institution
1	Cancer, Hodgkin's Disease, Leukaemias	Hospitals recognized for cancer treatment and multi-speciality general hospitals treating cancer
2	Mental Diseases	Recognized mental hospitals
3	Poliomyelitis, Cerebral Palsy, Spastics	Hospitals recognized for specialized treatment of poliomyelitis
4	Tubercular Diseases	Recognized hospitals and institutions directly administered by State Governments
5	Leprosy	Institutions recognized for leprosy treatment and administered by State/Central Government
6	Thalassaemia Major	Hospitals and institutions providing treatment for Thalassaemia Major under Government or PSU projects
7	Diabetes	All recognized hospitals
8	Chronic Active Hepatitis and Hepatitis B, C, D infection	All recognized hospitals

### Recognized Hospitals for General Treatment

Under the CS (MA) Rules, Government servants may receive treatment in **recognized hospitals and medical institutions.**

The following institutions are considered **recognized hospitals for medical treatment.**

**Table: Recognized Hospitals for Treatment**

Sl. No.	Type of Hospital	Description
1	State Government Hospitals	Includes hospitals maintained by municipal committees and district boards
2	State-recognized hospitals and dispensaries	Hospitals recognized by State Government for treatment of employees
3	PSU hospitals	Hospitals attached to Public Sector Undertakings, Projects and Port Trusts
4	Maternity and child welfare centres	Centres with indoor treatment facilities recognized by State Government
5	Cantonment hospitals	Hospitals in cantonment areas where Government hospitals are not available
6	Railway hospitals	Hospitals run by Indian Railways
7	Pay clinics	Clinics in Bihar, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan and Chandigarh
8	Hospitals recognized under CGHS / CS(MA) Rules	All hospitals approved under Government medical schemes
9	Government funded hospitals	Hospitals fully funded by Central or State Government

➤ **Example:** If a Government employee requires treatment for illness, he may receive treatment in a **State Government hospital, Railway hospital, or PSU hospital** recognized under CS(MA) Rules.

📌 **Exam Tip:** Recognized hospitals include **State hospitals, PSU hospitals, Railway hospitals, Cantonment hospitals and CGHS-recognized hospitals.**

### Treatment in Empanelled Private Hospitals

In certain situations, treatment may also be allowed in **private hospitals that are empanelled under the CS (MA) Rules.**

This is done to simplify the process and ensure that Government servants receive timely medical treatment when Government hospitals are not sufficient.

➤ **Example:** If a Government servant requires specialized surgery not available in Government hospitals, treatment may be permitted in an **empanelled private hospital.**

📌 **Exam Tip:** Treatment in **empanelled private hospitals is allowed under CS(MA) Rules when approved.**

## Concessions for Family

Under the **Central Services (Medical Attendance) Rules, 1944**, not only the Government servant but also certain **family members** are allowed medical facilities.

These facilities include:

- medical attendance
- treatment in recognized hospitals
- reimbursement of medical expenses

However, these benefits are available only to **family members who satisfy the conditions prescribed in the rules.**

➤ **Example:** If a Government servant's child falls ill, the child may receive treatment and medical reimbursement under the **CS (MA) Rules.**

📌 **Exam Tip:** Medical attendance benefits under CS (MA) Rules are available to **eligible family members of Government servants.**

### 1. Definition of Family

Under these rules, **family includes certain specified relatives of the Government servant.**

These family members are eligible for medical facilities.

#### (i) Husband or Wife

Family includes:

- Husband or wife of the Government servant
- More than one wife (if legally valid)
- Judicially separated wife

This means that even if the wife is **judicially separated**, she may still be treated as a family member for medical facilities.

➤ **Example:** A Government employee's **judicially separated wife** may still receive medical treatment under these rules.

📌 **Exam Tip:** Family includes **spouse, including judicially separated spouse.**

#### (ii) Parents and Stepmother

Family also includes:

- Father
- Mother
- Stepmother

However, certain special rules apply in cases of adoption.

#### Adoption Rule

If a Government servant is **adopted**, only the **adoptive parents** will be considered family members, not the biological parents.

If the adoptive father has more than one wife, **only the first wife will be treated as family.**

➤ **Example:** If a Government servant was adopted by another family, only the **adoptive parents will be eligible for medical benefits**, not the biological parents.

📌 **Exam Tip:** In case of adoption, **only adoptive parents are treated as family members.**

#### Special Rule for Female Government Servants

A **female Government servant** can choose either:

- her **parents**, or
- her **parents-in-law**

as family members for medical benefits.

However, this option can be **changed only once during the entire service period.**

➤ **Example:** A female employee may initially include her **parents-in-law** in her family declaration, and later change it to include her **own parents.**

📌 **Exam Tip:** Female employee may choose **either parents or parents-in-law**, but the option can be changed **only once.**

#### (iii) Children

Family includes the following categories of children:

- biological children
- legally adopted children
- stepchildren
- children taken as wards

However, eligibility depends on certain conditions.

**Table: Eligibility of Children for Medical Facilities**

Category of Child	Eligibility Condition
Unmarried Son	Until he starts earning or reaches age 25, whichever is earlier

Daughter	Until she starts earning or gets married, whichever is earlier
Son suffering from permanent disability	No age limit

➤ **Example:** A 23-year-old unmarried son who is not earning is eligible for medical facilities.

📌 **Exam Tip:** Unmarried son eligible up to 25 years or until he starts earning.

#### (iv) Widowed or Divorced Daughters

Family also includes:

- widowed daughters
- divorced daughters
- separated daughters who are dependent

These daughters are eligible **irrespective of age**, provided they are dependent on the Government servant.

➤ **Example:** A widowed daughter aged 35 who is dependent on the employee may receive medical benefits.

📌 **Exam Tip:** Widowed or divorced daughters are eligible **without any age limit**.

#### (v) Sisters

Family includes sisters who are:

- unmarried
- divorced
- abandoned by husband
- separated from husband
- widowed

These sisters must be **dependent on the Government servant**.

➤ **Example:** An unmarried sister dependent on the employee may receive treatment under the rules.

📌 **Exam Tip:** Dependent sisters (unmarried/divorced/widowed) are included in family.

#### (vi) Minor Brothers

Minor brothers who are dependent on the Government servant are also treated as family members.

➤ **Example:** A 16-year-old brother dependent on the employee is eligible for medical facilities.

📌 **Exam Tip:** Minor dependent brothers are included in the family definition.

#### (vii) Permanently Disabled Dependent Brother

A dependent brother suffering from **permanent physical or mental disability** is included in the family **without any age limit**.

➤ **Example:** A 40-year-old brother with permanent disability, dependent on the Government servant, may receive medical treatment under these rules.

📌 **Exam Tip:** Permanently disabled dependent brother is eligible **without age limit**.

## 2. Dependency Condition

For family members other than the spouse, medical benefits are allowed only if they are **financially dependent on the Government servant**.

The income limit for dependency is:

**₹9,000 per month + Dearness Relief admissible on ₹9,000**

This income limit is calculated on the **date when the medical claim is considered**.

**Table: Dependency Income Limit**

Condition	Income Limit
Family member dependency	₹9,000 + Dearness Relief on ₹9,000

➤ **Example:** If a parent earns **₹8,000 per month**, he is considered dependent and eligible for medical benefits.

📌 **Exam Tip:** Dependency income limit = **₹9,000 + applicable Dearness Relief**.

#### Parents Living at Another Station

Parents may still be eligible for medical reimbursement even if they live at a **different place from the employee's headquarters**, provided they live with the rest of the family.

➤ **Example:** A Government servant posted in Delhi may claim reimbursement for treatment of parents living in **Lucknow with the rest of the family**.

📌 **Exam Tip:** Parents living away from the headquarters may still be eligible for reimbursement.

## 3. When Both Husband and Wife Are Employed

Special rules apply when **both husband and wife are employed**.

#### Case 1: Spouse Works in Another Organization

If the spouse works in:

- State Government
- Railways
- Defence Services
- Public Sector Undertakings
- Government funded organizations
- Local bodies
- Private organizations providing medical facilities

then the spouse may choose either:

- medical facilities under **Central Government rules**, or
- medical facilities provided by his/her own organization.

➤ **Example:** If the husband is a Central Government employee and the wife works in a **State Government department**, the family may choose either scheme.

📌 **Exam Tip:** Spouse employed in another organization can choose **either Central Government or employer medical facilities**.

### Case 2: Both Are Central Government Servants

If both husband and wife are **Central Government employees**, either of them may claim medical reimbursement for:

- themselves
- eligible family members

The claim will be according to the **status of the employee submitting the claim**.

➤ **Example:** If the husband and wife are both Central Government employees, the wife may submit the claim for the family.

📌 **Exam Tip:** If both spouses are Central Government employees, **either can submit the medical claim**.

### Joint Declaration Requirement

In such cases, the couple must submit a **joint declaration** stating:

- who will submit medical claims for the family.

If no joint declaration is submitted, the default rule applies.

### Default Rule

If no declaration is submitted, medical benefits will be provided **according to the status of the husband**.

However, this declaration may be changed whenever necessary due to:

- promotion
- transfer
- resignation
- change in circumstances

➤ **Example:** If the husband is promoted to a higher rank, the couple may change the declaration and submit claims through the husband.

📌 **Exam Tip:** Joint declaration determines **which spouse will claim medical reimbursement**.

### Judicial Separation Case

If the husband and wife are **judicially separated** and the court has not yet decided guardianship of children, reimbursement for children's medical treatment may be allowed to **either parent**.

➤ **Example:** If the parents are judicially separated and their child falls ill, either parent may claim reimbursement.

📌 **Exam Tip:** In judicial separation cases, either parent may claim reimbursement for children.

### When Spouse Receives Fixed Medical Allowance

If the spouse receives **Fixed Medical Allowance (FMA)**, the Government servant may still use medical facilities under CS (MA) Rules.

However, the facilities will be available for:

- the Government servant
- other eligible family members living with him

but **not for the spouse receiving the Fixed Medical Allowance**.

➤ **Example:** If the wife receives Fixed Medical Allowance, the husband may claim medical facilities for himself and children, but not for the wife.

📌 **Exam Tip:** If spouse receives **Fixed Medical Allowance**, CS(MA) medical facilities cannot be claimed for that spouse.

### Medical Advance

Under the **Central Services (Medical Attendance) Rules, 1944**, a Government servant may receive a **Medical Advance** from the Government to meet medical expenses in advance.

Medical advance is a **temporary financial assistance provided before the medical treatment**, especially when the cost of treatment is high and the employee cannot bear the expenses immediately.

The advance is later **adjusted against the medical reimbursement claim submitted by the Government servant**.

➤ **Example:** If a Government employee requires surgery in a recognized hospital, he may receive **medical advance before the treatment begins**.

📌 **Exam Tip:** Medical advance means **advance payment given to Government servant for medical treatment before reimbursement claim**.

### 1. Admissibility of Medical Advance

Medical advance is allowed to **all Government servants**, regardless of their salary.

The following conditions apply for granting medical advance.

### (1) Eligible to All Government Servants

Medical advance is admissible to **all Government servants irrespective of pay limit**.

This means even employees with lower salaries can receive advance for medical treatment.

➤ **Example:** A Group 'C' employee can also receive medical advance for hospital treatment.

📌 **Exam Tip:** Medical advance is admissible **irrespective of pay limit**.

### (2) Advance for In-Patient Treatment

Medical advance can be granted for **in-patient treatment in a recognized hospital**.

In-patient treatment means treatment where the patient is **admitted to the hospital for medical care**.

➤ **Example:** If a Government servant is admitted to a hospital for surgery, he may receive medical advance.

📌 **Exam Tip:** Medical advance is allowed for **in-patient treatment in recognized hospitals**.

### (3) Advance for Certain Serious Diseases

Medical advance may also be granted for treatment of certain serious diseases even when treatment is taken:

- at the consulting room of the Medical Officer
- at the residence of the Government servant
- as an outpatient

The diseases include:

- Tuberculosis (TB)
- Cancer
- Acute Myeloid Leukemia
- Chronic Active Hepatitis B, C and D

These diseases require **long-term and expensive treatment**, so advance is allowed even without hospital admission.

➤ **Example:** A Government servant undergoing **cancer chemotherapy as outpatient** may receive medical advance.

📌 **Exam Tip:** Advance is allowed for **TB, Cancer, Acute Myeloid Leukemia and Hepatitis B, C, D even for outpatient treatment**.

### (4) Advance for Artificial Appliances

Medical advance may also be granted for:

- purchase
- replacement
- repair
- adjustment

of **admissible artificial appliances**.

Artificial appliances are medical devices required due to illness or disability.

➤ **Example:** If a Government servant requires **artificial hearing aid**, medical advance may be granted.

📌 **Exam Tip:** Medical advance is allowed for **purchase or repair of artificial appliances**.

### (5) Medical Certificate Requirement

An application for medical advance must include a **certificate from the Medical Officer or Specialist**.

This certificate should mention:

- duration of treatment
- estimated cost of treatment

This helps the Government determine the amount of advance required.

➤ **Example:** If surgery is expected to cost ₹1,50,000, the hospital must certify the **estimated cost and treatment duration**.

📌 **Exam Tip:** Application for medical advance must include **medical certificate indicating treatment duration and estimated cost**.

### (6) Surety for Temporary Employees

Temporary Government employees may also receive medical advance.

However, they must provide a **surety from a permanent Government servant**.

This ensures recovery of the advance if necessary.

➤ **Example:** A temporary employee seeking medical advance may need a **permanent employee as guarantor**.

📌 **Exam Tip:** Temporary employees must provide **surety from permanent Government servant**.

## 2. Amount of Medical Advance

The amount of advance depends on the **type of treatment**.

### (A) Advance for Indoor (Hospital) Treatment

For indoor treatment, the medical advance is **90% of the approved CGHS package rates**.

This applies to all types of diseases, whether **major or minor**.

The advance is granted after receiving a **certificate from the treating physician of the Government or recognized hospital**.

**Table: Advance for Indoor Treatment**

Type of Treatment	Amount of Advance
Indoor treatment in recognized hospital	90% of approved CGHS package rate

➤ **Example:** If the CGHS package rate for surgery is ₹1,00,000, the medical advance will be ₹90,000.

📌 **Exam Tip:** Medical advance for indoor treatment = **90% of CGHS package rate**.

### (B) Advance for Outdoor Treatment

For outpatient treatment, advance is allowed only if the estimated cost of treatment **exceeds ₹10,000**.

In such cases, the advance is limited to **90% of the total estimated expenditure**, including tests and investigations.

The advance must be released **within 10 days of receiving the application**.

**Table: Advance for Outdoor Treatment**

Condition	Amount of Advance
Estimated cost ≤ ₹10,000	No advance
Estimated cost > ₹10,000	90% of estimated expenditure

➤ **Example:** If the estimated treatment cost is ₹20,000, the advance will be ₹18,000.

📌 **Exam Tip:** Outdoor treatment advance allowed **only if estimated cost exceeds ₹10,000**.

### (C) Advance for Tuberculosis (TB)

Special rule exists for TB treatment.

If the duration of treatment is **more than three months**, advance may be granted.

The amount is:

- **80% of estimated cost**, or
- **₹36,000**, whichever is less.

The advance is granted based on certificate from hospital regarding:

- duration of treatment
- estimated cost

➤ **Example:** If TB treatment costs ₹50,000, advance allowed = **₹36,000 (maximum limit)**.

📌 **Exam Tip:** Advance for TB treatment = **80% of cost or ₹36,000 whichever is less**.

### 3. Number of Medical Advances

Medical advance may be granted **more than once for the same illness or injury**.

Also, there is **no limit on the number of medical advances** that a Government servant may receive for:

- himself
- each family member
- each case of illness

➤ **Example:** If a Government servant's child requires treatment several times for the same disease, medical advance may be granted multiple times.

📌 **Exam Tip:** There is **no limit on number of medical advances for each illness or family member**.

### 4. Adjustment of Medical Advance

The medical advance given to the Government servant must later be **adjusted against the final medical reimbursement claim**.

If the advance exceeds the admissible claim amount, the remaining amount will be **recovered from the employee's salary in four instalments**.

For long-term treatment, reimbursement may continue based on **medical certificates**, and the advance will be adjusted in the final claim.

➤ **Example:** If a medical advance of ₹50,000 was given but final claim is ₹45,000, the remaining **₹5,000 will be recovered from salary**.

📌 **Exam Tip:** Medical advance is **adjusted against reimbursement claim and excess recovered in four instalments**.

### 5. Advance Paid Directly to Hospital

Sometimes the medical advance is paid **directly to the hospital**.

In such cases, the Government servant must submit **adjustment bills within one month after discharge from the hospital.**

If any amount remains unused, the **Head of Office will request the hospital to refund the balance.**

➤ **Example:** If ₹1,00,000 advance was paid to hospital but final bill is ₹90,000, the hospital must return ₹10,000.

📌 **Exam Tip:** Adjustment bills must be submitted **within one month after hospital discharge.**

## 6. When Government Servant Is Too Ill to Apply

In serious cases such as **accidents or critical illness**, the Government servant may be unable to apply for medical advance.

In such situations, the advance may be sanctioned based on an application submitted by:

- spouse
- legal heir
- family member

➤ **Example:** If a Government servant meets with an accident and is unconscious, his **wife may apply for medical advance on his behalf.**

📌 **Exam Tip:** If employee is too ill, **family member may apply for medical advance.**

## 7. Special Provisions for Artificial Appliances

For certain expensive medical devices, payment is made **directly to the supplier** instead of the Government servant.

This ensures proper use of Government funds.  
The following devices are covered under this rule:

**Table: Artificial Appliances Paid Directly by Government**

Sl. No.	Artificial Appliance
1	Heart Pacemaker and replacement of pulse generator
2	Replacement of diseased heart valves
3	Artificial electronic larynx
4	Artificial hearing aid

➤ **Example:** If a doctor prescribes a **heart pacemaker**, the Government will pay the **supplier directly.**

📌 **Exam Tip:** Payment for certain artificial appliances is made **directly to the supplying agency.**

## Revision Summary

Topic	Key Rule
Eligibility	All Government servants irrespective of pay
Indoor treatment advance	90% of CGHS package rate
Outdoor treatment advance	90% of cost if estimate > ₹10,000
TB treatment advance	80% of cost or ₹36,000 (whichever is less)
Number of advances	No limit
Adjustment	Adjusted against reimbursement claim

## Travelling Allowance (T.A.) for Medical Attendance and Treatment

Under the **Central Services (Medical Attendance) Rules, 1944**, a Government servant and eligible members of his family may receive **Travelling Allowance (T.A.)** when they have to travel to obtain medical treatment.

However, the travelling allowance is admissible **only when the Authorized Medical Attendant (AMA), Specialist, or Medical Officer certifies that the journey was unavoidable and necessary for treatment.**

This means that if suitable treatment is not available at the place where the patient is located, the patient may travel to another place and claim travelling allowance.

➤ **Example:** If a Government servant living in Jaipur is referred to AIIMS Delhi for specialized treatment, the travel expenses may be reimbursed if certified by the doctor.

📌 **Exam Tip:** T.A. for medical treatment is admissible **only when the journey is certified as medically necessary by AMA or Specialist.**

### 1. Journey by Rail, Road, Sea or Air

If a patient (Government servant or family member) travels for medical treatment by **rail, road, sea, or air**, the following benefits are allowed.

Both the **patient and the attendant (if recommended)** are entitled to:

- Travelling Allowance (T.A.)
  - Dearness Allowance (D.A.) for the journey period only
- However, **Dearness Allowance is not admissible for halt (stay) at the place of treatment.**

This rule applies whether the journey is **within India or outside India.**

**Table: T.A. Entitlement for Medical Travel**

Person	Entitlement
Patient (Government servant or family member)	Travelling Allowance + D.A. for journey period
Attendant (if medically recommended)	Same as family member
Halt during treatment	No D.A. allowed

➤ **Example:** If a patient travels from **Lucknow to Delhi by train** for treatment, the cost of travel and D.A. for journey days will be reimbursed.

📌 **Exam Tip:** For medical journeys, **T.A. and D.A. are allowed only for journey period, not for halt.**

## 2. Journey Within the Same City

If the treatment is taken **within the same city**, travelling allowance may still be admissible in certain cases.

This applies only if the **distance travelled exceeds 8 kilometres each way.**

In such cases:

- Actual conveyance charges are reimbursed
- The reimbursement is limited to **mileage allowance at tour rates**

The entitlement differs for the Government servant and family members.

**Table: Conveyance Charges Within Same City**

Person	Entitlement
Government servant	Mileage allowance at tour rates
Family member	Half of the tour rate

➤ **Example:** If a Government servant travels **10 km within the city to reach a Government hospital**, conveyance charges may be reimbursed.

📌 **Exam Tip:** Within the same city, reimbursement is allowed **only if distance exceeds 8 km each way.**

## 3. Special Provision for Air Travel

In some exceptional cases, **air travel may be permitted for medical treatment.**

Normally, medical travel is expected to be by **rail or road**. However, reimbursement of air fare may be considered if the Government is satisfied that:

- air travel was absolutely essential
- travelling by any other means would endanger the life of the patient
- delay could seriously worsen the patient's condition

A special provision exists for patients from certain remote locations.

Patients referred for treatment between the following places are eligible for **air travel facility**:

- **Imphal**
- **Tripura**
- **other similarly placed stations**
- **Kolkata (for treatment)**

➤ **Example:** A patient from **Imphal referred to Kolkata for treatment** may travel by air and claim reimbursement.

📌 **Exam Tip:** Air travel for medical treatment is allowed **only when essential and certified by competent authority.**

## 4. Ambulance Charges (Reimbursement)

Ambulance charges may also be reimbursed under the rules, but certain conditions must be satisfied.

### Conditions for Reimbursement of Ambulance Charges

The following conditions must be fulfilled.

1. The ambulance must be used **within the same city.**
2. The ambulance must belong to:

- Government
- Local body
- Social service organization (such as Red Cross Society)

3. The ambulance must be used to transport a patient:

- to a hospital for treatment, or
- from one hospital to another hospital for examination or treatment.

4. The doctor must certify that transporting the patient by any other means would:

- endanger the patient's life, or
- seriously aggravate the medical condition.

**Table: Conditions for Ambulance Reimbursement**

Condition	Requirement
-----------	-------------

Area of use	Within the same city
Ownership	Government / Local body / Social organization
Purpose	Transport for treatment or examination
Certification	Doctor must certify medical necessity

➤ **Example:** If a patient is taken from home to a Government hospital in an **ambulance operated by Red Cross**, the charges may be reimbursed.

📌 **Exam Tip:** Ambulance charges are reimbursed **only when certified that other transport would endanger the patient's life.**

### 5. Attendant / Escort

Sometimes a patient may not be able to travel alone.

In such cases, a **doctor may recommend that an attendant or escort accompany the patient.**

When such certification is given, the attendant becomes eligible for **Travelling Allowance similar to a family member.** The allowance is granted for **both onward and return journeys.**

In certain cases, the attendant may also travel again to **bring the patient back**, if this is medically certified.

**Table: T.A. for Attendant**

Situation	Entitlement
Patient cannot travel alone	Attendant allowed
Doctor certification required	Yes
T.A. eligibility	Same as family member
Journey covered	Both onward and return

➤ **Example:** If a seriously ill patient travels to another city for treatment, the doctor may certify that the patient must be accompanied by an attendant.

📌 **Exam Tip:** Attendant T.A. is allowed **only when doctor certifies that the patient cannot travel alone.**

### 6. Travelling Expenses for Kidney Donor

In cases of **kidney transplantation**, the Government servant may also claim reimbursement for the travelling expenses of the kidney donor.

This rule applies when the donor travels for:

- medical examination
  - transplantation surgery
  - related medical procedures
- The reimbursement rates depend on the status of the donor.

**Table: T.A. for Kidney Donor**

Type of Donor	T.A. Entitlement
Private person	T.A. at the rates applicable to the Government servant recipient
Government servant donor	T.A. at the rates applicable to the donor

➤ **Example:** If a Government servant receives a kidney from a private donor, the donor's travel expenses will be reimbursed at the **same rate as the Government servant's T.A. entitlement.**

📌 **Exam Tip:** Travelling expenses of kidney donor are reimbursable **for transplantation-related journeys.**

### 8. Relaxation of Rules

Normally, medical treatment under **CS (MA) Rules** must be taken in:

- Government hospitals
- Recognized hospitals

However, sometimes **serious accidents or life-threatening illnesses occur suddenly**, and the patient must be admitted immediately to the nearest hospital.

In such emergency situations, the rules allow **relaxation** so that treatment can be taken in a **private hospital** if no Government or recognized hospital is available nearby.

The **Head of Department (HOD)** has the authority to allow reimbursement in such cases under the **Delegation of Financial Powers Rules.**

➤ **Example:** If a Government servant meets with a serious road accident and the nearest Government hospital is far away, he may be admitted to the nearest private hospital. The medical expenses may later be reimbursed.

📌 **Exam Tip:** Relaxation of rules allows **treatment in private hospitals during emergency when Government/recognized hospitals are not available nearby.**

#### 1. Emergency Admission in Private Hospital

In emergency cases, the patient may be admitted to a **private hospital immediately.**

The people present at the spot (family members, colleagues, etc.) may use their **own judgment and discretion** to take the patient to the nearest private hospital.

Later, the controlling authority will examine whether the situation was a **genuine medical emergency**. If satisfied, reimbursement may be allowed.

➤ **Example:** If a person suffers a **heart attack** and is taken to the nearest private hospital for emergency treatment, reimbursement may be allowed if the authority confirms it was an emergency.

📌 **Exam Tip:** In emergency cases, **persons on the spot may decide to take the patient to the nearest private hospital**.

## 2. Reimbursement for Treatment in Private Hospitals

Medical expenses incurred in private hospitals may be reimbursed under the relaxation rules.

Reimbursement is allowed **without distinguishing between private hospitals and private clinics or nursing homes**.

However, one restriction applies.

Treatment in **private clinics or nursing homes run by the Authorized Medical Attendant (AMA)** is **not permitted**.

**Table: Reimbursement Rules for Private Treatment**

Type of Institution	Reimbursement Allowed
Private hospital	Yes
Private clinic	Yes
Private nursing home	Yes
Private clinic of AMA	Not allowed

➤ **Example:** Treatment in a **private nursing home during emergency** may be reimbursed, but treatment in the **private clinic of the AMA is not permitted**.

📌 **Exam Tip:** Treatment in **private clinics of the AMA is not permitted**.

## 3. No Overall Limit on Reimbursement

Under the relaxation provision, **there is no fixed overall limit** on the amount that may be reimbursed.

However, reimbursement must follow the **item-wise ceilings prescribed under the medical rules**.

These ceilings apply to:

- medicines
- medical procedures
- diagnostic tests
- hospital charges

➤ **Example:** If a surgery costs ₹3,00,000 in an emergency, reimbursement may be allowed, but each item will be checked according to the prescribed medical rates.

📌 **Exam Tip:** There is **no overall limit**, but **item-wise ceilings still apply**.

## 4. Direct Payment by Government in Special Cases

Sometimes the cost of treatment may be **very high**, and the employee may not be able to pay the hospital bills.

In such situations, the **Government department may authorize direct payment to the hospital**.

The controlling authority may:

- pay the hospital directly
- make advance payment
- deposit money in advance if demanded by the hospital

This facility ensures that **financial constraints do not delay life-saving treatment**.

➤ **Example:** If a Government servant requires **emergency cardiac surgery costing ₹5,00,000**, the department may deposit money directly in the hospital.

📌 **Exam Tip:** Government may **directly pay hospital expenses if the employee cannot afford treatment**.

## 5. Reimbursement for Treatment in Non-Empanelled Hospitals

Sometimes treatment may be taken in **private hospitals that are not empanelled under CGHS or CS (MA) Rules**.

In such cases, reimbursement will be allowed according to **CGHS package rates**.

The rules are:

- If the hospital is in a CGHS city → **Non-NABH CGHS rates apply**
- If the hospital is in a non-CGHS city → **Rates of nearest CGHS city apply**

Reimbursement will be **the lower of the following**:

- CGHS applicable rates
- actual expenditure

**Table: Reimbursement in Non-Empanelled Hospitals**

Situation	Reimbursement Basis
CGHS covered city	Non-NABH CGHS rates

Non-CGHS city	Rates of nearest CGHS city
Final reimbursement	Lower of CGHS rates or actual cost

➤ **Example:** If treatment cost ₹1,20,000 but CGHS rate is ₹90,000, reimbursement will be **₹90,000**.

📌 **Exam Tip:** Reimbursement in non-empanelled hospitals = **lower of CGHS rate or actual cost**.

## 6. Documents Required for Relaxation Cases

When a case requires relaxation of the normal rules, the Ministry or Department referring the case must submit **necessary documents and details**.

These documents help the authority verify:

- whether the case was a genuine emergency
- whether treatment was necessary
- whether the expenses claimed are justified

A **check-list of documents** must be submitted with the reimbursement claim.

➤ **Example:** A reimbursement claim for emergency treatment may require medical certificates, hospital bills, discharge summary, and referral details.

📌 **Exam Tip:** Relaxation cases require **complete documentation for approval of reimbursement**.

## 9. Treatment Outside India

In some rare situations, medical treatment required by a Government servant may **not be available in India**. In such cases, treatment may be permitted **outside India**. However, this is allowed only for **specific diseases and specialized treatments**.

Approval must be obtained from a **Standing Committee constituted by the Ministry of Health and Family Welfare**.

### Approval Requirement

Before going abroad for treatment:

- prior approval of the Standing Committee is required

However, if prior approval could not be obtained due to circumstances beyond the employee's control, reimbursement may still be allowed if all other conditions are satisfied.

➤ **Example:** If a rare disease requires specialized treatment available only in **Germany**, the Standing Committee may approve treatment abroad.

📌 **Exam Tip:** Treatment abroad requires **approval of Standing Committee of Ministry of Health and Family Welfare**.

## Attendant for Treatment Abroad

Sometimes the patient may require assistance during travel and treatment.

If the Committee certifies that an attendant is necessary, the attendant will also receive reimbursement.

The attendant will be eligible for:

- **to and fro air fare**
- reimbursement of travel expenses

**Table: Allowances for Treatment Abroad**

Person	Allowance
Patient	Air travel and treatment reimbursement
Attendant (if approved)	To and fro air fare reimbursable

➤ **Example:** If a patient travels abroad for surgery and requires assistance, the Committee may allow a family member to accompany him.

📌 **Exam Tip:** If approved by the Committee, **attendant's air fare for treatment abroad is reimbursable**.

## 10. Medical Claims – Useful Tips

Under the **Central Services (Medical Attendance) Rules, 1944**, Government servants can claim reimbursement for medical expenses incurred for themselves or their eligible family members.

However, to ensure that the claim is accepted without delay or rejection, certain **important precautions and procedural steps must be followed**. These tips help the employee to submit a **correct and complete medical reimbursement claim**.

➤ **Example:**

If a Government servant undergoes treatment in a Government hospital and later submits the claim with proper certificates and bills, the reimbursement process becomes faster and easier.

📌 **Exam Tip:**

Medical claims should always be supported with **proper certificates, bills, and AMA verification**.

### 1. Pay and Place of Illness Determine the Authorized Medical Attendant (AMA)

The **Authorized Medical Attendant (AMA)** of a Government servant depends on two factors:

- the pay level of the employee
- the place where the illness occurs

Different AMAs are assigned to employees depending on these conditions.

Therefore, before taking treatment, the employee should identify **who his authorized medical attendant is**.

➤ **Example:** If a Government servant falls ill in Delhi, the AMA will be determined according to his **pay level and the district where he is located**.

📌 **Exam Tip:** The AMA depends on **pay level and place of illness**.

## 2. Consult the Authorized Medical Attendant First

Before starting treatment, the Government servant should normally **consult the Authorized Medical Attendant first**.

The employee should then follow the advice given by the AMA regarding:

- type of treatment
- hospital referral
- medicines

This ensures that the treatment is **recognized under CS (MA) Rules**, making reimbursement easier.

➤ **Example:** If the AMA refers the patient to a Government hospital, treatment there becomes fully eligible for reimbursement.

📌 **Exam Tip:** Consulting the **AMA first is the safest method to ensure admissibility of medical claims**.

## 3. Purchase Only Reimbursable Medicines

When treatment is taken under **Ayurvedic, Siddha, or Unani systems of medicine**, only certain medicines are reimbursable.

The employee must ensure that medicines are purchased **only from approved pharmacies**.

Also, the medicines should appear in the **approved list of reimbursable medicines**.

➤ **Example:** If an Ayurvedic medicine is purchased from an unauthorized shop or is not listed in approved medicines, reimbursement may not be allowed.

📌 **Exam Tip:** For **Ayurvedic, Siddha, and Unani treatment**, only medicines from **approved list and pharmacy are reimbursable**.

## 4. Attach Prescribed Certificates with the Claim

Every medical reimbursement claim must be supported by **prescribed certificates**.

These certificates confirm:

- the necessity of treatment
- the type of treatment taken
- the medicines prescribed

Without these certificates, the claim may be rejected.

➤ **Example:** If a claim is submitted without the **Essentiality Certificate**, reimbursement may not be processed.

📌 **Exam Tip:** Medical claims must be supported by **prescribed certificates**.

## 5. Obtain Proper Cash Vouchers

The employee must ensure that **all bills and cash vouchers are properly issued**.

The vouchers must include:

- name of the medicine or treatment
- amount paid
- date of purchase

Each voucher must also be **countersigned by the AMA**.

**Table: Important Requirements for Cash Vouchers**

Requirement	Purpose
Correct bill details	Verification of expenditure
Proper signature	Authentication
Countersignature of AMA	Approval of treatment

➤ **Example:** If a medicine bill of ₹2,000 does not have the doctor's countersignature, reimbursement may be rejected.

📌 **Exam Tip:** Cash vouchers must be **properly signed and countersigned by AMA**.

## 6. Ensure Essentiality Certificate Is Correctly Filled

The **Essentiality Certificate** is one of the most important documents in medical claims.

This certificate confirms that:

- the treatment was necessary
- the medicines prescribed were essential

The certificate must be **correctly filled and signed by the AMA**.

➤ **Example:** If the Essentiality Certificate is incomplete or unsigned, the reimbursement claim may be delayed.

📌 **Exam Tip:**

Essentiality Certificate confirms **necessity of treatment and medicines**.

## 7. Verify Details of the AMA

While submitting the claim, it is important that the following details of the Authorized Medical Attendant are correctly mentioned:

- designation
- qualification
- registration number

These details ensure that the treatment was provided by a **recognized and authorized medical professional**.

➤ **Example:** If the doctor's registration number is missing, the claim may require additional verification.

📌 **Exam Tip:** AMA details such as **designation, qualification, and registration number must be clearly mentioned**.

## 8. Inform Pay Office When Admitted as In-Patient

If the Government servant or a family member is admitted to a hospital for **in-patient treatment**, the employee should inform the **Medical Officer in charge of his office or pay office**.

This helps in allotting **hospital accommodation according to the employee's status**.

➤ **Example:** A senior officer may be entitled to a different hospital ward compared to a junior employee.

📌 **Exam Tip:** Inform the office when admitted as in-patient to ensure **proper hospital accommodation**.

## 9. Follow Hospital Rules During Treatment

Once admitted to the hospital as an in-patient, the patient must follow the **rules and procedures of the hospital**.

These procedures may differ from hospital to hospital.

They may include:

- admission formalities
- ward regulations
- discharge procedures

➤ **Example:** Some hospitals require advance deposits or specific documentation for admission.

📌 **Exam Tip:** Hospital procedures may vary, so patients must **follow hospital rules during treatment**.

## 10. Collect Signed Bills Before Leaving Hospital

Before leaving the hospital after treatment, the employee should ensure that all documents are properly collected and signed.

Important documents include:

- hospital bills
- receipts
- vouchers
- essentiality certificates

These documents must be **signed or countersigned by the AMA or the Medical Officer in charge of the hospital**.

**Table: Documents Required After Treatment**

Document	Purpose
Hospital bills	Proof of expenditure
Receipts	Payment confirmation
Vouchers	Medicine verification
Essentiality Certificate	Medical necessity confirmation

➤ **Example:** If the hospital bill is not signed by the Medical Officer, reimbursement may not be processed.

📌 **Exam Tip:** Before discharge, ensure **all bills and certificates are properly signed**.

## 11. In-Patient Treatment Without Consulting AMA

In certain cases, the Government servant **does not need to consult the AMA first**.

This applies when the patient is admitted directly to a hospital where he is normally entitled to receive treatment.

Also, **female family members may be admitted directly to recognized women's hospitals**.

➤ **Example:** A female employee may directly take treatment in a recognized maternity hospital.

📌 **Exam Tip:** Consulting AMA is **not necessary when admitted directly to an entitled hospital**.

## 12. Time Limit for Submitting Medical Claim

Medical reimbursement claims must be submitted **within six months from the completion of treatment**.

Submitting claims within the prescribed time ensures smooth processing. Delayed claims may require **special approval or justification**.

➤ **Example:** If treatment was completed on **1 January**, the claim should be submitted before **1 July**.

📌 **Exam Tip:** Medical reimbursement claim must be submitted **within 6 months of completion of treatment**.

## Guidelines for Medical Treatment and Reimbursement

Under the **Central Services (Medical Attendance) Rules, 1944**, certain procedural guidelines must be followed while taking medical treatment and submitting claims. These guidelines ensure that treatment and reimbursement are **properly regulated and verified**.

These rules mainly deal with:

- consultation limits
- injections and treatment duration
- hospital referrals
- claim procedures
- powers of authorities
- prescription validity

➤ **Example:** If a Government servant consults an AMA repeatedly without following consultation limits, reimbursement may not be allowed beyond the prescribed rules.

📌 **Exam Tip:** Guidelines under CS (MA) Rules regulate **consultation limits, hospitalization, claim procedure, and authority powers**.

### 1. Limit for Treatment at Consulting Room of AMA

Treatment at the **consulting room of the Authorized Medical Attendant (AMA)** is limited.

The limits are:

- Maximum duration of treatment → **10 days**
- Maximum consultations → **4 consultations**
- Maximum injections → **10 injections**

However, depending on the illness, injections may increase up to **15 injections**.

**Table: Limits for Treatment at AMA Clinic**

Item	Limit
Duration of treatment	10 days
Number of consultations	4
Maximum injections	10 (can extend to 15)

➤ **Example:** If a patient requires 12 injections during treatment, reimbursement may still be allowed since the limit can increase up to 15 injections.

📌 **Exam Tip:** Maximum treatment at AMA consulting room = **10 days with 4 consultations**.

### 2. Special Limit for Indian Systems of Medicine

When treatment is taken under **Indian systems of medicine or Homoeopathy**, the limit of treatment may be extended.

The duration may increase up to **40 days**.

However, the number of consultations remains the same:

- **4 consultations only**

These consultations must occur **at intervals of 10 days**.

**Table: Limits for Indian System of Medicine**

Item	Limit
Duration of treatment	40 days
Number of consultations	4
Interval between consultations	10 days

➤ **Example:** If a patient takes Ayurvedic treatment for 30 days, reimbursement may still be allowed within the extended limit of 40 days.

📌 **Exam Tip:** Indian system treatment may extend to **40 days but consultations remain limited to four**.

### 3. Consultation with Specialist

The same rule of **four consultations within ten days** also applies when the patient is referred to a **Specialist or another Medical Officer**.

The counting begins **from the date the specialist is first consulted**.

➤ **Example:** If a patient first consults a cardiologist on **1st March**, the four consultations must occur within the following ten days.

📌 **Exam Tip:** Consultation limit for Specialist = **4 consultations within 10 days**.

### 4. Cases Requiring Hospitalization

If a patient requires **hospitalization**, the Authorized Medical Attendant must refer the patient to:

- Government hospital, or
- recognized hospital

Treatment requiring hospital admission cannot normally be taken in a private clinic.

➤ **Example:** If surgery is required, the patient must be referred to a **Government or recognized hospital**.

📌 **Exam Tip:** Hospitalization cases must be referred to **Government or recognized hospitals**.

### 5. Long-Term Treatment Without Hospitalization

Sometimes hospitalization may not be necessary, but the treatment may still be prolonged.

If treatment requires:

- more than **four consultations**, or
- more than **15 injections**

the patient should be referred to the **out-patient department (OPD) of a Government or recognized hospital**.

➤ **Example:** A patient needing long-term physiotherapy may be referred to the hospital OPD.

📌 **Exam Tip:** Prolonged treatment exceeding consultation limits must be taken at **Government hospital OPD**.

### 6. Lack of Hospital Accommodation

If a Government or recognized hospital **does not have available beds**, hospitalization may not be possible.

In such situations:

- the patient may receive treatment elsewhere
- reimbursement will still be allowed

However, reimbursement will be limited to **the admissible amount under the rules**.

➤ **Example:** If no bed is available in a Government hospital, the patient may take treatment elsewhere and claim reimbursement.

📌 **Exam Tip:** If hospital admission is not possible due to lack of accommodation, **reimbursement is still allowed**.

### 7. Separate Claim for Each Illness

A **separate reimbursement claim must be submitted for each illness**.

Similarly, if the patient suffers from a **new disease**, a separate claim must also be submitted.

➤ **Example:** Treatment for **malaria** and **fracture injury** must be submitted as two different claims.

📌 **Exam Tip:** Separate claim required for **each illness or new disease**.

### 8. Recurrence of the Same Disease

If the same disease occurs again, reimbursement may be claimed again.

However, there must be a **reasonable gap between the two treatments**.

This ensures that the second claim is treated as a **new spell of illness**.

➤ **Example:** If a patient had treatment for asthma in January and again in August, it may be considered a new spell of illness.

📌 **Exam Tip:** For recurrence claims, there must be a **reasonable gap between two spells**.

### 9. New Disease During Treatment

If a patient develops another disease while already undergoing treatment, and consults the same AMA again, it is treated as a **fresh consultation**.

The consultation fee will therefore be charged at **full rates**.

➤ **Example:** If a patient being treated for fever develops a skin infection, consultation for the skin disease will be considered a fresh consultation.

📌 **Exam Tip:** A new disease during treatment is treated as a **fresh consultation**.

### 10. Subsequent Consultations

After the first consultation for the same illness, all further consultations are considered **subsequent consultations**.

These consultations are charged at **lower prescribed rates**.

➤ **Example:** First consultation for fever will be charged at full rate, while later consultations will be charged at lower rates.

📌 **Exam Tip:** Subsequent consultations for the same illness are charged at **lower rates**.

### 11. Consultation and Injection Fees

If the Medical Officer gives an injection during consultation, he may charge:

- consultation fee
- injection fee

However, if injections are given later based on an earlier prescription, the doctor may charge **injection fee only**.

➤ **Example:** If a doctor prescribes 5 injections and gives them later, only injection charges apply.

📌 **Exam Tip:** Consultation and injection fees may both apply **if injection is given during consultation**.

### 12. Consultation on the Tenth Day

Consultation on the **tenth day of treatment** is allowed only if **no medicine is prescribed during that consultation**.

➤ **Example:** If the doctor reviews the patient on the tenth day without prescribing medicines, the consultation is allowed.

📌 **Exam Tip:** Consultation on the tenth day allowed **only if no medicines are prescribed.**

### 13. Purchase of Medicines

Allopathic medicines may be purchased from **any licensed chemist or druggist.**

However, Ayurvedic, Siddha, and Unani medicines must be purchased **only from approved pharmacies.**

**Table: Purchase of Medicines**

System of Medicine	Source
Allopathic	Any licensed chemist
Ayurvedic	Approved pharmacy
Siddha	Approved pharmacy
Unani	Approved pharmacy

➤ **Example:** An Ayurvedic medicine purchased from an unauthorized shop may not be reimbursed.

📌 **Exam Tip:** AYUSH medicines must be purchased **only from approved pharmacies.**

### 14. Price Verification

Controlling authorities must verify that medicine prices are in accordance with the **Drugs Price Control Order (DPCO).**

Prices should match the rates printed on:

- medicine labels
- cartons
- packaging

➤ **Example:** If a medicine price printed on the label is ₹100 but the bill shows ₹120, reimbursement may be limited to ₹100.

📌 **Exam Tip:** Medicine prices must follow **Drugs Price Control Order (DPCO).**

### 15. Time Limit for Medical Claims

Medical reimbursement claims must be submitted **within six months** from the completion of treatment.

However, departments may **condone delay beyond six months under certain conditions.**

➤ **Example:** If treatment ended in March, the claim should normally be submitted before September.

📌 **Exam Tip:** Medical claim submission limit = **6 months.**

### 16. Treatment Before Retirement

If a Government servant is admitted to a hospital **before retirement but discharged after retirement**, the reimbursement will still be processed by **his original department.**

➤ **Example:** An employee admitted on 25 June and retired on 30 June may still submit the claim to the same department.

📌 **Exam Tip:** Treatment started before retirement is reimbursed by **the same department.**

### 17. Medical Insurance Policy Cases

Government servants who have **medical insurance policies** may claim reimbursement from:

- the insurance company, and
- the Government department

However, the total reimbursement **cannot exceed the actual expenditure on treatment.**

➤ **Example:** If treatment cost ₹1,00,000 and insurance pays ₹60,000, the department may reimburse only ₹40,000.

📌 **Exam Tip:** Total reimbursement from insurance + department **cannot exceed total treatment cost.**

### 18. Powers Delegated to Head of Department (HoD)

The **Head of Department (HoD)** has certain powers regarding medical reimbursement.

**Table: Powers of HoD**

Power	Limit
Permission for private hospital treatment	On AMA recommendation
Emergency reimbursement approval	Up to ₹2 lakhs
Decision by senior officer (Joint Secretary level)	Up to ₹2 lakhs

Claims exceeding **₹2 lakhs** must be processed in consultation with the **Integrated Finance Division (IFD).**

➤ **Example:** If emergency treatment costs ₹1.8 lakhs, HoD may approve reimbursement.

📌 **Exam Tip:** HoD can approve reimbursement **up to ₹2 lakhs.**

### 19. Validity of Diagnostic Test Prescription

A prescription issued by an **AMA or Government Specialist** for diagnostic tests is valid only for **one use within two weeks** from the date of prescription.

If the tests are not conducted within two weeks, the prescription must be:

- revalidated, or
- replaced with a new prescription.

➤ **Example:** If a doctor prescribes a CT scan on **1 July**, it must be done before **15 July**, unless extended by the doctor.

📌 **Exam Tip:** Diagnostic test prescription validity = **2 weeks**.

**Revision Table**

Topic	Key Rule
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AMA consultation limit	4 consultations in 10 days
Injection limit	10 (extendable to 15)
Indian medicine treatment	Up to 40 days
Claim submission	Within 6 months
HoD approval limit	₹2 lakhs
Diagnostic test prescription	Valid for 2 weeks

## CHAPTER : 05. RESERVATIONS AND CONCESSIONS IN APPOINTMENTS

(Reservations & Concessions, OM dated 29-03-2023)

### 1. SC/ST

#### 1.1 SC/ST Meaning of Scheduled Caste and Scheduled Tribe

A person will be treated as **Scheduled Caste (SC) or Scheduled Tribe (ST)** only if:

- his/her caste or tribe is included in the **Presidential Order issued by the Central Government**, and
- he/she belongs to the **area for which that caste/tribe is notified**.

This means that SC/ST status is **area-specific** and **notification-based**, not by self-declaration.

➤ **Example:** A caste declared as SC in one State will not automatically get SC status in another State unless it is notified there.

📌 **Exam Tip:** SC/ST status is valid only for the notified area.

#### 1.2 Religion Condition for SC and ST

For **Scheduled Castes**, the person must profess:

- Hinduism
- Sikhism
- Buddhism

A person belonging to SC who converts to another religion loses SC status, but if he reconverts back and is accepted by the caste community, the original SC status is restored.

For **Scheduled Tribes**, there is **no religion restriction**; they may profess any religion.

➤ **Example:** A Hindu SC who converts to Christianity loses SC reservation; if he reconverts to Hinduism and is

socially accepted, SC status can be restored.

📌 **Exam Tip:** Religion condition applies only to SC, not to ST.

#### 1.3 SC/ST Status and Marriage

SC/ST status is determined **by birth only**, not by marriage.

- A non-SC/ST person marrying an SC/ST person → does **not** become SC/ST.
- An SC/ST person marrying a non-SC/ST → **continues to remain SC/ST**.

➤ **Example:** A general category woman marrying an SC man will not get SC reservation.

📌 **Exam Tip:** SC/ST status cannot be acquired through marriage.

## 1.4 Caste / Tribe Certificate – Mandatory Requirement

A candidate claiming reservation must produce a **certificate in prescribed format** issued by competent authority.

### 1.4.1 Authorities Competent to Issue Certificate

The certificate must be signed by:

- District Magistrate / Collector / Deputy Commissioner
- Sub-Divisional Magistrate
- Executive Magistrate
- Revenue Officer not below Tahsildar
- Sub-Divisional Officer of area of residence

➤ **Example:** A certificate issued by a Panchayat Secretary is invalid.

📌 **Exam Tip:** Certificate must be issued by notified authority only.

### 1.4.2 Provisional Appointment Without Certificate

If the candidate is unable to produce the certificate at the time of appointment:

➡ he/she may be **provisionally appointed**,

subject to:

- submission of certificate within reasonable time
- verification of the certificate.

➤ **Example:** SSC selected candidate joins first and submits caste certificate later within permitted time.

📌 **Exam Tip:** Provisional appointment is allowed, but verification is compulsory.

### 1.4.3 Condition in Appointment Order

The appointment order must clearly state:

- appointment is subject to caste certificate verification
- if claim is false → services will be terminated immediately without notice.

➤ **Example:** If verification later proves the certificate fake, termination is automatic.

📌 **Exam Tip:** False certificate → termination without notice.

## 1.5 Action Against False SC/ST Certificate

If a Government servant obtained appointment on the basis of a **false SC/ST/OBC certificate**:

- Inquiry will be conducted under **Rule 14 of CCS (CCA) Rules**
- On proof of charges → **removal or dismissal from service**

No minor penalty should be imposed in such cases.

➤ **Example:** A permanent employee with fake SC certificate will be dismissed after departmental inquiry.

📌 **Exam Tip:** Fake caste certificate → only removal or dismissal.

## 1.6 Time-Limit for Verification of Caste Certificate

To avoid delay in pension and service matters:

- District authorities must verify the certificate within **1 month** of reference.
- Entire verification process must be completed within **6 months of joining service**.

➤ **Example:** If verification is pending for years, pension benefits may be affected; hence time-limit is fixed.

📌 **Exam Tip:** Verification must finish within 6 months of joining.

## 1.7 Language of Caste Certificate

For OBC candidates:

- certificate in **any Scheduled Language** is acceptable.
- States/UTs should provide **digital certificate for online verification**.

➤ **Example:** A caste certificate issued in Tamil is valid for Central recruitment.

📌 **Exam Tip:** Scheduled language certificate is valid.

## 1.8 Reservation in Direct Recruitment – Basic Principle

Reservation for Scheduled Castes and Scheduled Tribes in direct recruitment is provided in order to ensure **adequate representation in Government services**. The percentage of reservation and the type of roster to be followed depend upon:

- the **method of recruitment**,
- the **area from which recruitment is made**, and
- whether the recruitment is through **open competition or otherwise**.

**Example:** Reservation percentage in an All-India open competitive examination will be different from a local recruitment made at a regional level.

**Exam Tip:** Reservation % depends on method of recruitment and area of recruitment.

## 1.9 Percentage of Reservation in Direct

### Recruitment

#### 9.1 Direct Recruitment on All-India Basis by Open Competition

Reservation is:

- 15% for SC
- 7.5% for ST

Roster to be followed:

#### ➤ 200-point post-based roster

This applies to recruitments like:

- UPSC open competitive examinations
- SSC open competitive examinations

➤ **Example:** In a 200-point roster, 30 posts will go to SC and 15 to ST.

📌 **Exam Tip:** All-India open competition → 15% SC, 7.5% ST → 200-point roster.

#### 1.9.2 Direct Recruitment Through SSC from a Single All-India List

Reservation is:

- 15% for SC
- 7.5% for ST

Roster:

#### ➤ 200-point post-based roster

This is because recruitment is made from a **common merit list prepared by SSC**.

➤ **Example:** Combined Graduate Level examination where SSC sends a common list to different departments.

📌 **Exam Tip:** SSC single list → 15% SC → 120-point roster.

#### 3 Direct Recruitment on All-India Basis Otherwise Than by Open Competition

Reservation:

- same as SSC list system
- 16⅓% for SC
- 7.5% for ST

Roster: **120-point post-based roster**

➤ **Example:** Recruitment by interview or selection without written open competitive exam but on All-India basis.

📌 **Exam Tip:** All-India non-open competition → 120-point roster.

#### 1.9.4 Local / Regional Recruitment (Group 'C' & MTS)

Where recruitment is made:

- for Group 'C' / MTS posts
- from a **local area or region**

Reservation: as per **percentage fixed for that State / UT**.

Roster: **100-point roster** (converted into post-based)

➤ **Example:** Recruitment of MTS for a regional office in Tamil Nadu will follow Tamil Nadu SC/ST population percentage.

📌 **Exam Tip:** Local recruitment → State reservation percentage.

#### 1.9.5 Recruitment Through SSC on Zonal / Centre-Linked Basis

In such cases:

- reservation is applied based on the **State/UT concerned**.

➤ **Example:** SSC recruitment where candidates are allotted to a particular region.

📌 **Exam Tip:** SSC zonal recruitment → State reservation pattern.

#### 6 Organisations Spread Over More Than One State

For organisations having offices in multiple States:

- roster is prepared by **DoPT**,
- based on **SC/ST population of those States**.

➤ **Example:** A department having offices in 5 States will have a combined reservation roster based on population of those 5 States.

📌 **Exam Tip:** Multi-State organisation → DoPT prepares roster.

#### CONSOLIDATED TABLE – PERCENTAGE & ROSTER

Method of Recruitment	SC %	ST %	Roster
All-India Open Competition	15%	7.5%	200-point
SSC Single List	15%	7.5%	120-point
All-India Non-Open	16⅓%	7.5%	120-point
Local / Regional	As per State	As per State	100-point

## 1.10 Extent of Application of Reservation

Reservation for SC/ST applies to:

- ✓ all civil posts and services under Government of India
- ✓ both industrial and non-industrial establishments
- ✓ work-charged posts (except emergency posts)
- ✓ regular vacancies filled from casual / daily-rated workers

➤ **Example:** If casual workers are later regularised, SC/ST shortfall must be adjusted from outside recruitment.

📌 **Exam Tip:** Reservation applies to almost all civil posts.

### 1.10.1 Daily Rated Staff

Reservation does not apply in full form, but: their total representation must not fall below prescribed percentage.

➤ **Example:** While hiring daily wage workers, department should ensure SC/ST representation in overall strength.

📌 **Exam Tip:** Daily wagers → overall representation rule.

### 1.10.2 Temporary Appointments (More Than 45 Days)

Reservation applies if appointment is for: more than **45 days**.

➤ **Example:** Ad-hoc appointment for 3 months must follow reservation.

📌 **Exam Tip:** More than 45 days → reservation applicable.

## 1.11 Cases Where Reservation is NOT Applicable

Reservation does **not apply** to:

- ✗ posts in Department of Space & trainees in Department of Atomic Energy
- ✗ ex-cadre posts (unless continued for long and included in cadre)
- ✗ posts filled by deputation
- ✗ scientific / technical posts up to lowest Group 'A' grade (in certain exempted categories)
- ✗ temporary appointments less than 45 days

However, in deputation:

➡ SC/ST officers must be duly considered if posts are substantial.

➤ **Example:** A post filled on deputation for 3 years will not have reservation roster.

📌 **Exam Tip:** No reservation in deputation.

## 1.12 Reservation in Promotions – Extent and Coverage

Reservation in promotion is provided at:

- **15% for SC**
- **7.5% for ST**

This reservation applies in the following cases:

1. Promotion through **Limited Departmental Competitive Examination (LDCE)** in Group B, C and D.
2. Promotion by **selection method** in Group B, C and D and from Group B → lowest level of Group A.
3. Promotion by **seniority subject to fitness** in all Groups (A, B, C, D).

However, this reservation is applicable **only in those grades where direct recruitment does not exceed 75%**.

➤ **Example:** If a post has 80% direct recruitment and 20% promotion quota, reservation in promotion will not apply.

📌 **Exam Tip:** Reservation in promotion only where DR ≤ 75%.

## 1.13 Conditions Before Granting Reservation in Promotion

Before implementing reservation in promotion, the Ministry/Department must ensure:

- ✓ Collection of **quantifiable data** showing inadequate representation of SC/ST.
- ✓ Application of this data **cadre-wise**.
- ✓ Maintenance of **reservation roster**.
- ✓ DPC must assess **administrative efficiency**.

These conditions are mandatory as per latest instructions.

➤ **Example:** Department cannot apply reservation in promotion without data showing SC/ST under-representation in that cadre.

📌 **Exam Tip:** Quantifiable data is compulsory for promotion reservation.

## 1.14 Duration of Reservation in Promotion

Reservation in promotion will continue:

➡ **till SC/ST representation reaches prescribed percentage in that cadre.**

➤ **Example:** If SC representation in a cadre reaches 15%, reservation for SC in promotion stops for that cadre.

📌 **Exam Tip:** Reservation continues till adequate representation is achieved.

## 1.15 Reservation in Selection Grade Posts

Reservation is applicable in:

- selection by merit
- selection-cum-seniority
- seniority-cum-fitness

**Example:** Promotion to Selection Grade in Group B will follow SC/ST reservation.

**Exam Tip:** Selection grade promotions also covered.

## 1.16 Relaxations / Concessions for SC/ST in Direct Recruitment

### 1.16.1 Age Relaxation

Maximum age-limit is relaxable by:

➔ **5 years for SC/ST.**

➤ **Example:** If upper age is 30 years → SC/ST can apply up to 35 years.

📌 **Exam Tip:** SC/ST age relaxation = 5 years for all posts.

### 1.16.2 Relaxation in Minimum Standard of Selection

If sufficient SC/ST candidates are not available:

- minimum qualifying standard may be relaxed
- but **educational qualification cannot be relaxed.**

➤ **Example:** Cut-off marks in interview may be reduced for SC/ST.

📌 **Exam Tip:** Qualification not relaxable, only standard.

### 1.16.3 Non-availability Even After Relaxation (Group C & MTS)

For non-technical posts filled without written exam:

➔ best available SC/ST candidate with minimum qualification may be selected.

➤ **Example:** For MTS recruitment through interview, the best available SC candidate is selected even if marks are low.

📌 **Exam Tip:** Best among available SC/ST can be selected.

### 1.16.4 Examination Fee

SC/ST candidates are:

➔ **fully exempted from examination fee.**

➤ **Example:** No application fee in SSC for SC/ST candidates.

📌 **Exam Tip:** 100% fee exemption.

### 1.16.5 Separate Interview

Separate interviews are conducted for SC/ST candidates for reserved vacancies so that:

➔ they are not compared with general candidates.

➤ **Example:** SC candidates interviewed separately for reserved posts.

📌 **Exam Tip:** Separate interview for reserved vacancies.

### 1.16.6 Training for Candidates Selected on Relaxed Standard

Candidates selected by relaxed standard must be given:

➔ special training / in-service training.

➤ **Example:** A candidate selected with relaxed marks is given job training to reach required level.

📌 **Exam Tip:** Relaxed selection → compulsory training.

### 1.16.7 Composition of Selection Committee

For recruitment to **10 or more vacancies**, the Selection Committee must include:

- ✓ one SC/ST member
- ✓ one OBC member
- ✓ one minority community member
- ✓ one lady member

Efforts should be made even for less than 10 vacancies.

➤ **Example:** DPC panel for 12 vacancies must include SC/ST member.

📌 **Exam Tip:** Selection Committee must be socially representative.

## 1.17 Relaxations / Concessions in Promotions

### 1.17.1 Age Relaxation in Promotion

Where upper age-limit for promotion is prescribed (≤50 years):

➔ **SC/ST get 5 years relaxation.**

📌 **Exam Tip:** Same 5-year age relaxation in promotion.

### 1.17.2 Departmental Competitive Examination

SC/ST candidates who do not meet general standard:

↳ can still be promoted by **relaxing qualifying standard**, if found fit.

📌 **Exam Tip:** Qualifying marks relaxable in departmental exam.

### 1.17.3 Departmental Qualifying Examination

Relaxation in qualifying marks is allowed.

### 1.17.4 Consequential Seniority

SC/ST candidates promoted through reservation:

↳ get **consequential seniority**.

➤ **Example:** SC officer promoted earlier through roster will rank senior.

📌 **Exam Tip:** Reservation promotion → consequential seniority.

### 1.17.5 Ad-hoc Promotions

Applicable when vacancy exceeds **45 days**.  
No formal roster required.  
Maintain:

↳ **Ad-hoc Promotion Register**

📌 **Exam Tip:** Ad-hoc promotion → simple register only.

## 1.18 Meritorious SC/ST Candidates – Own Merit Principle

### 21.18.1 Adjustment Against Unreserved Vacancy

SC/ST promoted on:

- own merit
- without relaxation

↳ adjusted against **unreserved point**, not reserved point.

➤ **Example:** SC candidate promoted due to seniority → counted as UR.

📌 **Exam Tip:** Own merit → UR point.

## LIAISON OFFICER, OBC RESERVATION & EWS RESERVATION

### 1.19 Liaison Officer for SC/ST – Role and Importance

In every Ministry/Department, an officer of the rank of **Deputy Secretary** is appointed as the **Liaison Officer** to monitor proper implementation of reservation orders for SCs and STs. Similar Liaison Officers are also appointed in:

### 1.18.2 Consideration Against Unreserved Vacancy

SC/ST candidates in normal zone:

↳ must be considered for UR vacancies also.

### 1.18.3 Status After Own Merit Promotion

Even if adjusted against UR point: ↳ they **retain SC/ST status**

↳ and get reservation in future promotions.

📌 **Exam Tip:** Own merit does not remove SC/ST status

### 21.18.4 Extended Zone of Consideration

If sufficient SC/ST candidates are not available:

↳ zone of consideration extended to **5 times the vacancies** for SC/ST.

➤ **Example:** For 2 vacancies → zone extended to 10 SC/ST candidates.

📌 **Exam Tip:** SC/ST zone =  $5 \times$  vacancies.

### REVISION TABLE

Topic	Rule
Promotion reservation	15% SC, 7.5% ST
$DR \leq 75\%$	Only then promotion reservation
Data required	Quantifiable data mandatory
Age relaxation	5 years
Own merit	Adjusted against UR
Consequential seniority	Yes
Extended zone	$5 \times$ vacancies

- Attached Offices
- Subordinate Offices
- Offices under Heads of Departments

The main purpose of appointing a Liaison Officer is to ensure:

- ✓ correct implementation of reservation policy
- ✓ proper maintenance of rosters
- ✓ timely disposal of complaints and grievances

✓ preparation and consolidation of statistical reports relating to representation of SC/ST

**Example:** The Liaison Officer checks whether the DPC followed the roster correctly while giving promotion.

**Exam Tip:** Liaison Officer = Deputy Secretary level for SC/ST.

## 1.20 Training of Liaison Officers

Specialised training programmes are conducted (through ISTM) for Liaison Officers to make them fully competent in reservation matters. The training aims to:

- make them aware of their powers and duties
- give them practical knowledge for implementing reservation rules
- enable them to head the Reservation Cell effectively
- ensure proper monitoring of SC/ST/OBC reservation
- **>Example:** A newly appointed Liaison Officer attends ISTM training to learn how to operate the post-based roster.
- **📌 Exam Tip:** Training of Liaison Officers conducted through ISTM.

## RESERVATION FOR OBC

### 1.21 Definition of OBC

For reservation in Central Government services, OBCs include:

➔ castes and communities common to:

- the Mandal Commission list, and
- the State Government list

but excluding the **Creamy Layer**.

**>Example:** A caste included in the Central OBC list but falling under creamy layer will not get reservation.

**📌 Exam Tip:** OBC reservation = only for non-creamy layer.

### 1.22 Reservation in Autonomous Bodies

All Ministries/Departments must ensure that: reservation for SC/ST/OBC is provided in the **Statutes / Articles of Association** of Autonomous Bodies under their control.

**>Example:** A Central University must follow OBC reservation because its statute provides for it.

**📌 Exam Tip:** Autonomous bodies must implement reservation.

### 1.23 OBC Certificate

A candidate claiming OBC reservation must produce:

- ✓ certificate in prescribed format
- ✓ issued by competent authority
- ✓ mentioning **non-creamy layer status**

No other certificate is valid.

Income limit for creamy layer: **₹8 lakh per annum**.

**>Example:** If family income exceeds ₹8 lakh → candidate becomes creamy layer → no reservation.

**📌 Exam Tip:** Creamy layer limit = ₹8 lakh.

### 1.24 Condition in Appointment Order

Appointment is:

➔ provisional subject to verification of OBC certificate.

If claim is false:

✗ service terminated immediately.

**📌 Exam Tip:** False OBC certificate → termination.

### 1.25 Extent of OBC Reservation

Reservation for OBC:

➔ **27% in direct recruitment**

There is:

✗ **no reservation in promotion** for OBC.

**>Example:** OBC gets reservation in SSC recruitment but not in departmental promotion.

**📌 Exam Tip:** OBC reservation only in direct recruitment.

### 1.26 Sub-quota for Minorities

Within the 27% OBC quota:

➔ **4.5% sub-quota for minorities** (as per specific orders).

**📌 Exam Tip:** Minority sub-quota is within OBC quota.

### 1.27 Exemption from OBC Reservation

Reservation does not apply to:

➔ scientific/technical posts above lowest Group A grade engaged in research.

**📌 Exam Tip:** High-level scientific posts are exempt.

### 1.28 Relaxations for OBC

**Age Relaxation**

➔ **3 years** for direct recruitment.

**📌 Exam Tip:** OBC age relaxation = 3 years.

### Own Merit Principle

OBC selected on general merit:

➔ adjusted against UR vacancy, not OBC quota.

📌 **Exam Tip:** Own merit OBC → UR point.

### Relaxation in Standard

Same relaxation in qualifying marks as SC/ST in direct recruitment.

## 1.29 Liaison Officer for OBC

A separate Liaison Officer (Deputy Secretary level or equivalent) is appointed to monitor:

➔ OBC reservation implementation.

📌 **Exam Tip:** Separate Liaison Officer for OBC.

## RESERVATION FOR EWS

### 1.30 Applicability

EWS reservation is applicable to:

➔ direct recruitment vacancies notified on or after 1-2-2019.

### 1.31 Percentage of Reservation

➔ **10% reservation** for EWS in direct recruitment.

Only for those **not covered under SC/ST/OBC reservation**.

**Exam Tip:** EWS = 10% DR only.

### 1.32 Income and Asset Criteria

A person is EWS if:

✓ family income < ₹8 lakh per year

AND

family does not own:

- 5 acres agricultural land or more
- 1000 sq ft flat
- 100 sq yard residential plot in municipality
- 200 sq yard residential plot in non-municipal area

Family includes:

- parents
- spouse
- children below 18
- siblings below 18

➤ **Example:** If income is ₹6 lakh but family owns 6 acres land → not EWS.

📌 **Exam Tip:** Both income and asset criteria must be satisfied.

### 1.33 EWS Certificate

Benefit available only after producing:

➔ **Income & Asset Certificate** issued by prescribed authority.

## 1.34 No Carry Forward of EWS Vacancies

Unfilled EWS vacancies:

✗ are not carried forward as backlog.

📌 **Exam Tip:** No backlog for EWS.

## 1.35 Own Merit Principle for EWS

EWS selected on general merit:

➔ adjusted against UR, not against EWS quota.

## 1.36 Grievance Redressal Officer

Each Department must appoint a:

➔ **Grievance Redressal Officer** for EWS matters.

## 1.37 Liaison Officer for EWS

A Liaison Officer may be appointed to:

➔ monitor EWS reservation implementation

## RESERVATION FOR PERSONS WITH BENCHMARK DISABILITIES (PwBD)

(Rights of Persons with Disabilities Act, 2016)

## 1.38 Non-Discrimination in Employment

The Rights of Persons with Disabilities Act, 2016 provides that **no Government establishment shall discriminate** against a person with benchmark disability in matters of employment, unless specifically exempted by notification. This means equal opportunity in:

- recruitment
- promotion
- training
- transfer
- service conditions

The Government must also provide:

- reasonable accommodation
- barrier-free environment
- suitable workplace facilities

➤ **Example:** Providing screen-reading software for a visually impaired employee is reasonable accommodation.

📌 **Exam Tip:** Non-discrimination + reasonable accommodation is mandatory.

## 1.39 Promotion of Employees Acquiring Disability

If an employee acquires disability during service:

✗ he cannot be reduced in rank or removed.

If he becomes unsuitable for the same post:

➔ he must be shifted to another post with:

- same pay
- same service benefits

If no suitable post is available:

➔ he is kept on a **supernumerary post** until:

- a suitable post is available, or
- retirement.

➤ **Example:** A clerk who becomes physically disabled is shifted to a desk job with same pay.

📌 **Tip:** Disability during service → no reduction in rank.

### 1.40 Policy for Posting and Transfer

Government may frame special policies for:

➔ posting and transfer of disabled employees.

➤ **Example:** Posting a wheelchair-bound employee at a ground-floor office.

📌 **Exam Tip:** Special transfer policy for PwBD allowed.

### 1.41 Identification of Posts for Reservation

Reservation is applied only in posts **identified as suitable** for specific disabilities.

For this purpose Government shall:

- identify suitable posts
- constitute expert committee (with PwBD representation)
- review identification every **3 years**

➤ **Example:** A post involving heavy physical work may not be identified for locomotor disability.

📌 **Exam Tip:** Identification of posts reviewed every 3 years. **21.42**

### Quantum of Reservation

Reservation for PwBD in direct recruitment is:

➔ **4% of total vacancies** in the cadre strength in each group (A, B, C).

This 4% is distributed as:

Category	%
Blindness & low vision	1%
Deaf & hard of hearing	1%
Locomotor disability etc.	1%
Autism, intellectual disability, mental illness & multiple disabilities	1%

➤ **Example:** If 100 vacancies arise → 4 reserved for PwBD (1 each for categories).

📌 **Exam Tip:** PwBD reservation = 4%.

### 1.43 Exemption from PwBD Reservation

If a Ministry wants exemption for a particular establishment or cadre:

- proposal sent to **Department of Empowerment of PwBD**
- consultation with **Chief Commissioner for PwBD**
- exemption granted by notification.

➤ **Example:** A highly hazardous technical post may be exempted.

📌 **Exam Tip:** Exemption only by notification.

### 1.44 PwBD Candidates Against Unreserved Vacancies

A PwBD candidate: can compete for **unreserved vacancy** if the post is identified suitable.

If selected on **own merit without relaxation**:

➔ will be adjusted against UR vacancy, not PwBD quota.

➤ **Example:** A visually impaired candidate qualifying in general merit list will be counted in UR.

📌 **Exam Tip:** Own merit PwBD → UR point.

### 1.45 Filling of Reserved PwBD Vacancies

Reserved vacancies are filled:

➔ separately from eligible PwBD candidates even if their marks are lower than last UR candidate, provided they are found suitable.

➤ **Example:** PwBD candidate with slightly lower marks appointed against reserved vacancy.

📌 **Exam Tip:** Separate merit list for PwBD.

### 1.46 Disability Certificate

To avail reservation, candidate must produce:

➔ **Disability certificate issued by competent authority**

This certificate is subject to:

- verification
- re-verification.

📌 **Exam Tip:** Disability certificate compulsory.

### 1.47 Computation of Reservation – Group C Posts

For Group C:

Reservation is calculated on:

➔ **total number of vacancies in cadre strength,**

including:

- identified posts
- non-identified posts.

But appointment will be made only in identified posts. This may result in:

➤ actual PwBD appointments exceeding 4% in identified posts.

➤ **Example:** 4% of total vacancies reserved, but all may be adjusted in identified posts.

📌 **Exam Tip:** Calculation based on total vacancies.

### 1.48 Computation – Group A & B Posts

For Group A & B:

Reservation is calculated on:

➤ total number of vacancies in **direct recruitment quota** in the cadre.

Again, both:

- identified
- non-identified posts

are counted for calculation.

📌 **Exam Tip:** Group A/B → DR quota basis. Perfect

### PwBD RESERVATION – ROSTER, CARRY FORWARD & HORIZONTALITY

### 1.49 Computation of Vacancies for PwBD – Group C

In Group 'C' posts, reservation for Persons with Benchmark Disabilities is calculated on the basis of:

➤ **total number of direct recruitment vacancies in the cadre in a recruitment year,**

including:

- identified posts
- non-identified posts

However, actual appointment will be made **only in identified suitable posts.**

Because of this method, it is possible that:

➤ the number of PwBD employees in identified posts becomes **more than 4%.**

➤ **Example:** 100 total vacancies → 4 reserved for PwBD → all 4 adjusted in identified posts → PwBD representation in identified posts becomes more than 4%.

📌 **Exam Tip:** Calculation on total vacancies, not only identified posts.

### 1.50 Computation – Group A & B

In Group 'A' and 'B':

Reservation is calculated on:

➤ total number of vacancies in **direct recruitment quota in the cadre**

(including both identified and non-identified posts).

📌 **Exam Tip:** Group A/B → DR quota basis

### 1.51 Maintenance of PwBD Reservation Roster

Every Government establishment must maintain:

➤ **separate 100-point vacancy-based roster**

for:

- Group A
- Group B
- Group C

(for direct recruitment).

#### 1.51.1 Structure of the 100-Point Roster

Each 100-point cycle is divided into:

Block	Points
1st	1 – 25
2nd	26 – 50
3rd	51 – 75
4th	76 – 100

Reserved points: ➤ **1, 26, 51, 76**

Each point is for **one disability category.**

➤ **Example:** Point 1 → Blindness, Point 26 → Deaf, etc.

📌 **Exam Tip:** PwBD roster points = 1, 26, 51, 76.

#### 1.51.2 When Reserved Point Is Not Suitable

If the vacancy at point 1:

- is not suitable for PwBD, or
- cannot be filled for any reason

then: ➤ the **first suitable vacancy between 2–25** will be treated as reserved.

The same rule applies for:

- 26–50
- 51–75
- 76–100

➤ **Example:** If point 1 post is not identified → next suitable vacancy in that block becomes reserved.

📌 **Exam Tip:** First suitable vacancy in block is reserved.

### 1.51.3 Carry Forward Within the Roster Block

If no suitable vacancy exists in first block (1–25):  
 ➡ two vacancies in next block (26–50) will be reserved.  
 If still not possible: ➡ three in next block.  
 This ensures that **4% reservation is maintained**.

📌 **Exam Tip:** Reservation shifts to next block if not filled.

### 1.51.4 Fresh Cycle

After 100 points: ➡ new cycle begins.

### 1.51.5 Fewer Vacancies in a Year

If only:

- 25 vacancies → one block applies
- 50 vacancies → two blocks apply

The Head of Department decides the disability category based on:

- nature of post
- representation of disability category.

📌 **Exam Tip:** HOD decides category when vacancy not identified.

## 1.52 Inter-Se Exchange & Carry Forward

### 1.52.1 Carry Forward Rule

If a reserved PwBD vacancy cannot be filled in a recruitment year: ➡ it is **carried forward to next year**.

📌 **Exam Tip:** PwBD vacancy → carry forward allowed.

### 1.52.2 Interchange Among Disability Categories

In next recruitment year:

Vacancy may be filled by **interchange among 4 disability categories**:

1. Blindness/low vision
2. Deaf/hard of hearing
3. Locomotor disability
4. Autism/intellectual/multiple disability

➤ **Example:** Vacancy reserved for blindness may be filled by locomotor disability candidate.

📌 **Exam Tip:** Interchange allowed among PwBD categories.

### 1.52.3 When Still Not Filled

If no PwBD candidate is available even after interchange: ➡ vacancy may be filled by non-PwBD candidate.

### 1.52.4 Backlog Concept

If vacancy remains unfilled: ➡ it becomes **backlog reserved vacancy**.

It will continue: ➡ for **two more recruitment years**.

After that: ➡ reservation lapses.

📌 **Exam Tip:** PwBD backlog valid for 2 subsequent years.

### 1.52.5 Priority of Backlog Vacancies

Backlog vacancies are filled: ➡ **first in chronological order**.

📌 **Exam Tip:** Old backlog filled first.

## 1.53 Horizontal Nature of PwBD Reservation

Reservation for:

- SC/ST/OBC → **Vertical reservation**
- PwBD → **Horizontal reservation**

Horizontal reservation: ➡ cuts across vertical categories.

### 1.53.1 Adjustment in Vertical Category

PwBD candidate will be placed in:

- SC roster point → if SC
- ST roster point → if ST
- OBC roster point → if OBC
- UR point → if General

➤ **Example:** SC candidate selected under PwBD quota → adjusted against SC vacancy.

📌 **Exam Tip:** PwBD adjusted in its social category.

### 1.53.2 Example of Horizontality

If two PwBD candidates selected:

- one SC
- one UR

Then:

- SC candidate → SC point
- UR candidate → UR point

📌 **Exam Tip:** Horizontal reservation is interlocking.

### 1.53.3 Application Form Requirement

Candidates applying under PwBD quota must indicate:

➔ whether they belong to SC/ST/OBC/UR.  
Because: adjustment is done in vertical roster. Perfect

### 1.54 Certificate to be Sent to Recruiting Agency (PwBD)

While sending requisition for filling vacancies to the recruiting agency, the requisitioning authority must certify that:

- ✓ provisions of the **RPwD Act, 2016** have been followed
- ✓ roster points are correctly indicated
- ✓ number of PwBD vacancies is clearly shown

This ensures that the recruiting agency:

- applies reservation correctly
- advertises correct number of PwBD vacancies

**Example:** A Ministry sending requisition to SSC must mention that vacancy falls at roster point 26 reserved for PwBD.  
Perfect

### 1.54 Certificate to be Sent to Recruiting Agency (PwBD)

While sending requisition for filling vacancies to the recruiting agency, the requisitioning authority must certify that:

- ✓ provisions of the **RPwD Act, 2016** have been followed
- ✓ roster points are correctly indicated
- ✓ number of PwBD vacancies is clearly shown

This ensures that the recruiting agency:

- applies reservation correctly
- advertises correct number of PwBD vacancies

**>Example:** A Ministry sending requisition to SSC must mention that vacancy falls at roster point 26 reserved for PwBD.

📌 **Exam Tip:** Requisition must contain PwBD reservation certificate.

### 1.55 Verification at the Time of Appointment

The appointing authority must ensure: ➔ the candidate is actually eligible for PwBD reservation

before issuing the appointment order.

📌 **Exam Tip:** Eligibility for PwBD checked at appointment stage.

### 1.56 Relaxation in Standard of Suitability (PwBD)

If sufficient PwBD candidates are not available: selection can be made on **relaxed standard**,

provided:

- candidate is not unfit for the post
- disability certificate rules are not relaxed

Same relaxed standard will apply to:

- UR PwBD
- SC PwBD
- ST PwBD
- OBC PwBD

No additional relaxation based on caste.

**>Example:** Minimum qualifying marks reduced for all PwBD candidates uniformly.

📌 **Exam Tip:** Same relaxed standard for all PwBD.

### 1.57 Medical Examination of PwBD Candidates

Every new entrant must submit:

➔ medical fitness certificate (FR 10)

In case of PwBD:

- Medical Board must be informed that
  - ➔ the post is identified suitable for that disability

so that fitness is judged accordingly.

**>Example:** A hearing-impaired candidate is not declared unfit for a post already identified suitable for hearing impairment.

📌 **Exam Tip:** Medical fitness judged with reference to identified post.

### 1.58 Annual Report on Representation

All Ministries/Departments must upload:

➔ data on representation of PwBD

every year as on **1st January** on the prescribed portal.

This ensures:

- monitoring of reservation implementation
- transparency.

📌 **Exam Tip:** PwBD representation data uploaded annually.

### 1.59 Grievance Redressal Mechanism

Each Government establishment must:

- ✓ appoint a **Grievance Redressal Officer**
- ✓ maintain a **register of complaints**

Any complaint of discrimination:

➔ must be disposed within **2 months**.

➤ **Example:** PwBD employee denied promotion can file complaint with Grievance Officer.

📌 **Exam Tip:** Complaint disposal time = 2 months.

### 1.60 Fee Exemption for PwBD

PwBD candidates are:

➔ fully exempted from:

- application fee
- examination fee

in UPSC / SSC etc.,

provided they:

- ✓ submit disability certificate
- ✓ meet medical standards for the post.

📌 **Exam Tip:** PwBD → full fee exemption.

## RESERVATION FOR MERITORIOUS SPORTSPERSONS

### 1.61 Eligibility of Sportspersons

A person is treated as meritorious sportsperson if he has:

- ✓ represented country or State in National/International competition
- ✓ represented University in Inter-University tournaments
- ✓ represented State School team in National School Games
- ✓ won National Physical Efficiency award

➤ **Example:** A candidate who played in National Games for his State is eligible.

📌 **Exam Tip:** Representation at National level = eligible.

### 1.62 List of Recognised Sports

Includes:

- Cricket
- Hockey
- Athletics
- Kabaddi
- Chess
- Swimming
- Wrestling
- Para-sports etc.

(as notified by Government).

📌 **Exam Tip:** Only notified sports count.

### 1.63 Extent of Reservation

No fixed percentage.

Recruitment allowed: ➔ up to **5% of vacancies in a year**

subject to: ➔ total reservation not exceeding **50% ceiling**.

📌 **Exam Tip:** Sportsperson recruitment ≤ 5%.

### 1.64 Posts to Which Applicable

Applicable to: ➔ Group 'C' posts (direct recruitment, not through UPSC)

Not applicable to:

✗ Group A & B reservation

No reservation in:

✗ promotion

However:

- ✓ sports achievements may be considered in overall merit.

📌 **Exam Tip:** Sportsperson quota → Group C only.

### 1.65 Recruitment Procedure

Ministry/Department:

- examines sports certificate
- checks educational qualification
- appoints directly if eligible.

### 1.66 Adjustment in Reservation Roster

Sportsperson is adjusted in: ➔ the social category to which he belongs.

➤ **Example:** SC sportsperson → adjusted against SC roster point.

📌 **Exam Tip:** Sportsperson quota is horizontal.

### 1.67 Age Relaxation for Sportspersons

Age relaxation:

- 5 years → General
- 10 years → SC/ST
- 8 years → OBC

Applicable for posts filled **otherwise than through UPSC exam**.

📌 **Exam Tip:** Sportsperson age relaxation = 5/10/8.

## RESERVATION FOR EX-SERVICEMEN Definition of Ex-Serviceman

An Ex-Serviceman means a person who has served in:

- Regular Army
- Navy
- Air Force
- Territorial Army

in any rank (combatant or non-combatant).

It also includes:

- ✓ Army Postal Service personnel retired with pension
- ✓ personnel released on medical grounds with disability pension
- ✓ personnel released due to reduction in establishment
- ✓ Short Service Commissioned Officers completing engagement with gratuity

➤ **Example:** A Short Service Commissioned Officer completing 10 years and released with gratuity is treated as Ex-Serviceman.

📌 **Exam Tip:** SSC Officer with gratuity = Ex-Serviceman.

### 1.69 Extent of Reservation

Reservation is available:

Post	Reservation
Group C	10%
Group D (MTS)	20%

Applicable only in: ➔ **direct recruitment**

Not applicable in:

✗ promotion

📌 **Exam Tip:** Ex-Servicemen reservation = 10% (C), 20% (D).

### 1.70 Recruitment Procedure

Vacancies are notified to:

- DG (Resettlement)
- Rajya Sainik Board
- Zila Sainik Board
- Ex-Servicemen Employment Cell

Candidate must submit: ➔ undertaking of discharge/retirement.

➤ **Example:** Vacancy for LDC is sent to Zila Sainik Board for Ex-Servicemen sponsorship.

📌 **Exam Tip:** DG(R) is key agency.

### 1.71 Adjustment in Reservation Roster

Ex-Serviceman is adjusted in the **social category to which he belongs**.

➤ **Example:** SC Ex-Serviceman → SC roster point.

📌 **Exam Tip:** Ex-Servicemen reservation is horizontal.

### 1.72 Reservation Only for First Civil Employment

After getting a civil job against Ex-Servicemen quota:

✗ he is no longer treated as Ex-Serviceman for reservation.

But:

✓ age relaxation is still available for higher posts.

📌 **Exam Tip:** Reservation only once.

### 1.73 Age Relaxation for Ex-Servicemen

**For Group C & D (Normal)**

Age relaxation: **3 years + military service rendered**

**For Disabled Defence Personnel**

Group C (through exam):

- 3 years (8 years for SC/ST)

Group C/D through Employment Exchange:

- up to 45 years
- 50 years for SC/ST

**For Group A & B (UPSC)**

Age relaxation: ➔ **5 years**

for officers with:

- 5 years military service
- released on completion / disability.

📌 **Exam Tip:** Age relaxation = service + 3 years.

### 1.74 Educational Qualification Relaxation

✓ No educational qualification required for Group D if 3 years service.

✓ For Group C → qualification may be relaxed.

✓ Matriculate with 15 years service → treated as graduate (non-technical posts).

➤ **Example:** Matriculate Havildar with 15 years service eligible for Assistant post.

📌 **Exam Tip:** 15 years service + Matric = Graduate equivalent.

### 21.75 Relaxation in Selection Standard

Selection standard may be relaxed if: ➔ sufficient candidates are not available.

### 21.76 Fee Exemption

Ex-Servicemen are exempted from: application and examination fee (UPSC/SSC).

### 21.77 Special Priority for Disabled Ex-Servicemen

Priority for appointment:

1. Disabled Ex-Servicemen
2. Family members (widow/son/daughter)

Medical certificate of Defence Medical Board is sufficient.

📌 **Exam Tip:** Disabled Ex-Servicemen = Priority-I.

### 1.78 Travelling Allowance for Interview

Same TA benefits as SC/ST candidates.

### 1.79 Liaison Officer

SC/ST Liaison Officer also handles: Ex-Servicemen reservation.

### COMPASSIONATE APPOINTMENT 21.80 Objective

Compassionate appointment is given to: ➔ relieve the family from financial distress due to:

- death in harness
- medical invalidation.

### 1.81 Eligible Dependants

Dependants include:

- spouse
- son/daughter (including adopted)
- married son (allowed as per latest orders)
- brother/sister (if unmarried employee)

➤ **Example:** Married son can be considered if he was dependent on deceased employee.

📌 **Exam Tip:** Married son eligible.

### 1.82 Cases Where Applicable

Applicable when employee:

- ✓ dies in service (including suicide)
- ✓ medically retired before 55 years (57 for MTS)
- ✓ Armed Forces personnel:

- killed in action
- medically boarded out.

### 1.83 Compassionate Appointment in Missing Cases

Allowed after:

- 2 years of missing
- FIR filed
- no fraud/terror suspicion
- decision at Secretary level.

📌 **Exam Tip:** Missing employee → wait 2 years.

### 1.84 Only One Appointment

Only: ➔ **one dependant** gets compassionate appointment. Exception: Allowed in rare cases with Secretary's approval even if an earning member exists.

### 1.85 Posts for Appointment

Compassionate appointment is made: only in **Group C posts**

Against: **direct recruitment quota.**

### 1.86 Competent Authority

Office	Authority
Ministry	Joint Secretary / Secretary
Attached/Subordinate	Head of Department
Postal Department	Circle Selection Committee

### 1.87 Essential Conditions

- ✓ vacancy in DR quota
- ✓ applicant fulfils Recruitment Rules
- ✓ financial hardship must be proved Excellent

### COMPASSIONATE APPOINTMENT – RELAXATIONS, LIMITATIONS & PROCEDURE

### 1.88 Age Relaxation in Compassionate Appointment

In compassionate appointment, **maximum age-limit can be relaxed** wherever necessary.

However:

✗ **Minimum age of 18 years cannot be relaxed.**

If the dependent is below 18 years at the time of death: he/she must apply **after attaining 18 years**.

➤ **Example:** A 16-year-old son cannot be appointed immediately; he can apply after becoming 18.

📌 **Exam Tip:** Minimum age (18 years) → no relaxation.

### 1.89 Relaxation in Educational Qualification – Appointment as Trainee

In exceptional cases where the dependent does not possess the required qualification: he/she may be appointed as **Trainee**.

Key conditions:

- ✓ must acquire minimum qualification within **5 years**
- ✓ will get regular pay only after acquiring qualification

During training period:

- pay = minimum of **Level-1 of Pay Matrix** (earlier –1S scale)
- no Grade Pay
- allowances admissible

➤ **Example:** A dependent appointed as trainee must pass matriculation within 5 years to become regular employee.

📌 **Exam Tip:** Qualification must be acquired within 5 years.

#### 1.89.1 Pay Fixation of Trainees (7th CPC)

Trainees are placed in: ➔ **Level-1 of Pay Matrix** by applying: fitment factor **2.57**

They are also eligible for:

- DA
- HRA
- TA
- increment
- leave
- CGHS
- CGEGIS
- LTC
- CEA

📌 **Exam Tip:** Trainee gets allowances but no Grade Pay.

### 1.90 Relaxation in Recruitment Procedure

For compassionate appointment:

The following normal recruitment conditions are relaxed:

- ✗ recruitment through SSC
- ✗ Employment Exchange
- ✗ Surplus Cell clearance
- ✗ ban on filling vacancies

➤ **Example:** Compassionate appointment can be made even during recruitment ban.

📌 **Exam Tip:** Compassionate appointment exempt from recruitment ban.

### 1.91 Limit of Compassionate Appointment

Compassionate appointment is restricted to: **maximum 5% of direct recruitment vacancies in a year**

In: Group C posts.

If no vacancy:

✗ appointment cannot be made.

📌 **Exam Tip:** Compassionate quota = 5% of DR vacancies.

### 1.92 Adjustment in Reservation Roster

Person appointed on compassionate grounds is adjusted in:

➔ the category to which he belongs:

- SC
- ST
- OBC
- UR

➤ **Example:** SC dependent → adjusted against SC roster point.

📌 **Exam Tip:** Compassionate appointment follows reservation roster.

### 1.93 Procedure for Compassionate Appointment

#### 1.93.1 Role of Head of Office

Head of Office:

- prepares proposal
- sends it in prescribed format

including:

- ✓ details of family
- ✓ financial condition
- ✓ benefits received
- ✓ relaxation required.

#### 1.93.2 Decision by Competent Authority

Head of Department / Ministry examines:

- family income
- terminal benefits received
- number of dependents
- liabilities
- existence of earning member

Financial benefits alone:

✗ cannot be ground for rejection.

➤ **Example:** Even if gratuity is received, appointment may be allowed if family condition is poor.

📌 **Exam Tip:** Financial benefits not sole rejection ground.

## 1.94 Other Important Provisions

### 1.94.1 Widow After Remarriage

Widow appointed on compassionate grounds: ➔ can continue in service even after remarriage.

📌 **Exam Tip:** Remarriage does not cancel job.

### 1.94.2 Change of Post Not Allowed

After appointment:

✗ request for change of post on compassionate ground is not allowed.

Further career progression: normal rules apply.

📌 **Exam Tip:** No post change after appointment.

### 1.94.3 Time Limit for Compassionate Appointment

Earlier time-limit instructions were withdrawn. Now cases are regulated as per: existing scheme (no rigid time bar).

# CHAPTER: 06. RECRUITMENT RULES, METHODS OF RECRUITMENT & PROBATION

(Based on DoPT OM dated 06-03-2014 & OM dated 24-11-2022)

## 1. Meaning and Nature of Recruitment Rules

Recruitment Rules are the statutory rules framed under the **proviso to Article 309 of the Constitution** or under a specific Act for a particular post or service. These rules prescribe the **method of recruitment, eligibility conditions, educational qualifications, experience, age-limit, promotion channel, deputation provisions and probation period**. Recruitment Rules consist of **two parts**, namely the **notification part (substantive rules)** and the **schedule part (detailed provisions)**. Since they are framed under constitutional authority, they are treated as **subordinate legislation having statutory force**.

➤ **Example:** If the Recruitment Rules for the post of Assistant Section Officer prescribe graduation and 2 years' service in feeder grade for promotion, the department cannot promote a person who does not fulfil these conditions.

## 2. Authority Competent to Frame / Amend Recruitment Rules

Recruitment Rules for **Group 'A' and Group 'B' posts** are framed or amended by the Administrative Ministry/Department **in consultation with DoPT, UPSC and Ministry of Law**, and with the approval of the competent authority. In respect of **Group 'C' posts**, the Ministries/Departments are empowered to frame or amend the rules themselves, but they must follow the **Model Recruitment Rules and DoPT guidelines**. If any deviation from Model RRs is proposed, prior concurrence of DoPT is mandatory.

➤ **Example:** A Ministry wants to change the experience requirement for a Group 'B' post. It must consult DoPT and UPSC before issuing the amendment.

## 3. Educational Qualifications in Direct Recruitment

The minimum educational qualifications and experience for direct recruitment must be indicated **very clearly and precisely**. These are divided into:

- **Essential Qualifications** – mandatory
- **Desirable Qualifications** – additional advantage

While prescribing qualifications, the department must consider:

- Pay level
- Nature of duties
- Hierarchy of posts

➤ **Example:** For a technical post, B.Tech may be essential, while M.Tech may be desirable.

## 4. Methods of Recruitment

The Recruitment Rules provide different modes of recruitment. Each method has a distinct meaning and purpose.

### 4.1 Direct Recruitment

Direct Recruitment is the method in which **all eligible candidates from open market** can apply as per prescribed age, qualification and experience.

➤ **Example:** SSC examination for Group 'B' and 'C' posts is a form of direct recruitment.

### 4.2 Promotion

Promotion means appointment from **feeder grade to higher grade**. Only **regular service** is counted for eligibility; **ad-hoc service is not counted**. The number of years required in feeder grade is called **qualifying service**.

➤ **Example:** A UDC with 5 years' regular service becomes eligible for promotion to Assistant.

### 4.3 Deputation

Deputation is appointment of an officer from **another department / State / UT** for a **temporary period**, after which he returns to his parent cadre. It is useful for **isolated posts**, where promotion channel is not available.

➤ **Example:** A State Government officer comes to a Central Ministry for 3 years on deputation.

### 4.4 Short-Term Contract

Short-term contract is similar to deputation, but officers come from **non-government organisations**, such as:

- Universities
- Research institutions
- PSUs

This method is generally used for **scientific, technical or teaching posts**.

➤ **Example:** A Professor from a University joins a Central Government project for 2 years on short-term contract.

#### 4.5 Absorption

Absorption means **permanent appointment** of a person who initially came on deputation, provided Recruitment Rules allow absorption. Absorption is allowed only for officers from **Central / State Government**.

➤ **Example:** A deputationist working as Director is permanently absorbed in the same post as per RRs.

#### 4.6 Re-employment

Re-employment is mainly for **Ex-servicemen**, who retire at an early age and are provided a second career under the **Ex-servicemen (Re-employment) Rules**.

Recruitment to Group 'C' and MTS posts is subject to these provisions.

➤ **Example:** A retired Army Subedar is appointed as an Instructor in a Central Training Institute.

**Table – Methods of Recruitment**

Source	Method	Nature
Open market	Direct Recruitment	Fresh entry
Feeder grade	Promotion	Career progression
Govt officers	Deputation	Temporary
Non-Govt bodies	Short-term contract	Temporary
Deputationists	Absorption	Permanent
Ex-servicemen	Re-employment	Second career

#### 5. Composite Method of Recruitment

Where there is **only one post in feeder grade**, the method prescribed is:

➤ **“Promotion failing which Deputation (including short-term contract)”**

This ensures that:

- Departmental candidate gets first chance
- If not available → post filled by deputation

After deputation period ends, departmental officer is again considered.

**Example:** A Department has only one Section Officer. For promotion to Under Secretary, outsiders are also considered through deputation.

#### 6. Field of Deputation / Absorption

The field of deputation should include:

- Officers holding **analogous posts**, or
- Officers in next lower grade with required service.

➤ **Example:** For a Level-10 post, Level-9 officers with 5 years' service may also be eligible.

#### 7. Consultation with UPSC

UPSC must be consulted in recruitment to all Central Civil Services and posts **unless exempted** under UPSC (Exemption from Consultation) Regulations, 1958.

➤ **Example:** Recruitment to Group 'A' posts requires UPSC consultation.

#### 8. Direct Recruitment of an Existing Government Servant

If a Government servant joins another post through direct recruitment, he must be **confirmed afresh in the new post**, even if he was already confirmed in previous post, because:

- New post may be in different line
- Duties and responsibilities are different.

➤ **Example:** A confirmed Auditor joins as Inspector through SSC; he must undergo confirmation again.

#### 9. Probation – Meaning and Purpose

Probation is the period during which the suitability of a person is assessed. It is **not a formality**. During this period:

- Performance is evaluated
- Training / exams may be required
- Behaviour and aptitude are observed

The appointing authority may:

- ✓ confirm
- ✓ extend probation
- ✓ discharge the employee

➤ **Example:** A newly recruited Income Tax Inspector is assessed during probation before confirmation.

#### 10. Assessment During Probation

The probationer should work under **different officers**, and **separate probation reports** should be recorded (not APAR). If performance is poor:

- shortcomings must be communicated
- written warning given
- opportunity to improve provided.

➤ **Example:** If a probationer is weak in noting and drafting, he must be informed and guided.

### 11. Extension of Probation

Probation should:

- not be extended beyond **one year normally**,
- not exceed **double the normal period**, except in exceptional cases.

### 12. Training During Probation

For direct recruits: **Mandatory induction training of at least 2 weeks**

Successful completion may be made **condition for completion of probation**.

➤ **Example:** Newly recruited ASOs must complete induction training before confirmation.

### 13. Period of Probation

Method	Probation
--------	-----------

Promotion (same group)	No probation
Promotion (to higher group)	Same as DR or 2 years
Direct Recruitment	2 years
DR (Level high / age $\geq 35$ , no training)	1 year
Re-employment before superannuation	2 years
Contract / tenure / absorption	No probation

### 14. Confirmation

Confirmation is now **de-linked from availability of permanent vacancy**.

After successful completion of probation, the officer can be confirmed.

➤ **Example:** Even if no permanent post exists, a probationer can be confirmed after completing probation.

# CHAPTER: 07. Delegation of Financial Powers Rules, 2024

( DFPR - 2024 )

The **Delegation of Financial Powers Rules, 2024** explains **how financial powers are distributed** within the Government of India.

These rules clearly state:

- **Who can spend government money**
- **How much they can spend**
- **Under what conditions the money can be spent**

The main aim of these rules is to:

- Ensure **financial discipline**
- Maintain **accountability and control**
- Promote **transparency in use of public money**
- Allow **smooth and efficient administration**

In short, these rules **balance control with flexibility** in government spending.

➤ **For instance**, when a government office needs to purchase computers, these rules decide who can approve the purchase and up to what amount.

In pursuance of clause (3) of article 77 of the Constitution, the President hereby makes the following rules, namely:–

## 1.1 Short Title and Commencement

These rules are called the **Delegation of Financial Powers Rules, 2024**.

The name gives the rules their **official legal identity** and separates them from older rules.

These rules **came into force on 1st April 2024**.

This means:

- **All financial sanctions, approvals, and decisions made on or after 1st April 2024** are governed by these rules.
- **Financial actions taken before 1st April 2024** will continue to be governed by the **earlier rules**.

The **date of commencement** is important because it decides **which rules will apply** to a particular financial decision.

➤ **For example**, if an officer sanctions expenditure on 2nd April 2024, the sanction must strictly follow DFPR 2024.

**Power to Relax** -These rules accept that **strict application of financial rules may sometimes cause practical problems**.

To handle such situations, the **President of India** has the power to **relax these rules** when it is necessary in **public interest**.

This relaxation can be done in two ways:

- **General Order** – applies to a **group of authorities or situations**
- **Special Order** – applies to a **specific case or authority**

➤ **For example**, during a natural disaster, the President may relax procurement rules to allow faster purchase of relief materials.

Using this power, the **President of India** can **relax any provision of these rules** for **any authority**.

This provides **necessary flexibility** so that administration can function smoothly when **strict compliance creates difficulties**.

➤ **For instance**, an authority normally allowed to spend up to ₹10 lakh may be permitted to spend more during an emergency.

The **President of India** may:

- **Give additional financial powers** to an authority beyond the normal limits fixed under these rules,
- or
- **Reduce or withdraw existing financial powers** already delegated to an authority,

whenever the situation requires.

➤ **For example**, a Joint Secretary may be granted powers normally exercised only by a Secretary.

While delegating financial powers, the **President of India** may:

- **Impose additional conditions** to prevent misuse of powers, and
- **Withdraw the delegated powers**, either **fully or partly**, if required.

This ensures that **all delegated powers remain under higher oversight** and are used **only in public interest**.

- In Ministries where the **Integrated Financial Adviser (IFA)** system exists:
  - The IFA exercises delegated financial powers
  - Works under the overall supervision of the Finance Ministry

## Definitions and Key Expressions

### Administrator

An **Administrator** means the Administrator of a **Union Territory**, appointed under **Article 239 of the Constitution of India**, regardless of the title or designation used.

This definition ensures that **all Union Territories** are equally governed by these rules.

### Annexure

An **Annexure** refers to **supplementary material** attached to the rules.

It generally contains:

- Detailed lists
- Classifications
- Additional explanations

Annexures support and clarify the main provisions of the rules.

### Appropriation

**Appropriation** means the **formal authorization by Parliament** to spend money for a specific purpose.

- Expenditure can be incurred **only after appropriation**
- Administrative approval alone is **not sufficient**
- Without appropriation, spending is **illegal**

### Competent Authority

A **Competent Authority** is an authority legally empowered to exercise a specific financial power under:

- These rules, or
- Any general or special order of the Government of India

Financial powers differ based on:

- Rank
- Designation
- Delegation of authority

### Department of the Government of India

A **Department of the Government of India** includes:

- Ministries
- Departments
- Secretariats
- Offices listed under the **Allocation of Business Rules**
- Vice-President's Secretariat

This ensures **wide institutional coverage** under these rules.

### Finance Ministry

The term **Finance Ministry** specifically refers to the **Department of Expenditure, Ministry of Finance**.

This system ensures **financial discipline with decentralised scrutiny**.

### Head of the Department

The **Head of the Department** is:

- An officer not below the rank of **Deputy Secretary to the Government of India**
- Declared as such for a specific establishment

This authority is responsible for:

- Establishment matters
- Exercise of delegated financial powers

### Head of Office

The **Head of Office** is:

- A **Gazetted Officer**
- Working under the administrative control of:
  - Head of the Department, or
  - Administrator

The Head of Office manages:

- Day-to-day administration
- Routine financial matters

### Ministry of Finance

The **Ministry of Finance** includes all its departments dealing with financial matters, such as:

- Department of Expenditure
- Department of Revenue
- Department of Economic Affairs

### Project

A **Project** refers to **one-time expenditure** which:

- Creates capital assets, or
- Generates financial or economic returns

A project may:

- Stand alone, or
- Form part of a larger approved scheme

### Re-appropriation

**Re-appropriation** means transfer of funds by a competent authority:

- From one primary unit of appropriation to another
- Within the same grant section:
  - Revenue to Revenue, or
  - Capital to Capital

This allows **flexibility in fund utilization** while maintaining budgetary discipline.

### Recurring and Non-Recurring Expenditure

- **Recurring Expenditure:**
  - Incurred at regular intervals
  - Examples: salaries, pensions, maintenance
- **Non-Recurring Expenditure:**
  - One-time expenditure
  - Examples: purchase of machinery, construction

- Deliver goods, services, or both
- To the public

### **Applicability of GFR Definitions**

If any term is:

- Not defined in these rules, but
- Defined in the **General Financial Rules (GFR)**

### Scheme

A **Scheme** is a structured programme through which Government departments:

- Utilize resources

### **Provision of Funds by Parliament**

The basic constitutional rule of public finance is that **no government money can be spent without approval of Parliament.**

- Parliament passes the **Appropriation Bill**
- The Bill receives the **President's assent**
- Only then do the sanctioned funds become available to departments
- **Expenditure can be incurred only after this approval**

Then the meaning assigned in the **GFR shall apply.**  
This ensures **uniformity and consistency** in financial regulations.

This rule ensures **full control of Parliament over government spending.**

➤ *For example, even if a scheme is approved, funds can be spent only after Parliament authorizes the amount.*

### **General Conditions Governing Sanction of Expenditure**

No authority is allowed to **approve expenditure or advances** that introduce a **new policy or practice** which may **increase government spending in the future, without prior approval of the Finance Ministry.**

- The **general or special orders**, and
- The **directions** issued by the authority that **delegated or re-delegated** those powers.

This rule acts as a **financial safeguard** and prevents **unplanned or uncontrolled future financial burden** on the Government..

This rule ensures:

➤ *For example, starting a new allowance for employees requires approval of the Finance Ministry.*

- **Hierarchical accountability**, and
- **Uniform financial discipline** across all levels.

Any **subordinate authority** using **delegated financial powers** must strictly follow:

➤ *For instance, if higher authority restricts vehicle purchases, a lower office must comply.*

### **Residuary Financial Powers**

All financial powers that are not specifically delegated under these rules remain vested in the **Finance Ministry.** This includes significant matters such as the creation and abolition of posts. This provision establishes the Finance Ministry as the ultimate custodian of financial authority and ensures centralized control over matters with long-term financial implications.

➤ *For example, creation of a new permanent post requires approval of the Finance Ministry.*

### **Sanction of Expenditure**

Every item of government expenditure requires both **sanction** and **appropriation.** Sanction represents administrative approval, while appropriation ensures the availability of funds. Expenditure can be incurred only when both conditions are satisfied.

➤ **For example,** approval to buy equipment is useless if budget funds are not available.

In the case of recurring expenditure, the sanction becomes operative when funds for the first year are provided and continues to remain effective in subsequent years, subject to the availability of funds through appropriation and compliance with the terms of the original sanction.

➤ *For example, once salary expenditure is sanctioned, it continues every year if budget is provided.*

### Primary Unit of Appropriation

A grant or appropriation is distributed under standard **Object Heads**, which represent the lowest level of accounting classification. Each Object Head constitutes a **primary unit of appropriation** and indicates the specific purpose for which expenditure is incurred. In certain cases, a primary unit may include both voted and charged expenditure, which are shown separately for clarity.

The **Finance Ministry** has the authority to prescribe, modify, add, or delete primary units of appropriation. For the purpose of preparing Detailed Demands for Grants, expenditure is classified into a six-tier structure consisting of **Major Head, Sub-Major Head, Minor Head, Sub-Head, Detailed Head, and Object Head**.

This uniform structure ensures consistency in budgeting, accounting, and financial reporting. The distinction between **Revenue Expenditure** and **Capital Expenditure** is maintained in accordance with government accounting rules and central financial principles.

S. N.	Type of Head	Codification	Purpose	Example (e.g., Education)
1.	Major Head	4 Digits	Denotes the <b>Function</b>	2202 (General Education)
2.	Sub-major Head	2 Digits	Denotes the <b>Sub-function</b>	01 (Elementary Education)
3.	Minor Head	3 Digits	Denotes the <b>Programme</b>	101 (Government Primary Schools)
4.	Sub-head	2 Digits	Denotes the <b>Scheme</b>	01 (Mid-Day Meal Scheme)
5.	Detailed Head	2 Digits	Denotes the <b>Sub-scheme</b>	02 (Procurement of Food Grains)
6.	Object Head	2 Digits	<b>Primary Unit of Appropriation</b>	01 (Salaries) or 06 (Rent/Taxes)

### Rule 9: Allotment of Funds

Once a grant or an appropriation for charged expenditure has been authorized by Parliament, it becomes the responsibility of the concerned **Department of the Government of India** or the authority on whose behalf the grant has been sanctioned to distribute the funds. This distribution is done among the **controlling officers** and **disbursing officers** who are subordinate to it, wherever such distribution is required for effective administration.

➤ *For instance, when Parliament approves funds for a national health programme, the Ministry of Health distributes the money to various hospitals, directorates, and field offices so that actual spending can take place.*

This rule ensures that funds approved at the central level reach the operational level where expenditure is actually incurred.

➤ *For example, money sanctioned for a central scheme cannot be spent unless it is allotted to the regional or local offices responsible for implementation.*

### Rule 10: Appropriation and Re-appropriation

#### General Restrictions

Appropriation and re-appropriation of funds are subject to strict conditions to protect parliamentary control over public finances.

Funds shall not be appropriated or re-appropriated to meet expenditure on a **New Service** or **New Instrument of Service** that was not contemplated in the budget approved by Parliament, except with prior approval of Parliament. Whether a proposal qualifies as a New Service or New Instrument of Service, and whether it requires prior parliamentary approval or mere reporting through supplementary demands, is determined with

reference to the financial limits prescribed by the **Budget Division of the Department of Economic Affairs**.

➤ *For example, starting an entirely new welfare scheme mid-year requires Parliament's approval if it was not part of the original budget.*

Funds shall not be appropriated or re-appropriated to meet any expenditure that has not been sanctioned by a **Competent Authority**. This ensures that administrative approval always precedes financial adjustment.

➤ *For instance, money cannot be shifted to purchase vehicles if no authority has approved the purchase.*

Funds shall not be appropriated or re-appropriated to any work that has not received **administrative approval** and **technical sanction** as prescribed by the Government of India. Both approvals are mandatory before funds can be adjusted.

➤ *For example, construction funds cannot be allotted unless the project has been administratively approved and technically cleared by engineers.*

Funds provided for **charged expenditure** shall not be appropriated or re-appropriated to meet **voted expenditure**, and similarly funds provided for voted expenditure shall not be used for charged expenditure. This maintains the constitutional distinction between the two categories.

➤ *For example, funds meant for judges' salaries cannot be diverted to office expenses.*

No re-appropriation shall be made from one **Grant** or **Appropriation for charged expenditure** to another Grant or Appropriation for charged expenditure. Each grant remains independent and cannot be mixed with another.

## Powers of Administrative Ministries or Departments

Subject to the above restrictions, the **Chief Accounting Authorities** of Administrative Ministries or Departments are empowered to exercise certain re-appropriation powers.

They may augment provisions under the heads **Salaries, Allowances, Wages, Pensionary Charges, Medical Expenses, and Rent, Rates and Taxes for Land and Buildings** through re-appropriation. This ensures that essential human resource and establishment-related payments are not disrupted.

➤ *For example, if salary provision falls short due to additional staff joining, funds may be re-appropriated to meet the requirement.*

They may re-appropriate funds from the Object Head **Salaries** to the Object Head **Salaries** across different schemes, allowing flexibility in staff deployment.

➤ *For example, surplus salary funds under one scheme may be used to pay staff working under another scheme.*

They may augment provisions already approved by Parliament through **Supplementary Demands for Grants**, thereby aligning departmental expenditure with parliamentary authorisation.

➤ *For instance, after Parliament approves extra funds, departments may distribute them as required.*

They may re-appropriate funds from lump-sum provisions meant for **North-East areas** to the concerned schemes, but only

## Cases Requiring Prior Approval of Ministry of Finance

Notwithstanding any provision above, certain cases require prior approval of the **Budget Division** with the concurrence of the **Secretary (Expenditure)**.

➤ *For example, savings under the education grant cannot be used for health expenditure.*

No re-appropriation shall be made from the **Capital Section** to the **Revenue Section** of a grant or vice versa. This preserves the integrity of capital and revenue budgeting.

➤ *For instance, funds meant for building construction cannot be used to pay salaries.*

No re-appropriation shall be made from an appropriation that has already been increased through a **Supplementary Demand for Grant** passed by Parliament or under the provisions of this rule. This prevents repeated financial adjustments beyond parliamentary intent.

➤ *For example, once Parliament increases a budget head through supplementary demand, savings from that head cannot be re-appropriated elsewhere.*

No re-appropriation shall be made from savings under an activity for which an advance has already been obtained from the **Contingency Fund** during the financial year. This avoids double financial accommodation.

➤ *For example, if emergency funds were taken from the Contingency Fund for flood relief, later savings from that activity cannot be diverted.*

for programmes benefiting the North-East.

➤ *For example, a lump-sum allocation for the North-East may be distributed among education or health schemes operating in that region.*

They may appropriate or re-appropriate funds to any work to cover excess expenditure over authorised limits up to **20 percent**, provided such excess is approved by the Competent Authority. This allows controlled flexibility in execution.

➤ *For example, if a project costs slightly more than estimated, funds may be adjusted within the permitted limit.*

They may augment a budget provision under any line item ending at an object head to such limits as permitted by the **Ministry of Finance** through general or specific orders.

➤ *For example, expenditure on office equipment may be increased if allowed by Finance Ministry instructions.*

While exercising re-appropriation powers, Ministries and Departments must do so in consultation with their respective **Financial Advisors**, who ensure strict compliance with these rules.

➤ *For instance, any fund transfer proposal is examined by the Financial Advisor before approval*

No re-appropriation shall be carried out to meet expenditure in the **Revenue Section** from savings under **grants-in-aid to States or Union Territories**. This protects federal financial transfers.

➤ *For example*, funds meant for grants to states cannot be diverted for central office expenses.

No re-appropriation shall be made between **Capital Outlay and Loans**, or vice versa, within the Capital Section. This maintains clarity between asset creation and lending activities.

➤ *For example*, funds meant for infrastructure creation cannot be diverted to loan disbursement.

No re-appropriation shall be made from the heads **Salaries or Allowances** to any other **Primary Unit of Appropriation**. This ensures protection of employee-related payments.

➤ *For example*, salary funds cannot be diverted to purchase vehicles or furniture.

Further restrictions are placed on re-appropriation to ensure that funds are used strictly for their intended purpose. **No re-appropriation shall be made from provisions made for Externally Aided Projects to Non-Externally Aided Projects**. This ensures that funds received with external assistance are not diverted to projects financed purely from domestic resources.

➤ *For instance*, funds provided under a World Bank–assisted irrigation project cannot be shifted to a normal government road project.

**No re-appropriation shall be made from or to the provision for Secret Service Expenditure**. This preserves confidentiality and security of sensitive expenditure. In cases where the Secret Service Expenditure requires augmentation by **25% or more of the original provision**, prior approval of the **Comptroller and Auditor General of India** is mandatory.

➤ *For example*, if secret service funds need a substantial increase beyond normal limits, the approval of C&AG becomes necessary.

**No re-appropriation shall be made from the primary unit “Buildings and Structures, Infrastructure Assets, or Other Fixed Assets” to any other unit**. This ensures that funds meant for asset creation are not diverted to routine or consumptive expenditure.

➤ *For instance*, money allotted for construction of office buildings cannot be used to meet office expenses or travel costs.

**No appropriation or re-appropriation shall be made to any work to cover excess expenditure beyond 20 percent of the authorized financial limits**. This prevents large cost overruns without fresh approval.

➤ *For example*, if a project was sanctioned for ₹10 crore, expenditure beyond ₹12 crore cannot be covered through re-appropriation.

**No re-appropriation shall be made if it results in augmentation of a budget provision beyond the limits prescribed by the Ministry of Finance through its general or specific orders**. This maintains uniform financial control across departments.

➤ *For instance*, even if savings are available, expenditure under a particular object head cannot be increased beyond Finance Ministry limits.

**No re-appropriation of funds shall be made to a head from which funds were previously redirected or re-appropriated to another head**. This avoids repeated shifting of funds and distortion of budgetary intent.

➤ *For example*, once funds have been moved out of a head, they cannot later be brought back through another re-appropriation.

#### Monetary Limits for Re-appropriation Powers

Type of Expenditure	Object Heads Covered	Maximum Re-appropriation Limit	Example
Establishment Expenditure (Routine)	Office expenses, other revenue expenditure, domestic travel expenses, foreign travel expenses	₹2 crore	Adjusting office or travel costs

<b>Establishment Expenditure (Operational)</b>	Minor works, professional services, rewards, leave travel expenses, training expenses, materials & supplies, ration cost, fuel & lubricants, minor civil & electrical works, repair & maintenance, bank charges, agency charges, loss in exchange	<b>₹5 crore</b>	Meeting training or repair expenses
<b>Non-Establishment Expenditure</b>	All other object heads	<b>₹15 crore</b>	Adjusting procurement or service delivery expenses

#### Reporting Limit to Parliament on Re-appropriation

Any order of **re-appropriation** issued during a financial year that results in an increase in the budget provision under any line item ending at an **object head** by more than **20 percent of the Budget Estimates or ₹100 crore, whichever is higher**, must be reported to **Parliament**. Such reporting is done along with the **last batch of Supplementary Demands for Grants** of that financial year.

➤ **For instance**, if re-appropriation increases the budget of an object head by a large margin, Parliament must be informed to maintain transparency.

If such an order of re-appropriation is issued **after the last batch of Supplementary Demands** has already been presented, then **prior approval of the Department of Expenditure** is mandatory before implementing the re-appropriation.

➤ **For example**, if a department needs to substantially increase expenditure near the end of the financial year, it must obtain approval from the Department of Expenditure before doing so.

#### Rule 11: Indents, Contracts and Purchases

Authority Level	Type of Procurement / Contract	Financial Limit (Ceiling)
Secretary of the Department	Open or Limited Tender Contracts	Up to ₹100 crore
Secretary of the Department	Negotiated, Single Tender, or Proprietary Contracts	Up to ₹25 crore
Minister in Charge	Any contract/purchase exceeding the Secretary's limits	Exceeding ₹100 crore / ₹25 crore
Subordinate Authority (Head of Dept / Administrator)	As delegated by the Secretary via general/special orders	As specified in the order (Consultation with Financial Advisor required)
PIB / EFC / Cabinet	Projects or Schemes already approved by these bodies	As per limits approved by the specific authority

#### Government of India's Clarification Relating to Rule 11(6)

When **contracts, purchases, or consultancy services** are part of a **Project or Scheme** that has been:

- examined by the **Public Investment Board (PIB)** or **Expenditure Finance Committee (EFC)**, and
- approved by the **Competent Financial Authority**, including the **Cabinet**,

and **specific financial limits** are mentioned in that approval, **those approved limits will apply**.

These limits will **override the general financial powers** otherwise applicable.

➤ *For example, if a Cabinet-approved project permits higher contract values, the department must follow those approved limits instead of general DFPR limits (If the Cabinet approves a project and allows purchases up to ₹500 crore, then contracts can be awarded up to ₹500 crore, even if normal departmental limits are lower)*

**This framework under Rule 11 ensures that procurement and contracting powers are exercised efficiently while maintaining financial discipline, transparency, and accountability, and also respects higher-level approvals granted for major projects and schemes.**

## Rule 12: Powers of Subordinate Authorities

Subject to the provisions of these rules, the **Departments of the Government of India** are vested with full powers in matters relating to **appropriation and re-appropriation** for incurring both **revenue expenditure and capital expenditure**. This provision enables departments to manage their approved budgets efficiently within the framework laid down by Parliament.

➤ *For instance, a ministry may allocate funds for salaries as revenue expenditure and for building construction as capital expenditure.*

A Department of the Central Government may, by issuing a **general or special order**, confer financial powers upon an **Administrator, Head of Department**, or any other authority subordinate to it, provided such powers do not exceed those vested in the Department itself and are exercised in consultation with the **Internal Financial Adviser**. This facilitates decentralization of financial decision-making while ensuring financial scrutiny.

➤ *For example, a department may authorize a Head of Department to sanction certain expenditures after consulting the Financial Adviser.*

However, the powers delegated under this provision cannot be further re-delegated by the Department in respect of certain sensitive matters. These include **re-appropriation of funds under Rule 10, waiver of recovery of overpayments made to government servants under Rule 15, and appraisal and approval of schemes or projects under Rule 16**. This restriction ensures that critical financial decisions remain at higher administrative levels.

➤ *For instance, a department cannot allow a subordinate authority to re-appropriate funds between budget heads on its behalf.*

An **Administrator or Head of Department** who has been conferred powers may, by an order in writing, authorize a **Gazetted Officer** serving under him to exercise such powers to the extent specified in that order. Despite such authorization, the Administrator or Head of Department continues to remain fully responsible for the **correctness, regularity, and propriety** of the decisions taken by the authorized Gazetted Officer.

➤ *For example, even if a Gazetted Officer approves expenditure, the Head of Department remains accountable for that decision.*

Departments of the Government of India, Administrators, and Heads of Departments are empowered to declare any Gazetted Officer subordinate to them as the **Head of Office** for the purposes of these rules. The Head of Office may exercise only those powers that are specifically delegated and permitted under the applicable rules.

➤ *For instance, a senior officer may be declared Head of Office to manage routine financial matters of an establishment.*

It is further provided that **only one Gazetted Officer** shall be declared as Head of Office for the same office or establishment, unless the office or establishment is distinctly separate. This ensures clarity in responsibility and avoids overlapping authority.

➤ *For example, two officers cannot simultaneously act as Head of Office for the same unit.*

Any authority empowered under these rules to incur revenue or capital expenditure must exercise such powers strictly in accordance with the **General Financial Rules**, subsidiary instructions, and orders issued by the **Finance Ministry**, including restrictions, scales, and general conditions specified in **Annexure-II**. This ensures uniform application of financial discipline across all departments.

➤ *For instance, expenditure limits prescribed by the Finance Ministry must be followed even if delegation exists.*

The powers delegated under these rules may also be exercised for the **validation of an action already taken** or for an **expenditure or liability already incurred**, even if the authority validating such action did not have the competence at the time when the action was originally taken. This provision allows regularization of actions taken in good faith.

➤ *For example, an expenditure incurred urgently may later be validated by a competent authority.*

**Rule 13: Powers of Subordinate Authorities to Write Off Loss**

Condition/Requirement	Core Principle	Simple "Real-World" Example
<b>Financial Limits</b>	Must stay within the monetary limits set by the Finance Ministry.	If your limit is ₹5,000, you cannot write off a loss of ₹6,000 yourself.
<b>Procedural Conformity</b>	Must follow GFR (General Financial Rules) guidelines.	You must fill out the exact forms and follow the steps mandated by GFR.
<b>No Systemic Defects</b>	The loss shouldn't be caused by a "bad rule" that needs a higher-level change.	If a warehouse floods because of a flawed building policy, you must report the policy, not just "erase" the loss.
<b>No Gross Negligence</b>	No government servant should be guilty of serious carelessness.	If a clerk leaves the vault open overnight, it's negligence; you can't just write it off without an inquiry.
<b>Mandatory Investigation</b>	A thorough probe must happen to find the root cause.	Before writing off a stolen laptop, you must investigate how the thief got past security.
<b>Remedial Action</b>	Steps must be taken to ensure the loss doesn't happen again.	After a theft, you must install new locks or cameras to prevent a recurrence.
<b>Quarterly Reporting</b>	A statement of all write-offs must be sent to the Integrated Finance Division (IFD).	Every three months, you send a "report card" of losses to the Finance wing for monitoring.

**Rules for Writing Off Losses**

Category	Delegation & Financial Limits	Valuation Basis / "Each Case" Rule	Practical Example
<b>Revenue (Dept. of Revenue)</b>	Re-delegated as per their own specific Dept. instructions.	As per Departmental guidelines.	An Income Tax Officer writing off small tax arrears based on CBDT circulars.
<b>Revenue (Other Depts)</b>	Up to <b>₹5,000</b> per case can be delegated to HoDs.	Total revenue lost on one specific occasion.	A Ministry writing off a ₹4,500 fine that cannot be recovered from a vendor.
<b>Public Money &amp; Stores</b>	Up to <b>10%</b> of the Dept's power can be delegated to HoD.	Must be done via <b>Written Order</b> .	If a Dept can write off ₹1 Lakh, they can delegate only ₹10,000 to the HoD.
<b>Store Deficiencies</b>	Up to <b>10%</b> of Dept's power to HoD ( <b>Excludes Motor Vehicles</b> ).	<b>Priced:</b> Book Value <b>Unpriced:</b> Replacement Value	If a laptop is lost, use its original ledger price (Book Value) for the limit.
<b>The "Occasion" Rule</b>	Total value of items lost in <b>one incident</b> = "Each Case."	No "splitting" of losses to stay under lower limits.	If a fire destroys 10 desks, you must total their value as <b>one case</b> , not 10 separate ones.

<p><b>The "Cause" Rule</b></p>	<p>All losses from <b>one cause</b> (Fire/Theft) must be written off together.</p>	<p>Can group multiple causes (Fire + Flood) if processed at once.</p>	<p>You cannot write off half of a theft loss today and the other half next week to avoid a higher authority's audit.</p>
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### Rule 14: Insurance of Government Property

As a general rule, **Government property**, whether **movable or immovable**, shall **not be insured**. No Subordinate Authority is permitted to undertake any liability or incur any expenditure towards insurance of such property without obtaining **prior consent of the Finance Ministry**, except in cases where specific relaxation is granted by the Ministry from time to time. This rule is based on the principle that government assets are backed by the sovereign and normally do not require insurance.

➤ *For example, a government office building or vehicle cannot be insured unless the Finance Ministry specifically allows it.*

### Rule 15: Waiver of Recovery of Overpayment Made to Government Servants

A **Department of the Government of India**, an **Administrator**, or any other **Subordinate Authority** to whom powers have been specially delegated by the President may waive recovery of an amount that has been **mistakenly overpaid** to a Government servant in excess of entitlement, subject to prescribed conditions. This provision ensures fairness where recovery would be unjust.

➤ *For example, excess salary paid due to a calculation error may be considered for waiver.*

Such waiver may be allowed only when the Government servant had drawn the amount under a **reasonable belief** that he or she was entitled to it, and when the competent authority forms the opinion that recovery would cause **undue hardship** or that recovery is **not possible**.

➤ *For instance, recovery from a retired employee may cause financial distress.*

A Department of the Government of India may waive recovery of overpayment **up to ₹2,00,000 in each individual case** with the concurrence of the **Financial Adviser** of the Department. Any proposal involving waiver of an amount exceeding **₹2,00,000** in a single case must be referred to the **Finance Ministry** for concurrence.

➤ *For example, waiver of ₹1.5 lakh may be approved at the departmental level, while higher amounts require Finance Ministry approval.*

### Rule 16: Expenditure on Schemes or Projects

A **Department of the Government of India** can spend money on any **Scheme or Project** only if the total cost of that Scheme or Project has already been **approved by the Competent Authority** following the appraisal and approval process fixed by the **Finance Ministry**. The power to examine, appraise, and approve a Scheme or Project **cannot be given to any lower authority** and must be exercised only by the prescribed authority.

➤ *For example, a new education scheme cannot start unless its total cost is formally approved.*

When expenditure on **contracts, purchases, or consultancy services** is directly connected with a Scheme or Project and cannot be separated from it, such expenditure must be approved strictly within the **financial limits sanctioned for that Scheme or Project**.

➤ *For example, hiring a consultant for a project must follow the same cost limits approved for that project.*

**This rule ensures that no scheme or project is implemented without proper approval and that all related spending remains within approved limits.**

### Rule 17: Grants-in-aid and Loans

Departments of the Government of India and Administrators have the power to sanction **grants-in-aid**, including **scholarships**, and **loans**. Such grants and scholarships must follow rules approved earlier by the **Finance Ministry**, and the sanction order must certify this. In the case of loans, the **interest rate and repayment period** must have prior approval of the **Ministry of Finance**, unless already fixed by a general or special order. This ensures that financial assistance is given only under approved conditions.

### Rule 18: Trading Operations

All proposals related to **government trading activities** must be sent to the **Ministry of Finance** for approval before final decision. This includes purchase of goods meant **for sale to the public or other agencies**, fixing of **prices in government trading**, and **price fixation requests from government companies or undertakings**.

➤ *For example, if the government plans to buy commodities to sell in the market, Finance Ministry approval is needed.*

However, proposals for purchase of such commodities or fixing prices **do not need Finance Ministry concurrence if the transaction value is below ₹25 crore**.

### Rule 19: Dismantlement of Public Buildings

Departments of the Government of India and **Administrators** have the power to sanction dismantlement of **public buildings**, except purely temporary structures, **with the concurrence of their Financial Advisers**.

➤ *For example, an old government office building may be approved for dismantling after financial consultation.*

A public building shall not be dismantled unless it is first confirmed that **no other government department needs it**.

➤ *For example, a vacant building cannot be demolished if another department can use it.*

A public building may be demolished only if it is **structurally unsafe, beyond economical repair**, or if the land is needed for a **more important government project**, and this must be certified by a technical authority.

➤ *For example, a damaged building certified unsafe by engineers may be demolished.*

Buildings approved for dismantlement must normally be **disposed of through public auction** by the **CPWD or local PWD**, unless special approval is taken to dispose of it to a specific party.

➤ *For example, scrap from a demolished building is sold through auction.*

Departments and Administrators have full powers to dismantle **purely temporary structures**, which means structures with a life of **not more than two years**.

➤ *For example, temporary sheds or site offices can be dismantled easily.*

### Rule 20: Communication of Sanctions to Audit

Whenever the **approval or concurrence of the Finance Ministry** is required for any financial sanction, the **Department of the Government of India** itself must inform the **Audit or Pay and Accounts Officer** by clearly mentioning this approval in the sanction order.

➤ *For example, the sanction order must state that it has been issued with the concurrence of the Ministry of Finance, along with reference number and date.*

When a financial sanction is issued by a Department using its **delegated powers**, after consultation with the **Internal Financial Adviser or Integrated Financial Adviser** and approval of the **competent authority**, this fact must also be clearly mentioned in the sanction order sent to the Audit or Pay and Accounts Officer.

➤ *For example, the sanction must state that it has been issued with the approval of the competent authority and financial advice.*

**This rule ensures that audit authorities are properly informed about the approvals taken before money is spent.**

### **Rule 21: Repeal and Savings**

The **Delegation of Financial Powers Rules, 1978** are repealed with the coming into force of the **Delegation of Financial Powers Rules, 2024**. However, anything already done under the old rules, such as sanctions issued, orders passed, actions taken, or powers exercised before these new rules came into effect, shall **continue to remain valid and effective** unless they are specifically cancelled or withdrawn by the competent authority.

➤ *For example, an expenditure sanction issued in March 2024 will remain valid even after April 2024.*

All **special delegations of powers** made earlier to any authority shall also continue to operate unless they are **specifically revoked by the President**.

➤ *For instance, a special financial power given earlier to an authority will not automatically lapse.*

These rules **do not apply** to certain Ministries and Departments, namely the **Ministry of Railways**, the **Ministry of Defence** in respect of Defence Services expenditure, the **Departments of Atomic Energy and Space**, the **Department of Telecommunications**, and **Government of India's representatives abroad**, whose financial powers are governed by separate rules issued in consultation with the Finance Ministry.

➤ *For example, defence-related spending follows separate financial rules, not DFPR 2024.*

GIST:-
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1. **Delegation of Financial Powers Rules, 2024** came into force on **1 April 2024**.
2. DFPR 1978 stands repealed by DFPR 2024.
3. **Administrator** of Union Territory appointed under **Article 239** of the Constitution.
4. **Deputy Secretary** rank is the minimum level for **Head of Department**.
5. **Recurring expenditure** continues year to year subject to annual appropriation.
6. **Primary Unit of Appropriation** is the lowest accounting unit.
7. Budget classification follows **6-tier structure**.
8. **Major Head** uses **4 digits**.
9. **Sub-Major Head** uses **2 digits**.
10. **Minor Head** uses **3 digits**.
11. **Sub-Head** uses **2 digits**.
12. **Detailed Head** uses **2 digits**.
13. **Object Head** uses **2 digits**.
14. **Secretary** can approve open/limited tender contracts up to **₹100 crore**.
15. **Secretary** can approve single/negotiated/proprietary contracts up to **₹25 crore**.
16. Contracts beyond **₹100 crore** or **₹25 crore** require **Minister's approval**.
17. Re-appropriation to cover excess expenditure allowed up to **20%** only.
18. Re-appropriation beyond **20%** is **not permitted**.
19. Re-appropriation increasing an object head by **more than 20% or ₹100 crore (whichever is higher)** must be reported to Parliament.
20. If such re-appropriation is done after last Supplementary Demand, **prior approval of DoE** is required.
21. **Externally Aided Projects (EAP)** funds cannot be re-appropriated to non-EAP projects.
22. **Secret Service Expenditure** cannot be re-appropriated; **25% or more increase** requires **C&AG approval**.
23. Re-appropriation from **Capital to Revenue** or **Revenue to Capital** is prohibited.
24. Re-appropriation from **Buildings/Infrastructure/Fixed Assets** object head is prohibited.
25. Re-appropriation during **first quarter (April–June)** requires **Finance Ministry approval**.
26. Re-appropriation powers for **office expenses/travel** up to **₹2 crore**.
27. Re-appropriation powers for **minor works/services/training/repairs** up to **₹5 crore**.
28. Re-appropriation powers for **non-establishment expenditure** up to **₹15 crore**.
29. Waiver of recovery of overpayment allowed up to **₹2,00,000 per individual** at departmental level.
30. Write-off of revenue loss by HoD allowed up to **₹5,000 per case**; delegation to HoD limited to **10%** of departmental power; **temporary structures** defined as life not exceeding **2 years**.

# CHAPTER:08. GENERAL FINANCIAL RULES (GFR) 2017

( GFR-2017 )

The **General Financial Rules (GFR), 2017** are the basic rules that explain **how money of the Central Government of India should be received, spent, accounted for and controlled**. These rules ensure that **public money is used carefully, legally, and efficiently**.

## PART-1 - INTRODUCTION

### Rule 1: Short Title and Commencement

These rules are called "**General Financial Rules, 2017**". They **came into force immediately** after notification and apply to:

- All **Central Government Ministries and Departments**
- Their **attached and subordinate offices**

#### Applicability to Autonomous Bodies

Autonomous Bodies (like AIIMS, IITs, Universities, etc.) are **also covered under GFRs, unless**:

- They have their **own Financial Rules**, and
- Those rules are **approved by the Government**.

**>For example** If an Autonomous Body does not have approved separate financial rules, it must follow **GFR 2017**.

### Rule 2: Definitions

**A. Accounts Officer-** The officer who heads the **Accounts Office or Pay & Accounts Office** and is responsible for maintaining government accounts.

**>For example** Pay and Accounts Officer (PAO) in a Ministry.

#### B. Administrator

The head of a **Union Territory**, whatever name is used (Lieutenant Governor / Administrator).

**C. Appropriation-** It means **earmarking funds for a specific purpose** from the government budget.

**>For example** Money allotted specifically for construction of a government building.

#### D. Audit Officer

**>For example** The head of an **Audit Office**, responsible for auditing government accounts.

#### E. Competent Authority

The authority who is legally empowered to take a financial decision.

It may be:

- The **President of India**, or
- Any authority to whom power is **delegated** under rules or orders.

**>For example** A Secretary approving expenditure within delegated powers.

#### F. Comptroller and Auditor General (CAG)

The constitutional authority responsible for **auditing government expenditure and accounts**.

#### G. Consolidated Fund of India

The main government fund where:

- All **tax revenues**, and
- All **government expenditure** are recorded.

Defined under **Article 266(1)** of the Constitution.

#### H. Contingency Fund of India

A fund used to meet **urgent and unforeseen expenditure**.

Created under **Article 267(1)**.

**>For example** Emergency relief during a natural disaster.

#### I. Controlling Officer

An officer responsible for:

- Controlling expenditure, and/or
- Collection of revenue

Includes **Head of Department** and **Administrator**.

#### J. Department of Government of India

Includes all **Ministries, Departments, Secretariats and Offices** listed in Allocation of Business Rules.

#### K. Drawing and Disbursing Officer (DDO)

The officer who:-

- Draws bills, and
- Makes payments on behalf of the Government

**>For example** Head of Office drawing salary bills.

#### L. Ministry of Finance

The **Ministry of Finance, Government of India**, which controls financial rules and procedures.

#### M. Financial Year

The government financial year runs from:

- **1st April to 31st March**

**N. Government**

Means the **Central Government**.

**O. Government Account**

Includes:

- Consolidated Fund
- Contingency Fund
- Public Account

**P. Head of Department (HoD)**

An authority **not below the rank of Deputy Secretary**, declared to exercise financial powers.

**Q. Head of Office**

A Gazetted Officer or any authority declared as Head of Office under rules or orders.

**R. Local Body and Local Fund**

- **Local Body:** Authority managing local administration
- **Local Fund:** Fund managed by such local body

**S. Recurring and Non-Recurring Expenditure**

- **Recurring:** Regular expenditure at intervals  
*Example:* Salary, rent
- **Non-Recurring:** One-time expenditure  
*Example:* Purchase of equipment

**T. Public Account of India**

Money held by the government **in trust**, not belonging to the government.

Defined under **Article 266(2)**.

➤ *For example* Provident Fund deposits.

**U. Public Works**

Includes all civil and electrical works for **public use**.

➤ *For example* Roads, bridges, government buildings.

**V. Re-appropriation**

Transfer of funds from **one budget head to another**.

**W. Reserve Bank**

Means **Reserve Bank of India (RBI)** or its agents.

**X. Subordinate Authority**

Any authority working **under the President**.

**Y. Treasury Rules**

Financial rules governing **government treasuries**.

**Z. CAPEX Model (Capital Expenditure Model)**

In this model:

- Buyer **purchases the asset outright**
- Buyer arranges maintenance after warranty
- Asset is disposed after useful life

➤ *For example* The government buys computers, later signs AMC, and disposes of them after 5 years.

**AA. OPEX Model (Operating Expenditure Model)**

In this model:

- Seller provides goods
- Seller maintains them
- Seller provides consumables
- Goods are taken back after contract period

➤ *For example* Hiring printers on monthly payment including maintenance and toner.

**Rule 3: Inter-Departmental Consultation**

If a case involves **more than one department**, no order can be issued unless:

- All concerned departments agree, or
- Cabinet decision is taken

➤ *For example* A policy affecting Finance and Health Ministries.

**Rule 4: Departmental Financial Regulations**

Any departmental rule having **financial impact** must be:

- Made by, or
- Approved by the **Ministry of Finance**

**Rule 5: Removal of Doubts**

If there is **any doubt** in interpretation of GFR:

- Matter must be referred to **Ministry of Finance**

**Rule 6: Modifications**

1. The Ministry of Finance can issue **general or special instructions**.
2. No other authority can modify GFR without **express approval of the Ministry of Finance**.

## **PART-2 - GENERAL SYSTEM OF FINANCIAL MANAGEMENT**

### **Rule 7: Government Money to be Deposited Immediately**

All money received by or on behalf of the Government must be **deposited into the Government Account without delay**.

This includes:

- Taxes, fees, fines
- Deposits and remittances

It must be done as per **Articles 150 and 283(1) of the Constitution**.

➤ *For Example: Examination fees collected by a department must be deposited the same day.*

### **Rule 8: Money to be Credited to Public Account**

#### **Rule 8(1)**

As per **Article 284**, money received by a Government officer **which does not belong to Government** must be credited to the **Public Account**.

This also applies to money deposited with:

- Supreme Court
- Other Courts in Union Territories (except High Courts)

➤ *For Example: Provident Fund deductions, security deposits, court deposits.*

#### **Rule 8(2)**

The account head and withdrawal of such money will follow:

- Government Accounting Rules, 1990
- Central Government Account Rules, 1983

### **Rule 9: Responsibility of Departments**

Each Department must ensure that:

- Government dues are correctly assessed
- Money is collected on time
- Amount is credited to:
  - Consolidated Fund (revenue), or
  - Public Account (deposits)

➤ *For Example: Income tax → Consolidated Fund; PF → Public Account.*

### **Rule 10: Monthly Checking of Collections**

The **Controlling Officer** must:

- Take monthly accounts from subordinate officers
- Match them with Accounts Officer records

The **Accounts Officer** will also send monthly credit details.

**Purpose:** To ensure money collected is actually deposited.

### **Rule 11: Departmental Rules for Receipts**

#### **Rule 11(1)**

Each Department must frame rules for:

- Assessment
- Collection
- Remission and write-off of revenue

#### **Rule 11(2): GAR-6 Receipt Books**

Where receipts are issued in **Form GAR-6**, departments must ensure:

- Proper record of receipt books
- Limited issue of books
- Checking of used books

**Example:** Fee receipt books must be properly accounted for.

### **Rule 12: Outstanding Government Dues**

Government dues should **not remain pending without reason**.

If dues are irrecoverable:

- Approval of **Competent Authority** is required.

### **Rule 13: No Revenue Credit Before Actual Receipt**

Revenue must be credited **only after money is actually received**.

Credit through **suspense head is not allowed** unless specially authorized.

➤ *For Example: Revenue entry cannot be made before cheque clearance.*

### **Rule 14: Reporting Revenue Collection**

Officers responsible for revenue collection must:

- Inform Ministry of Finance about progress
- Explain major differences from Budget Estimates

### Rule 15: Recovery of Rent of Government Property

#### Rule 15(1)

If a department (other than CPWD) maintains a rentable building:

- Head of Department / Administrator is responsible for rent recovery

#### Rule 15(2) & (3)

Rent assessment and recovery will follow:

- CPWD rules
- Departmental regulations

➤ **For Example:** Recovery of rent from government quarters.

### Rule 16: Realization of Fines

Authorities imposing fines must ensure that:

- Fine is properly collected
- Amount is checked
- Amount is deposited in treasury/bank without delay

➤ **For Example:** Traffic fines collected must be deposited promptly.

#### Rule 16(2): Refund of Fines

Any authority having power to **refund fines** must ensure that:

- Refunds are properly checked
- **No double refund** is made
- Refund is given **only if the fine was actually deposited** in treasury/bank

➤ **For Example:** If a person paid a fine once, refund should be given only once and only if payment was made.

### Rule 17: Miscellaneous Demands

**Accounts Officers** must watch and ensure recovery of **miscellaneous government dues** which are not normal revenue.

These include contributions from:

- State Governments
- Local Funds
- Contractors
- Others (towards establishment charges)

➤ **For Example:** Recovery of establishment charges from a contractor.

### Rule 18: Remission of Revenue

Government revenue **cannot be waived or abandoned** without approval of the **Competent Authority**.

**Exam Point:** No officer can waive government dues on his own.

### Rule 19: Annual Statement of Remissions

#### Rule 19(1)

All Departments (except Department of Posts) must send an **annual statement by 1st June** to:

- Audit Officer, and
- Accounts Officer

The statement should show:

- Remissions and abandonments of revenue
- Sanctioned during the previous year

**Note:** Individual remissions **below ₹1000 need not be reported**.

#### Rule 19(2)

Remissions should be:

- Classified based on reasons
- Total amount shown for each class
- Brief explanation given for each class

**Purpose:** Transparency and audit control.

### Rule 20: Departmental Rules for Remission

Departments may frame **their own rules** defining remission and abandonment of revenue for Rule 19.

## I. GENERAL PRINCIPLES RELATING TO EXPENDITURE AND PAYMENT OF MONEY

### Rule 21: Standards of Financial Propriety

Every officer spending public money must follow **high financial discipline**.

Key principles:

#### (i) Same care as personal money

An officer must spend public money as carefully as **his own money**.

#### (ii) No excess expenditure

Expenditure should **not be more than necessary**.

**(iii) No personal benefit**

No authority should sanction expenditure which gives **direct or indirect personal benefit**.

**(iv) No benefit to specific persons**

Public money should not be spent for benefit of a person or group unless:

- It is legally enforceable, or
- It follows a recognized policy or custom

**Example:** Government scholarship as per policy is allowed.

**Rule 22: Expenditure from Public Funds**

No authority can:

- Spend public money, or
- Create liability involving expenditure

Unless it is **sanctioned by the Competent Authority**.

**Exam Line:** No sanction = No expenditure.

**Rule 23: Delegation of Financial Powers**

Government financial powers are delegated to subordinate authorities through:

- **Delegation of Financial Powers Rules (DFPR)**

Powers **not delegated** remain with the **Ministry of Finance**.

**Rule 24: Consultation with Financial Adviser**

Before sending proposals to:

- **EFC – Expenditure Finance Committee**
- **PIB – Public Investment Board**
- **CEE – Committee on Economic Empowerment**
- **CCEA – Cabinet Committee on Economic Affairs**

**Cabinet – Union Cabinet (Council of Ministers of Government of India)**

The concerned **Financial Adviser must be consulted**.

A confirmation of FA consultation must be mentioned in the proposal.

**Rule 25: Provision of Funds for Sanction**

**Rule 25(1)**

Every expenditure sanction must mention:

- **Relevant Grant or Appropriation**

**Rule 25(2)**

All proposals must clearly state:

- Whether funds are available through appropriation or re-appropriation

**Rule 25(3)**

If sanction is issued **before funds are communicated**:

- It must clearly state that expenditure is **subject to budget provision**

➤ **For Example:** Purchase approved subject to allocation in upcoming budget.

**Rule 26: Responsibility of Controlling Officer (Budget Control)**

The **Controlling Officer** is fully responsible for the proper use of funds allotted to him.

He must ensure that:

1. **Expenditure does not exceed the budget allocation**  
(Overspending is not allowed)
2. **Money is spent only for the approved purpose**  
(No diversion of funds)
3. **Expenditure is in public interest**  
(For public benefit, not personal benefit)
4. **Effective control system exists to:**
  - Prevent mistakes
  - Detect irregularities
  - Avoid waste and loss of public money

➤ **For Example:** If money is allotted for office furniture, it cannot be used for buying laptops.

**Rule 27: Date of Effect of Sanction**

**Rule 27(1): General Rule**

All sanctions or orders **take effect from the date of issue**, unless another date is clearly mentioned in the order.

➤ **For Example:** Sanction issued on 15 July → effective from 15 July.

**Rule 27(2): Temporary Posts**

When a **temporary post** is sanctioned, the order must clearly mention:

- The **period of the post**, and
- The **exact date from which the post is created**

#### Rule 28: Special Matters Requiring Finance Ministry Approval

A **subordinate authority** cannot issue orders on certain sensitive matters **without prior approval of the Ministry of Finance**, unless powers are specifically delegated.

Such matters include:

1. **Grant of land**
2. **Assignment or relinquishment of revenue**
3. **Lease, licence or concession** related to:
  - Mineral rights
  - Forest rights
  - Water rights
  - Power rights
  - Any special privilege or easement

#### Example:

A department cannot waive land revenue or lease mineral rights without Finance Ministry approval.

#### Rule 29: Communication of Financial Sanctions

All financial sanctions issued by a **Competent Authority** must be communicated to **Audit Officer**, and **Accounts Officer**

#### Rule 30: Lapse of Sanctions

A sanction for a **new expenditure** will **lapse after 12 months** if:

- No payment (full or partial) is made within 12 months

#### Exceptions :-

1. If validity period is mentioned in sanction → lapses after that period
2. If expenditure is linked to a **specific financial year** → lapses at the end of that year
3. **Purchase of stores:**
  - Sanction does NOT lapse if:
    - Tender is accepted, or
    - Indent is placed within one year (Even if payment is not made)

➤ **For Example:** *Tender accepted within 1 year → sanction remains valid.*

#### Rule 31: Sanctions Which Do NOT Lapse

Even though Rule 30 talks about lapse of sanctions, the following **do NOT lapse**:

1. **Additions to permanent establishment** (Made every year under a general scheme by competent authority)
2. **Allowances sanctioned for a post or a class of Government servants**, even if the allowance is **not actually drawn**

➤ **For Example:** *If an allowance is sanctioned for all clerks but some clerks do not draw it, the sanction will still remain valid.*

#### Rule 32: Remission of Audit Disallowances & Overpayments

- Writing off **audit disallowances**
- Writing off **overpayments to Government servants**

Can be done **only as per**:

- Delegation of Financial Powers Rules (DFPR)
- Instructions issued under those rules

♀ **Exam Point:** Overpayments cannot be written off arbitrarily.

## II. DEFALCATION AND LOSSES

#### Rule 33: Report of Losses

##### Rule 33(1): Immediate Reporting of Loss

Any loss or shortage of Government money or property must be **reported immediately**, even if: Loss is already recovered, or Loss was detected later  
Loss includes: Cash, Revenue, Stamps, Stores, Government property

The loss must be reported to:

- Higher authority
- Statutory Audit Officer
- Principal Accounts Officer

##### Losses NOT Required to Be Reported:

1. Revenue loss due to:
  - Mistake in assessment found late
  - Under-assessment due to legal interpretation
  - Time-barred refunds
2. ♀ **Petty losses up to ₹10,000**

##### Rule 33(2): Serious Irregularities

Cases involving **serious irregularities** must be reported to:

- Financial Adviser / Chief Accounting Authority
- Controller General of Accounts (CGA)

##### Rule 33(3): Two-Stage Reporting

1. **Initial Report**  
→ As soon as suspicion of loss arises
2. **Final Report**  
→ After investigation, stating:
  - Nature of loss
  - Amount of loss
  - Cause of loss
  - Possibility of recovery

#### Rule 33(4): Final Disposal of Loss Cases

- Final report goes to **Head of Department**
- If within delegated powers → HoD disposes it
- If beyond powers → Sent to **Ministry of Finance**

#### Rule 33(5): Redrawal of Lost Amount

Money lost due to:

- Misappropriation
- Defalcation
- Embezzlement

May be **redrawn on a simple receipt**:

- Pending investigation or write-off
- With approval of competent authority

#### Rule 33(6): Loss Due to Government Servants

- Loss due to fault of Government servants → borne by concerned Department
- Recovery from erring official → credited back to the Department that suffered loss

#### Rule 33(7): Cheque & Accounting Errors

Losses due to:

- Wrong issue of cheques
- Incorrect accounting of receipts

Must be reported to the Controller **General of Accounts (CGA)** for system correction.

#### Rule 34: Loss of Government Property (Fire, Theft, Fraud)

If loss of Government property is due to:

- Fire
- Theft
- Fraud

And **value exceeds ₹50,000**:

- Case must be reported to **Police immediately**
- Police investigation report must be obtained
- Department must assist police

#### Rule 35: Loss of Immovable Property

Loss of immovable property (buildings, works, etc.) due to:

- Fire
- Flood
- Cyclone
- Earthquake
- Natural causes

If loss **exceeds ₹50,000**:

- Must be reported immediately to Government

Other losses:

- Reported to next higher authority

#### Rule 36: Report to Audit & Accounts Officers

After full enquiry:

- Detailed loss report must be sent to Government
- Copy of report must also be sent to:
  - Audit Officer
  - Pay & Accounts Officer

#### Rule 37: Responsibility for Loss

An officer will be **personally responsible** if loss occurs due to:

- His fraud, or
- His negligence

He is also responsible if:

- Loss is caused by another officer, and
- He contributed due to his negligence

Departmental proceedings will follow:

- Appendix-1 of GFR
- Instructions of Ministry of Personnel

#### Rule 38: Prompt Disposal of Loss Cases

All actions related to loss cases must be **completed quickly**, including:

- Reporting
- Investigation
- Write-off
- Action against guilty officers
- Strengthening control systems

### III. SUBMISSION OF RECORDS AND INFORMATION

#### Rule 39: Demand for Information by Audit

Subordinate authorities must:

- Give full cooperation to Audit Officer & Accounts Officer
- Provide all information needed for:
  - Accounts
  - Payments
  - Internal audit

**Rule 40: No Withholding of Information**

No authority can:

- Withhold files
- Hide documents
- Refuse information

If required by an Audit or Accounts Officer.

**Rule 41: Secret / Top Secret Files**

If a file is classified as:

- **Secret**, or
- **Top Secret**

Then:

- File may be sent **personally** to Head of Audit Office
- It will be handled as per security instructions.

## PART-3

### Rule 130: Types of Works

#### A. Classification of Works

Type of Work	Simple Meaning	What it Includes	Example
<b>Original Works</b>	Creation of <b>new assets</b> or major changes	New construction, site preparation, additions, alterations, remodeling, replacement, special repairs of newly purchased or abandoned buildings	Construction of a new office building or adding a new floor
<b>Minor Works</b>	Improves existing asset but <b>does not create a new asset</b>	Works that add capital value but no new structure	Adding a lift in an existing building
<b>Repair Works</b>	Works done to <b>maintain existing assets</b>	Maintenance of buildings, fixtures; includes goods/services incidental to repair	Painting, plumbing, electrical repair

◆ **Exam Tip:**

- New asset → **Original Work**
- Improvement without new asset → **Minor Work**
- Maintenance only → **Repair Work**

### Rule 131: Administrative Control of Works

Administrative control means the **overall responsibility of a Department over its works.**

It includes the following responsibilities:

Sl. No.	Responsibility	Simple Explanation	Example

(i)	Construction, maintenance & upkeep	Full responsibility of building and repairs	Department maintaining its office building
(ii)	Proper utilization	Buildings should be used for intended purpose	Office building not used as storage unnecessarily
(iii)	Provision of funds	Ensuring funds are available	Budget provision for repairs

● **Exam Line:** Administrative control = Responsibility + Utilization + Funds

### Rule 132: Power to Sanction Works

The power to:

- Give **administrative approval**
- **Sanction expenditure**
- **Re-appropriate funds** for works

is governed by:

- **Delegation of Financial Powers Rules (DFPR)**, and
- Departmental financial regulations.

### Rule 133: Execution of Works (COST BASED)

#### Rule 133(1): Direct Execution by Ministry/Department

Condition	Limit	Explanation	Example
Repair works only	Up to ₹60 lakh	Ministry/Department may execute repair works directly after following prescribed procedure	Repair of office building worth ₹40 lakh

**Note:** Due procedure under Rules 139, 159 & 160 must be followed.

#### Rule 133(2): Execution through Public Works Organisations (PWOs)

Type of Work	Cost Limit	Who Can Execute
Repair works	Above ₹60 lakh	CPWD, State PWD, MES, BRO, etc.
Original / Minor works	Any value	Same PWOs

#### Examples of PWOs:

- Central Public Works Department (CPWD)
- State Public Works Department
- Military Engineering Service (MES)
- Border Roads Organisation (BRO)
- Construction wings of Railways, Defence, Posts, Space, etc.

➤ **For Example:** Construction of a new office building of ₹5 crore through CPWD.

#### Rule 133(3): Execution through PSUs / Other Govt Organisations

As an alternative to Rule 133(2), works can be awarded to

Category	Eligible Organisations
(i)	PSUs set up by Central or State Government for civil/electrical works
(ii)	Other Govt Organisations/PSUs notified by <b>Ministry of Housing &amp; Urban Affairs (MoHUA)</b>

**Important Conditions:**

Condition	Explanation
Competition mandatory	Selection must be through competition
Basis of competition	<b>Lump sum service charges only</b>
Nomination basis	Allowed only in <b>exceptional cases</b> as per Rule 194

**Rule 134: Works under Public Works Departments (CPWD Control)**

If a work is **not clearly allotted** to any Ministry or Department, it will be:

- Included under **Grants for Civil Works**, and
- **Administered by CPWD (Central Public Works Department)**.

**Important Restriction**

Such work **cannot be financed partly** from:

- Departmental budget, and
- CPWD Civil Works budget

**Only one source of funding is allowed.**

➤ *For Example: If construction of a common government building is not allotted to any Ministry, it must be fully funded under CPWD grants—not partly by any department.*

**Rule 135: General Rules for Initiation & Execution of Works**

**Rule 135(1): Departmental Regulations**

**Rule 136: Conditions Before Starting Any Work**

**Rule 136(1): Mandatory Preconditions (ALL must be satisfied)**

Sl. No.	Condition	Simple Explanation
(i)	Administrative Approval	Formal approval of the work
(ii)	Expenditure Sanction	Permission to spend money
(iii)	Approved Design	Detailed design approved (Life Cycle Cost may be considered)

Execution of works allotted to a Ministry/Department shall be governed by:

- GFRs (including Rule 144), and
- **Departmental regulations**, and
- Special orders applicable to that department

**Meaning:** Each department follows its own detailed rules, but within the framework of GFR.

**Rule 135(2): Empowered Project Teams (Large Projects)**

For **large value projects**, Ministries/Departments should:

- Create **empowered project teams**
- Assign them **only project execution work**
- Not burden them with routine operational duties

**Purpose:** Faster execution and better accountability.

➤ *For Example: A ₹500 crore hospital project handled by a dedicated project team.*

(iv)	Detailed Estimates	Based on CPWD / PWO Schedule of Rates
(v)	Availability of Funds	Budget provision confirmed
(vi)	Tender Process	Tenders invited & processed as per rules
(vii)	Work Order	Formal work order issued

⊕ No work can start unless ALL above conditions are fulfilled.

#### Rule 136(2): Urgent Works (Exception Case)

In urgent situations:

- Executive Officer may start work **on his own responsibility**
- Must **immediately**:
  - Seek approval of Competent Authority
  - Inform the Accounts Officer

● **Exam Line:** Urgency does not remove responsibility.

#### Rule 136(3): Supplementary Estimates

If any **new development** arises during execution which was:

- Not part of the original sanction, and
- Not essential to the original work

A **Supplementary Estimate is compulsory**.

➤ **For Example:** Adding a new conference hall during construction of an office building.

#### Rule 137: Project to be Treated as One Work

Core Principle

#### Rule 139: Procedure for Execution of Works by Department

Broad Procedure (Step-by-Step)

Step	Requirement
(i)	Departmental procedure framed in consultation with Accounts Officer (based on CPWD principles)
(ii)	Detailed design & estimates prepared first
(iii)	Administrative Approval & Expenditure Sanction mandatory
(iv)	<b>Open Tenders</b> for works costing ₹10 lakh – ₹60 lakh
(v)	<b>Limited Tenders</b> for works below ₹10 lakh
(vi)	Contract Agreement / Award before starting work
(vii)	Final payment only after Personal Certificate

If multiple works together form **one project**, then:

- They shall be treated as **one single work** for approval and sanction.

Higher approval **cannot be avoided** by splitting costs

#### Exception

This rule **does not apply** to:

- Independent works of similar nature

➤ **For Example:** Building a hospital complex (OPD, wards, parking) = one project.

#### Rule 138: Use of Savings from Sanctioned Estimate

Any **savings** from a sanctioned project:

- Cannot be used for additional work
- Unless **special authority** is obtained

➤ **For Example:** Savings from road construction cannot be used to build a boundary wall without approval.

**Rule 140: Works Executed through PWOs / PSUs**

When works are entrusted under **Rule 133(2) or 133(3)**:

Aspect	Responsibility
Administrative Approval	Concerned Ministry/Department
Expenditure Sanction	As per DFPR
Fund Allotment	Concerned authority
Execution	PWO / PSU as per their own rules

A **Memorandum of Understanding (MoU)** may be signed for smooth execution

**Rule 141: Review of Projects (High-Value Projects)**

**Projects costing ₹100 crore or more**

Feature	Details
Review Committee	Administrative Ministry + Finance (IFW) + Executing Agency
Purpose	Review progress
Variation allowed	Up to <b>10%</b> of approved estimate

**Projects costing below ₹100 crore**

- Review mechanism is **at the discretion** of Ministry/Department
- Variation up to **10%** allowed

**PART-4 - PROCUREMENT OF GOODS & SERVICES****Rule 142: Scope of This Chapter**

This chapter lays down **general rules for procurement of goods** by:

- All Ministries, and
- All Departments of the Central Government

**Rule 143: Definition of "Goods"**

**Meaning of Goods (Wide Definition)**

Category	Included Items
• Articles & Materials	• Articles, materials, commodities
• Living items	• Livestock
• Office items	• Furniture, fixtures

• Manufacturing inputs	• Raw materials, spares
• Equipment	• Instruments, machinery, industrial plants
• Transport	• Vehicles, aircraft, ships, railway rolling stock
• Medical	• Medicines
• Complex systems	• Integrated production process machinery
• Intangible goods	• Software, technology transfer, licenses, patents, IP

#### Excluded from Goods

Item	Reason
Books, publications, periodicals	For library use only

#### Incidental & Consequential Services (Also Treated as Goods)

Goods also include **services related to supply**, such as:

Service	Example
Transportation	Delivery of machines
Insurance	Transit insurance

Installation	Setting up equipment
Commissioning	Making machine operational
Training	User training
Maintenance	AMC/CMC

📌 **Exam Point:** Goods = Product + related service

#### Rule 145: Authorities Competent to Purchase Goods

Any authority that is **competent to incur expenditure** under the Delegation of Financial Powers Rules may sanction the purchase of goods required for public service. Such purchases must strictly follow the **general procedure prescribed in GFR**.

➤ **For Example:** A Head of Office purchasing computers within his delegated financial powers.

#### Rule 146: Procurement During Mobilisation or Military Operations

Procurement of goods required during **mobilisation or the continuance of military operations** is governed by **special rules and orders** issued by the Government from time to time.

In such cases, normal procurement procedures under GFR may be **relaxed** to meet urgent defence requirements.

📌 **Exam Point:** Defence emergencies follow special procurement rules.

#### Rule 147: Powers for Procurement of Goods and Services

Ministries and Departments have been delegated **full powers** to make their own procurement arrangements for goods and services **not available on the Government e-Marketplace (GeM)**.

However, for **common-use goods and services available on GeM**, procurement through GeM is **mandatory**, as provided under Rule 149.

📌 **Key Exam Line:** If goods are available on GeM → procurement through GeM is compulsory.

**Rule 149: Government e-Marketplace (GeM)**

The Government of India has established the **Government e-Marketplace (GeM)** as an online platform for procurement of commonly used goods and services. Procurement through GeM is **mandatory** for all goods and services available on the portal.

The **GeM Special Purpose Vehicle (GeM SPV)** is responsible for publicity of GeM and for verification of supplier credentials. While suppliers are certified by GeM, the **procuring authority must certify the reasonableness of prices** before placing an order.

**Special Note:**

For automobiles, procurement is permitted without any monetary ceiling under the **₹50,000** rule.

For purchases through GeM, the above monetary limits apply. For purchases outside GeM, relevant GFR provisions shall apply.

Ministries and Departments must decide whether procurement will be made under the **CAPEX model or OPEX model** at the Budget Estimate stage and must upload their **Annual Procurement Plan on GeM within 30 days of Budget approval**.

Government buyers may use **Business Analytics tools** available on GeM, such as last purchase price, to ensure price reasonableness.

Importantly, **splitting of demand is strictly prohibited**. Requirements must not be divided into smaller quantities to avoid bidding, reverse auction or higher-level sanction.

🔑 **Key Exam Example:** A requirement of ₹15 lakh cannot be split into three purchases of ₹5 lakh to avoid bidding on GeM.

**A. Monetary Limits & Procurement Mode on GeM**

Criteria (Value of Purchase)	Mode of Procurement	Eligible Sellers	Key Aspects / Conditions
Up to ₹50,000	Direct online purchase	Any available seller on GeM	Buyer must ensure required quality, specification and delivery period are met
Special case – Automobiles	Direct purchase	GeM-registered automobile sellers	No monetary ceiling applicable under this category
Above ₹50,000 and up to ₹10,00,000	L-1 buying	At least <b>3 sellers of 3 different manufacturers</b>	Lowest priced seller selected; online bidding or reverse auction <b>may</b> be used
Above ₹10,00,000	Mandatory online bidding or reverse auction	All eligible sellers registered on GeM	Award to L-1 seller meeting quality, specification and delivery conditions

**B. Seller Eligibility & Participation**

Aspect	Provision
Seller registration	Seller must be registered on GeM
Category condition	Seller must offer goods/services under the relevant product/service category
Participation in bidding	Open to all eligible sellers registered on GeM

**C. Roles & Responsibilities under GeM**

Stakeholder	Responsibility
GeM SPV	Publicity of GeM, verification and certification of supplier credentials
Procuring Authority (Buyer)	Certification of price reasonableness and compliance with specifications

#### D. Applicability of Monetary Ceilings

Situation	Applicable Rule
Purchases made through GeM	Monetary ceilings under Rule 149 apply
Purchases made outside GeM	Relevant provisions of GFR (other than Rule 149) apply

#### Rule 150: Registration of Suppliers

##### Rule 150(i): Registration by Ministry / Department

For **goods or services not available on GeM**, the Head of the Ministry or Department may **register suppliers** who are specifically required by that Department or Office.

Registration must be done:

- Through a **fair, transparent and reasonable procedure**, and
- After giving **due publicity**.

Once such goods or services are listed on GeM, these registered suppliers should be **on-boarded on GeM**.

➤ *For Example: If a specialised laboratory instrument is not available on GeM, the Department may register suppliers directly.*

##### Rule 150(ii): Verification before Registration

Before registering any supplier, the Department must carefully verify:

- Credentials
- Manufacturing capability
- Quality control system
- Past performance
- After-sales service
- Financial background

**Meaning:** Only reliable and capable suppliers should be registered.

##### Rule 150(iii): Period of Registration

Aspect	Rule

Validity period	<b>1 to 3 years</b>
Renewal	Fresh application required
New suppliers	Can be registered <b>anytime</b> if eligible

➤ *For Example: A supplier registered for 2 years must apply again for renewal after expiry.*

##### Rule 150(iv): Monitoring & Removal of Suppliers

The performance and conduct of every registered supplier must be **continuously monitored** by the concerned Ministry or Department.

A registered supplier can be **removed from the approved list** if he:

- Violates terms and conditions of registration
- Fails to supply goods on time
- Supplies **substandard goods**
- Makes **false declarations** to any Government agency
- Acts in any manner **not in public interest**

##### Rule 150(v): Publication of Registered Supplier List

The list of registered suppliers for a particular item or service must be:

- Displayed on the **website of the Procuring Entity**, and/or
- Uploaded on their **e-Procurement portal**

**Purpose:** Transparency and wider participation.

#### Rule 151: Debarment from Bidding

##### Rule 151(i): Grounds for Mandatory Debarment

A bidder shall be **debarred** if convicted under:

- The **Prevention of Corruption Act, 1988**, or
- The **Indian Penal Code or any other law**, for:
  - Causing loss of life or property, or
  - Causing threat to public health, while executing a public procurement contract.

**Rule 151(ii): Period & Authority for Debarment**

Aspect	Provision
Maximum debarment period	<b>Up to 3 years</b>
Applicability	Bidder and its successor
Authority maintaining list	<b>Department of Expenditure (DoE)</b>
Display	Central Public Procurement Portal

**Rule 151(iii): Debarment for Breach of Code of Integrity**

A procuring entity may debar a bidder (or its successor) for **breach of code of integrity** for a period **up to 2 years**.

Such debarment:

- Applies only to procurement by that entity
- List is maintained by the concerned Ministry/Department
- List must be displayed on the Department's website

**Rule 151(iv): Opportunity of Hearing**

No bidder shall be debarred **without giving a reasonable opportunity to represent** against the proposed debarment.

📌 **Exam Line:** Debarment without hearing is not allowed.

**Rule 152: Enlistment of Indian Agents**

Ministries or Departments may, if required, **enlist Indian agents** who wish to quote **directly on behalf of their foreign principals**.

**Purpose:** To facilitate procurement from foreign suppliers through Indian representatives.

**Rule 153: Reserved Items & Purchase / Price Preference Policy**

**Rule 153(i): Khadi & Handloom Reservation**

The Central Government has:

- Reserved **all khadi goods** for exclusive purchase from **KVIC**
- Made it mandatory that **at least 20% of textile procurement** must be from **handloom items**

Eligible suppliers include:

- KVIC
- Handloom Clusters
- Co-operative Societies
- SHG Federations
- JLGs
- Producer Companies
- Corporations
- Individual weavers having **Pehchan Cards**

**Rule 153(ii): MSME Procurement Policy**

The Ministry of MSME has notified a **procurement policy under Section 11 of the MSMED Act, 2006**, providing preference to Micro and Small Enterprises.

**Rule 153(iii): Preference for Local Goods & Services**

The Central Government may, by notification:

- Mandate procurement from specific categories of bidders, or
- Provide price preference to promote **locally manufactured goods or services**

**Rule 154: Purchase of Goods without Quotation**

Purchase of goods **up to ₹50,000 on each occasion** may be made **without inviting quotations or bids**.

📌 **Exam Point:** Certificate is mandatory.

**Rule 155: Purchase of Goods by Purchase Committee**

When an item is **not available on GeM**, purchase of goods costing:

Value of Purchase	Procedure
Above ₹50,000 and up to ₹5,00,000	Purchase Committee

**Composition of Purchase Committee**

- **Three members**
- Of appropriate level
- Constituted by the **Head of the Department**

**Duties of the Committee**

The committee shall:

- Survey the market

- Check reasonableness of rates
- Verify quality and specifications
- Identify a reliable supplier

#### Rule 157A: No Splitting of Demand

Demand for goods **must not be split into smaller quantities** to:

- avoid approval of higher authority, or
- bypass prescribed procurement procedure.

☛ **Exam Line:** Total requirement decides the sanction level.

➤ **For Example:** A demand of ₹20 lakh cannot be split into four purchases of ₹5 lakh.

#### Rule 158: Procurement of Goods by Obtaining Bids

Except cases covered under **Rule 154 (≤ ₹50,000)** and **Rule 155 (₹50,000–₹5 lakh, non-GeM)**, goods shall be procured by **standard bidding methods**.

##### Approved Methods of Obtaining Bids

Method	Simple Meaning
Advertised Tender Enquiry	Open tender through advertisement
Limited Tender Enquiry	Tender to limited known suppliers
Two-Stage Bidding	Technical bid first, financial bid later
Single Tender Enquiry	Only one supplier (exceptional cases)
Electronic Reverse Auction	Online price reduction bidding

#### Rule 159: E-Publishing of Tenders

##### Rule 159(i): Mandatory E-Publishing

All Ministries/Departments, attached offices and Autonomous/Statutory Bodies must **publish** on CPPP:

- Tender enquiries
- Corrigenda
- Bid award details

##### Rule 159(ii): Exemption for Confidentiality

Exemption allowed **only on grounds of national security**.

Authority for Approval	Concurrence Required
Ministry/Department	Secretary + Financial Advisor
Autonomous/Statutory Body	Head of Body + Head of Finance

Quarterly report of such exemptions must be sent to **Ministry of Finance (DoE)**.

#### Rule 159(iii): Wide Applicability

E-publishing applies to **all forms of bid invitations**, including:

- Advertised tenders
- Limited tenders
- Single tenders
- RFPs, EOIs, Pre-qualification notices

#### Rule 159(v): Exceptions

E-publishing **not applicable** to purchases under:

- Rule 154 (purchase without quotation)
- Rule 155 (purchase by Purchase Committee)

#### Rule 160: E-Procurement

##### Rule 160(i): Mandatory E-Procurement

All Ministries/Departments must **receive bids only through e-procurement portals**.

##### Rule 160(ii): Choice of E-Procurement Platform

- Departments with small/day-to-day procurement may use **NIC e-procurement portal**.
- Other Departments may:
  - use NIC portal, or
  - engage another service provider after due process.

##### Rule 160(iv): Exemption on Security Grounds

Individual procurements may be exempted from e-procurement:

- on national security/strategic grounds
- with approval of **Secretary + Financial Advisor**.

**Rule 160(v): Indian Missions Abroad**

Tenders floated by **Indian Missions Abroad** may be exempted from e-procurement by the **Competent Authority**.

**Rule 161: Advertised Tender Enquiry (ATE)****Rule 161(i): When ATE is Mandatory**

Estimated Value of Goods	Mode
₹50 lakh and above	Advertised Tender Enquiry

Advertisement must be published on:

- GeM
- **Central Public Procurement Portal (CPPP)**
- Organisation's own website (if available)

**Rule 161(ii) & (iii): Bidding Documents**

- Complete bidding documents must be uploaded on **CPPP and website**.
- Advertisements must clearly mention the **web address** for downloading documents.

**Rule 161(iv): Global Tender Enquiry (GTE)****When allowed:**

- Goods of required quality not available in India.

**Procedure:**

- Tender notice may be sent to Indian Embassies abroad and Foreign Embassies in India.

**Restriction:**

Tender Value	Rule
Up to ₹200 crore	✗ GTE not allowed
Below ₹200 crore	GTE only in exceptional cases with prior approval

**Rule 161(v): No Tender Fee**

No cost shall be charged for **tender documents downloaded online**.

**Rule 161(vi): Minimum Time for Bid Submission**

Type of Tender	Minimum Time
Domestic bids	<b>3 weeks</b>
Domestic + Foreign bids	<b>4 weeks</b>

Time counted from date of advertisement or availability of bidding document, whichever is later.

**Rule 162: Limited Tender Enquiry (LTE)**

Limited Tender Enquiry means inviting bids from a **limited number of known and registered suppliers**, instead of open advertisement.

**When LTE Can Be Used (Normal Case)**

Criteria	Rule
Estimated value	<b>Up to ₹50 lakh</b>
Suppliers invited	From <b>registered suppliers (Rule 150)</b>
Minimum suppliers	<b>More than 3</b>

Bidding documents should be sent directly by **speed post / registered post / courier / email**.

LTE notices must also be published on:

- GeM, and
- **CPPP**, and
- Organisation's website (if available).

**Important Conditions**

- **Unsolicited bids are not allowed.**
- Departments should maintain a system so that **new firms can register** for future tenders.
- **Adequate time** must be given for submission of bids.

**LTE for Value Above ₹50 Lakh (Exceptional Cases)**

LTE may be used even **above ₹50 lakh** only when **recorded reasons exist**, such

Situation	Condition
Urgency	Certified by competent authority with justification
Not in public interest	Reasons recorded in writing

Limited sources	Sources are known; new sources unlikely
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### Rule 163: Two-Bid System (Technical + Financial)

#### Purpose

Used for **high-value and technically complex items** like plant and machinery.

#### Structure of Bids

Bid Type	Contents
Technical Bid	Technical details +commercial terms
Financial Bid	Item-wise prices

#### Procedure

- Technical and financial bids are submitted in **separate sealed covers**.
- Technical bids are opened **first** and evaluated.
- Financial bids of **only technically qualified bidders** are opened later.

📌 **Exam Line:** Financial bids open only after technical qualification.

### Rule 164: Two-Stage Bidding

#### When Two-Stage Bidding Is Used

Two-stage bidding is adopted when:

- Detailed specifications **cannot be framed initially**;
- Technology is **rapidly changing**;
- Procurement is for **research, experiment or development**;
- Bidder must conduct **detailed study or risk assessment**.

#### Procedure of Two-Stage Bidding

##### First Stage:

- Bids invited **without price**
- Only technical and contractual aspects considered
- Committee evaluates and may hold discussions (equal opportunity to all bidders)

##### Second Stage:

- Final bids with **price** invited from technically acceptable bidders
- Revised specifications may be issued (core nature cannot be changed)

✓ Bidders may withdraw without penalty if unable to comply after changes.

### Rule 165: Late Bids

Bids received **after the specified date and time** shall **not be considered**.

📌 **Exam Line:** Late bids = Rejected outright.

### Rule 166: Single Tender Enquiry

Procurement from a **single source** may be adopted only in the following cases:

Situation	Explanation
Single manufacturer	Only one firm manufactures the item
Emergency	Urgent need; reasons recorded and approval obtained
Standardisation	Compatibility with existing equipment

### Rule 167: Electronic Reverse Auction (ERA)

Electronic Reverse Auction is an **online real-time bidding process** where bidders successively **reduce prices** during a fixed time period.

#### When ERA Can Be Used

ERA may be adopted when:

- Specifications can be **clearly defined**;
- There is **adequate competition**;
- Evaluation criteria are **quantifiable in monetary terms**.

#### Procedure of ERA

Step	Requirement
Invitation	Issued as per e-procurement rules
Auction details	Access, registration, start & close time clearly mentioned
Evaluation	Automatic system-based evaluation

### Rule 170: Bid Security (Earnest Money Deposit – EMD)

**Purpose:** To protect the Government against withdrawal or modification of bids during validity period.

**Key Points:**

- Applicable in **Advertised & Limited Tender Enquiries**.
- **Exempted bidders:** MSEs (as per MSME policy) and **DPIIT-recognised Startups**.
- **Amount:** Normally **2%–5%** of estimated value (to be specified in bid document).
- **Forms accepted:** Insurance Surety Bond, DD, FDR, Banker's Cheque, Bank Guarantee (including e-BG) or online payment.
- **Validity:** **45 days beyond final bid validity**.

**Refund of Bid Security:**

- Unsuccessful bidders: **Within 30 days of contract award**.
- Two-bid / Two-stage cases: Returned within **30 days after technical stage result**.

**Bid Securing Declaration (Alternative):**

- Instead of EMD, bidder may sign a declaration agreeing to **suspension from future bids** if bid is withdrawn, modified, or contract obligations are not fulfilled.

**Rule 171: Performance Security**

**Purpose:** To ensure proper performance of the contract by the successful bidder.

- Required from **successful bidder**.
- **Amount:** **3%–5% of contract value** (Goods / Consultancy / Non-Consultancy Services).
- **Forms:** Insurance Surety Bond, DD, FDR, Bank Guarantee (including e-BG) or online payment.
- **Validity:** **60 days beyond completion of all contractual and warranty obligations**.
- **Bid Security:** Refunded after receipt of Performance Security.

**Rule 172: Advance & Part Payment to Suppliers****Advance Payment (Exception to General Rule):**

Ordinarily payment is made **after supply/service**, but advance may be allowed in specific cases.

Category	Maximum Advance
Private firms	<b>Up to 30%</b> of contract value
Govt agency / PSU	<b>Up to 40%</b> of contract value
Maintenance contracts	<b>Up to 6 months' payment</b>

**A. CONSULTING SERVICES**

- Ceilings may be **relaxed with Financial Adviser's consultation**.
- **Adequate safeguards** like Bank Guarantee are mandatory.

**Part Payment:**

- May be released after **dispatch of goods**, as per contract terms.

**Rule 173: Transparency, Competition & Fairness****Core Principle:**

All government procurement must be **transparent, competitive, fair and non-arbitrary** to achieve **best value for money**.

**Essential Features of Bidding Documents:**

- Clear, complete and unambiguous information.
- Relaxation of **turnover/experience** conditions for **Startups**, subject to quality compliance.
- Mandatory inclusion of:
  - Specifications, quantity, delivery schedule
  - Eligibility & qualification criteria
  - Bid submission & opening details
  - Evaluation criteria
  - Contract terms
  - Clause: **NIL quote = unresponsive bid**

**Modification & Clarification of Bids:**

- Any modification must be published in the **same manner as original tender**.
- Bid submission time must be **extended if required**.
- Bidders may **modify or withdraw bids** if changes materially affect procurement.

**Evaluation & Award of Contract:**

- Bids evaluated **only on stated criteria**; no new conditions allowed.
- **Late modification after deadline not allowed**.
- Negotiations discouraged; allowed only with **L-1 bidder in exceptional cases**.
- Contract awarded to **lowest evaluated responsive bidder**.
- If L-1 cannot supply full quantity, balance may be ordered from next bidder at **L-1 rates**.

**Rule 177: Meaning of Consulting Services**

Consulting services involve **intellectual, advisory and professional services**, not physical goods or works.

**Includes:** management, policy, engineering, finance, accounting, taxation, training, project management etc.

✗ Does **not include** direct engagement of retired Government servants.

**Rule 178–179: Engagement of Consultants**

- Consultants may be hired for **specific, well-defined jobs** with clear timelines.
- Ministries may issue detailed instructions but must **not violate GFR principles**.

**Rule 180–182: Need, Scope & Cost of Consultancy**

- Consultants engaged only when **in-house expertise is not available**.
- **Competent authority approval** is mandatory.
- Scope, objectives, eligibility and pre-qualification must be **clearly defined**.
- Reasonable cost must be estimated based on **market rates and similar engagements**.

**Rule 183–184: Identification & Shortlisting of Consultants**

Estimated Cost	Procedure
Up to ₹50 lakh	Long list through enquiries
Above ₹50 lakh	Expression of Interest (EOI) on <b>GeM &amp; CPPP</b>

Minimum **3 consultants** must be shortlisted.

**Rule 185–186: TOR & Request for Proposal (RFP)**

**TOR must include:** Objectives, Tasks, Time schedule, support, Final outputs

**RFP must include:**

a. Invitation letter, b. Instructions to consultants, c. TOR, d. Evaluation & selection method, e. Formats of proposals, f. Contract terms

**Rule 187–190: Receipt & Evaluation of Proposals**

- **Two-bid system** mandatory (Technical + Financial).
- Technical bids opened first; evaluated by **Consultancy Evaluation Committee (CEC)**.
- Financial bids opened **only for technically qualified bidders**.
- Late bids are **not accepted**.

**Rule 191–194: Methods of Selection of Consultants****Rule 192: QCBS (Quality & Cost Based Selection)**

- Used when **quality is more important**.
- Technical score + Financial score combined.
- Weightage example: **70:30, 60:40, 50:50**.
- Technical weightage **cannot exceed 80%**.

**Rule 193: LCS (Least Cost System)**

- Used for **routine/standard assignments**.
- Lowest priced technically qualified bidder selected.

**Rule 194: Single Source / Nomination**

- Allowed only in **exceptional cases** (continuation of work, emergency, proprietary expertise).
- **Full justification + competent authority approval mandatory.**
- Prices must be reasonable; splitting of consultancy **not allowed.**

#### Rule 195: Monitoring of Consultancy Contract

- Ministry/Department must **continuously monitor** consultancy work.
- Preferably adopt a **task-force approach.**
- Ensure outputs meet **intended objectives.**

#### Rule 196: Public Competition for Design of Symbols / Logos

- Design competitions must be **transparent, fair and objective.**
- **Wide publicity** is mandatory to ensure maximum participation.
- Publication to be done on:
  - Ministry/Department website, and
  - **Central Public Procurement Portal (CPPP).**
- If selection is by an **expert jury**, the **composition of the jury may be notified.**

📌 **Exam Line:** Logo/symbol design → public competition + wide publicity.

### B. OUTSOURCING OF SERVICES (NON-CONSULTING SERVICES)

#### Rule 197: Meaning of Non-Consulting Services

Non-consulting services are services which:

- Involve **physical and measurable outputs,**
- Have **clearly identifiable performance standards,**
- Are **not goods, works or consulting services.**

➤ *For Examples: Maintenance services, hiring of vehicles, security services, facility management, housekeeping, photocopier services, office errands, drilling, aerial photography, satellite imagery, mapping etc.*

#### Rule 198: Procurement of Non-Consulting Services

- Ministries/Departments may procure non-consulting services for **economy and efficiency.**
- Detailed procedures may be framed by Departments, but they must **not violate basic GFR principles.**

#### Rule 199: Identification of Likely Contractors

- Prepare a list of potential contractors through:
  - Other Ministries/Departments,
  - Organisations doing similar work,
  - Trade journals, Yellow Pages,
  - Websites and market sources.

#### Rule 200: Preparation of Tender Enquiry

Tender document must clearly specify:

- Scope of work / service,
- Facilities or inputs to be provided by Government,
- Eligibility & qualification criteria,
- Statutory and contractual obligations of contractor.

#### Rule 201: Invitation of Bids (VALUE-BASED)

Estimated Value	Method of Invitation
Up to ₹50 lakh	Limited Tender Enquiry (more than 3 contractors)
Above ₹50 lakh	Advertised Tender on <b>GeM &amp; CPPP</b> (+ Dept. website)

Advertisements must mention the **web address** for downloading bid documents.

#### Rule 202: Late Bids

- Bids received **after the due date and time** shall **not be considered**.

#### Rule 203: Evaluation of Bids

- Responsive bids shall be:
  - Evaluated,
  - Ranked, and
  - **Successful bidder selected** for award of contract.

#### Rule 204: Procurement by Nomination (Exceptional)

- Allowed only in **exceptional circumstances**.
- Requires:
  - Approval of **Competent Authority**, and
  - **Consultation with Financial Adviser**.
- The proposal must contain **detailed justification** and reasons for nomination.

**Exam Line:** Nomination = exception, not rule.

#### Rule 205: Monitoring of Contract

- Ministry/Department must **continuously monitor** performance of the contractor.
- Active involvement throughout contract period is mandatory.

#### Rule 206: Residual Provision

- If any situation is **not covered under Rules 198–205**,
- Then **Rules 142–176 (Procurement of Goods)** shall apply,
- Not the rules for consultancy services.

## PART-5 – GOVERNMENT ACCOUNTS

This part explains **how the Government of India keeps its accounts**, who prepares them, in what form, and how receipts and expenditure are classified. The aim is **clarity, transparency, and control over public money**.

#### Rule 71: Preparation and Presentation of Accounts

Every year, the Government of India prepares a **complete financial report** showing:

- Money **received** (income)
- Money **spent** (expenditure)
- **Surplus or deficit** (extra or shortage)
- Changes in **assets** (what government owns) and **liabilities** (what government owes)

##### Who does what:

- **Prepared by:** Controller General of Accounts (CGA)
- **Certified by:** Comptroller and Auditor General of India (CAG)
- **Submitted to:** President of India
- **Placed before:** Lok Sabha & Rajya Sabha
- **Time limit:** Preferably within **6 months** after the financial year ends

**Example:** If in 2024–25 the Government earns ₹100 and spends ₹110, the accounts will clearly show a **deficit of ₹10**.

#### Rule 72: Form of Accounts

The **format and structure** of Government accounts are decided by:

- The **President of India**

- On advice of CAG

##### Who actually designs it:

- **Controller General of Accounts (CGA)**
- Under **Ministry of Finance (Department of Expenditure)**

They prepare and update:

- Account formats
- Accounting rules
- Manuals and instructions

##### Constitutional basis:

- **Article 150 of the Constitution of India**

#### Rule 73: Principles of Accounting

Government accounts follow **fixed accounting rules**, not personal judgement.

- Government Accounting Rules, **1990**
- Treasury Accounting Rules
- Account Code Volume–III
- Department-specific Accounts Manuals

**Example:** Post Office or Railways follow **special accounting manuals**, but still within the main framework.

#### Rule 74: Cash-Based Accounting

The government uses a cash **system**, not an accrual system.

**Key point:**

- Only **actual cash received or paid** is recorded
- Not future dues or pending payments

**Example:** If salary of March is paid in April:

- It is recorded in **April**, not March

**Exception:** Only allowed **book adjustments** as per rules approved by CAG.

**Rule 75: Period of Accounts :- Financial Year of Government:**

Item	Period
Financial Year	1 April – 31 March

All transactions during this period are included in one year's accounts.

**Rule 76: Currency of Accounts**

- All Government accounts are kept in **Indian Rupees (₹)**
- Foreign currency transactions are **converted into INR**

**Example:** If India receives \$1 million as foreign aid, it is recorded after converting into **₹ value**

**Rule 77: Main Divisions and Structure of Accounts**

Government accounts are divided into **three main parts**:

Part	Name	Purpose
I	Consolidated Fund	Main income & expenditure
II	Contingency Fund	Emergency expenses
III	Public Account	Deposits, loans, advances

**Part I: Consolidated Fund of India**

This is the **main government fund**.

**Two Divisions:**

1. **Revenue Division**
  - Revenue Receipts (tax, fees)
  - Revenue Expenditure (salary, pension)
2. **Capital Division**
  - Capital Receipts (loans, disinvestment)
  - Capital Expenditure (buildings, roads)
  - Public Debt, Loans & Advances

**Classification Structure:**

Level	Meaning
Sector	Broad area (Social, Economic etc.)
Major Head	Function (Education, Health)
Sub-Major Head	Sub-function (if needed)

- Used for **urgent and unforeseen expenses**
- Created under **Article 267** of Constitution

**Features:**

- Only **one Major Head**
- Further divided into Minor/Sub/Detailed Heads

**Example:** Emergency relief during a natural disaster.

**Part III: Public Account**

**What is recorded here:**

- Small savings
- Provident Fund
- Deposits
- Advances
- Suspense & Remittances

**Important point:**

This money **does not belong to Government**, Government only acts as **custodi**

**Part II: Contingency Fund**

**Rule 78: Classification of Transactions Key principle:** Classification is based on **purpose and function**, not department

Six-Level Classification Structure

Level	What it shows
Major Head	Function
Sub-Major Head	Sub-function
Minor Head	Programme
Sub Head	Scheme
Detailed Head	Sub-scheme
Object Head	Nature of expense

**Object Head examples:**

- Salary
- Office expenses
- Travel expenses
- Grants-in-aid

**Numeric Code:**

All six levels together form a **15-digit unique code**

**Rule 79: Authority to Open New Head of Account**

**Who controls Heads of Accounts:**

- Ministry of Finance (Department of Expenditure)
- Controller General of Accounts
- On advice of CAG

**Powers:**

Level	Who can open
Major / Minor Head	Ministry of Finance
Sub/Detailed Head	Ministries with Budget Division
Object Head	Department of Expenditure

**Constitutional base:** Article 15

**Rule 80: Budget Heads Must Match Accounts**

- Budget classification must be **same as accounting classification**
- No mismatch allowed

**Purpose:** Ensures easy comparison between **Budget Estimates and Actual Accounts**.

**Rule 81: Responsibility of Departmental Officers**

**Responsibility includes:**

- Proper collection of government money
- Correct spending
- Accurate record keeping
- Timely submission of accounts and returns

**Applicable to:** Every officer dealing with **government money**.

**Rule 82: Classification on Bills and Challans**

- Drawing Officers must write **correct Head of Account** on bills
- Collection officers must write correct classification on challans

**In case of doubt:** Refer to:

- Principal Accounts Officer
- Ministry of Finance / CGA

**Rule 83: Charged and Voted Expenditure**

**Charged Expenditure:**

- Mentioned in **Article 112(3)**

- Not voted by Parliament

**Examples:**

- Salary of President
- Judges' salary
- Interest on debt

**Voted Expenditure:**

- All other expenditure
- Requires **Parliament approval**

**Rule:** Charged and Voted expenditure must be shown **separately** in accounts and budget.

**Rule 84: Capital vs Revenue Expenditure****Capital Expenditure:**

- Creates permanent assets
- Improves existing assets

Examples:

- Building hospitals
- Buying machinery

**Revenue Expenditure:**

- Day-to-day running expenses
- Maintenance and salaries

Examples:

- Salary
- Electricity bill
- Repair expenses

**Key Rule:** Capital and Revenue expenditure must be shown **separately** in accounts.

**Final Exam Tip:**

Government accounting is **cash-based, function-oriented,** and **rule-driven,** ensuring transparency and Parliamentary control over public funds.

**Rule 85: Banking Arrangements**

RBI is the **banker of the Government of India.**

**Key points:**

- RBI keeps Government cash balance
- Provides banking services to Ministries/offices
- Services given **directly or through agent banks**
- One bank is nominated as **Accredited Bank** for each Ministry (by RBI + CGA)
- PAOs, CDDAOs keep **assignment accounts** in accredited bank branches
- **All payments and receipts** are done only through these branches
- **Tax revenue** is collected by RBI or its agent banks

**Exam note:** Detailed procedures are issued by **RBI Memoranda of Instructions.**

**Rule 86: Public Financial Management System (PFMS)**

PFMS is a **single online financial system** of Government of India.

**Used for:**

- Sanctions
- Bill processing
- Payments & receipts
- Direct Benefit Transfer (DBT)
- Fund flow tracking
- Financial reports

**Important provisions:**

- All grant-in-aid agencies must be **registered on PFMS**
- Payments should be released **just-in-time**
- **DDG** uploaded at start of Financial Year

- Re-appropriation & surrender orders through PFMS
- **Utilisation Certificates (UCs)** submitted online on PFMS

**Rule 87: Direct Benefit Transfer (DBT)**

Benefits should go **directly to beneficiaries** using technology.

**Objectives:**

- Remove middlemen
- Reduce delay
- Prevent leakage and duplication

**Coverage:**

- Cash transfers
- In-kind transfers
- Honorarium to scheme workers

**Modes of cash transfer:**

1. Directly by Ministry
2. Through State Treasury
3. Through Implementing Agency

**Key points:**

- PFMS must be used for DBT payments
- Implementing Agencies generate E-UCs on PFMS
- No physical UCs required
- Bank transaction charges paid as per MoF rule

## II. ANNUAL ACCOUNTS

**Rule 88: Appropriation Accounts****Meaning:** Show **budget vs actual expenditure**.**Prepared by:**

- Principal Accounts Officers (PAOs)
- Under CGA supervision

**Signed by:**

- Secretary of Ministry/Department

**Special cases:**

- Railways → Chairman, Railway Board
- Defence → Secretary, Ministry of Defence
- Posts → Secretary, Department of Posts

**Final consolidation:** Done by CGA for Parliament.**Rule 89: Finance Accounts****Meaning:** Show **overall receipts, expenditure and balances** of Government.**Prepared & signed by:**

- Controller General of Accounts

**Countersigned by:**

- Secretary (Expenditure), Ministry of Finance

**Coverage:**

- All Ministries
- Railways, Defence, Posts
- Union Territory Public Accounts

**Rule 90: Presentation of Annual Accounts****Key points:**

- Prepared in **prescribed formats**
- Dates fixed with **CAG**
- Certified by **CAG**
- Submitted to **President of India**

**Legal basis:**

- Article 151(1) of Constitution
- Section 11 of CAG Act, 1971

**Rule 91: Disclosure of Government Financial Stakes****Meaning:** Government investments in:

- PPPs
- Joint Ventures
- Subsidiaries
- PSCs

**Rule:** Details must be disclosed in the Annual **Report** of the Ministry.

## III. PROFORMA ACCOUNTS

**Rule 92: Subsidiary / Proforma Accounts****Meaning:** Some departments work like businesses.**Examples:**

- Factories
- Stores

**Rule:**

- Cash accounting not sufficient
- **Commercial accounts** to be maintained

**Accounts include:**

- Trading Account
- Profit & Loss Account
- Balance Sheet

**Rule 93: Principles of Proforma Accounts****Meaning:**

- Method and rules decided by **Government orders**
- Done in consultation with **CAG**
- All Ministries
- Railways, Defence, Posts
- Union Territory Public Accounts

**Rule 94: Accuracy of Cost in Commercial Accounts**

Where commercial accounts are maintained to assess the **cost of an article or service**, the Head of the unit shall frame **adequate regulations**, with **Government approval**, to ensure that the **cost derived is accurate and true**.

**IV. PERSONAL DEPOSIT ACCOUNTS****Rule 96: Personal Deposit (PD) Account**

A PD Account enables a **Designated Government Officer** to credit receipts and make withdrawals **directly**, subject to bank checks. The bank shall ensure that **no minus balance** occurs through maintenance of a **personal ledger**. Only **Government officers**, in official or other authorised capacity, can be Designated Officers.

**Rule 97: Authority to Open PD Accounts**

**Rule 97(1)** PD Accounts shall be opened only by **special order** of the Ministry/Department in consultation with **CGA**, after ensuring proper maintenance and **audit** of initial accounts. Every PD Account forms part of the **Public Account of India**.

**Reference:** Civil Accounts Manual (Para 16.7) and CGA (R&P) Rules, 191–194.

**Rule 97(2): Permissible Cases**

PD Accounts may be opened:

- (a) For monies of wards/estates under Government management;
- (b) For Civil and Criminal Court deposits (Chief Judicial Authority);
- (c) For regulatory funds created under an Act, with **no CFI outgo**;
- (d) Where required by law having force of law;
- (e) For Defence officers administering public funds.

**V. CAPITAL AND REVENUE ACCOUNTS****Rule 98: Capital Expenditure**

**Capital Expenditure** refers to significant spending for **creation or improvement of permanent tangible assets**.

**Revenue Expenditure** covers maintenance, repairs, and **day-to-day running expenses**, including salaries and administration.

**Rule 95: Maintenance and Submission of Subsidiary Accounts**

The Head of the unit shall:

- Obtain Government orders on **nature and form** of subsidiary accounts/statements;
- Submit such accounts to the **Accounts Officer** by prescribed dates;
- Ensure that these accounts are **appended to the Appropriation Accounts** each year

Key rules:

- Capital and Revenue expenditure shall be **shown separately**;
- Temporary assets and grants-in-aid are **normally not capital**;
- Capital classification requires **express Government authorisation**;
- Capital expenditure may be met from revenue, if resources permit.

**Rule 99: Principles for Allocation between Capital and Revenue**

(a) **Capital** bears initial construction, first equipment, pre-commissioning maintenance, and improvements extending asset life.

(b) **Revenue** bears post-commissioning maintenance, working expenses, and normal renewals.

(c) For renewals/replacements of mixed nature, Revenue covers depreciation; Capital only for **genuine life-enhancing improvements**, with safeguards against over-capitalisation.

(d) Calamity repairs are charged to Capital, Revenue, or both, depending on asset creation or mere restoration.

(e) Temporary assets are **not ordinarily capital**.

**Rule 100: Allocation on Capital Schemes**

Allocation between Capital and Revenue for Capital Schemes shall be determined by **Government orders**, after consultation with **CAG**.

**Rule 101: Capital Receipts during Construction**

Capital receipts arising during construction shall be used to **reduce capital expenditure** and shall not be credited to Revenue, except under special Government orders.

**Rule 102: Recoveries of Capital Expenditure**

Recoveries representing expenditure earlier debited to a Capital Major Head shall be taken as **reduction of that Capital Head**, unless rules require credit to Revenue.

**Rule 103: Conversion of Loans into Equity or Grants**

Outstanding PSU loans may be converted into **equity or grants-in-aid** with **Parliamentary approval** through token provision in Demands for Grants. Necessary **proforma corrections** shall be made in Capital/Loan Heads.

- (1) For capital met from **specific loans**, interest equals actual loan cost.
- (2) For other capital, the rate is fixed annually by **DEA, Ministry of Finance**.

**VI. INTEREST ON CAPITAL****Rule 104: Interest Rate**

Interest shall be charged on capital employed in **commercial departments**, at rates fixed by Government.

**Rule 105: Charging of Interest****Rule 106: Method of Calculation**

Interest is calculated on:  
Capital at end of previous year **plus half** of current year's capital outlay.

**Rule 107: Writing Back of Capitalised Interest**

Interest capitalised during construction shall be written back as the **first charge** on capital receipts or surplus when the project starts operations

**VII. ADJUSTMENTS WITH GOVERNMENTS****Rule 108: Adjustments with State Governments**

Adjustments are made by **mutual agreement**, except specified items regulated by **Appendix-5 of GAR, 1990**, which are binding on all States.

**Rule 109: Re-audit**

Re-audit of past classification errors is permitted within a **three-year period**.

**Rule 110: When Adjustment is Necessary**

Adjustment is mandatory where commercial or organised store departments are involved, or where similar inter-departmental adjustment would apply within the Centre.

**Rule 111: Petty Claims**

Petty and isolated claims **not exceeding ₹10,000** shall not be preferred between the Centre and States.

**Rule 112: Criteria for Petty Claims**

Claims must be **petty, occasional, and service-related**. Commercial undertakings (Railways, Posts, etc.) are excluded. Doubts are resolved by mutual consultation.

**Rule 113: Jointly Executed Projects**

Recoveries from participating Governments shall be shown as **abatement of expenditure** under the relevant Head.

**Rule 114–116: Agency Functions under Article 258**

- Extra staff and contingencies are **reimbursable**;
- Execution expenditure is booked directly in **Central accounts**;
- Initial adjustment through **Suspense Head 8658**;
- **Ministry of Finance consultation** is mandatory

**Rule 117: Crucial Date for Inter-Governmental Adjustments**

All financial adjustments between the **Centre and States** should be completed **before books close**.

**Key rule:**

- Adjustments allowed **up to 10th April**, or
- Any other date notified by **CGA in consultation with RBI**

**Reason:** RBI closes its March accounts on this date.

**Exam tip:** Departments must try to settle all State transactions **before 31 March**.

### Rule 118: Dealings with Foreign Governments / Outside Bodies

**Rule:**

No service shall be provided to:

- Foreign Governments
- Non-Government bodies
- Separate funds

**Unless:** Full payment is received, except where the Government grants exemption.

### Rule 119: Recoveries from Non-Government Parties

When Government provides services or supplies to:

- Private bodies
- Local bodies
- Foreign Governments

**Rule:** Recoveries are treated as **Government receipts**.

**Example:** Inspection charges recovered from a private firm → Government receipt.

### Rule 120: Services Rendered as an Agent

If Government acts **only as an agent**, it must recover **full cost**.

**Result:**

- Net cost to Government = **Zero**
- Recoveries reduce expenditure

➤ **For Examples of recoveries:**

- *Establishment charges*
- *Tools & Plant charges*
- *Inspection fees*

**Exam definition:** *Recovery* = repayment by non-Government body for expenditure initially booked by Government.

### Rule 121: Payments to Outside Bodies

Any relief or concession should be given through **Grant-in-Aid**, **not by waiving dues**.

### Rule 122: Boundary Maintenance & Disputes with Foreign Countries

#### (i) Maintenance

- **50%** borne by Central Government

- Remaining **50%** recovered from foreign country
- If recovery fails → Centre bears full cost

#### (ii) Demarcation & Boundary Disputes

- Entire cost borne by **Central Government** (Union List – Entry 10)

#### (iii) Rivers as Boundaries

- Each country bears cost on **its own side**
- Separate survey marks → each bears its own cost

**Exceptions:**

- **Nepal:** Special arrangements
- **Bhutan:** Entire share borne by Central Government (presently)

## IX. INTER-DEPARTMENTAL ADJUSTMENTS

### Rule 123: Charging between Departments

**Service Departments:**

- **Do not charge** other departments for normal duties

**Commercial Departments:**

- **Must charge** for services and supplies

### Rule 124: Classification of Departments

**Service Departments:-** Perform core governmental functions.

**Examples:**

- Police, Jails, Courts
- Education, Health
- Defence, Forest
- PWD (Buildings & Roads)

### Commercial Departments

Operate on **commercial principles**.

➤ **For Examples:**

- *Railways*
- *Posts*
- *Government factories*

### Rule 125: Time Limit for Claims

**Normal rule:** Claims should be raised:

- Within **same financial year**, or
- **Within 3 years** of transaction

**Exception:** Time limit may be waived by **mutual consent**.

#### Rule 126: Settlement Procedure

Inter-departmental adjustments shall follow **Chapter 4 of Government Accounting Rules, 1990**.

#### Rule 127: Year of Adjustment

**General rule:** Adjustments must be made in the **same account year**.

**If foreseeable (recurring/fixed nature):**

- Accounts Officer will adjust automatically

**Responsibility:** Controlling Officer must prove adjustment was **not foreseeable**.

**Classification of Recoveries:-**

Situation	Accounting Treatment
Between departments	Deduction from expenditure
Commercial dept. (own function)	Receipt
Commercial dept. acting as agent	Reduction of expenditure

**Exception:** Fees recovered by **Central Purchase Organisation** → Receipt.

#### Rule 128: Pensionary Charges – Commercial Departments

**Where proforma accounts exist**

- Pension liability charged on **contribution basis**

**Where no commercial accounts exist**

- Pension included in **overhead & cost**
- Used to fix **issue price / service fees**

**Special note:** Railways, Posts & Defence treated as **separate Governments**.

#### Rule 129: Pension Liability – Declared Commercial Units

**Rule:**  
Pension liability adjusted by charging:

- **Average percentage** for 15th year of service

## PART-5 - INVENTORY MANAGEMENT

#### Rule 207 – Scope of Inventory Management

This chapter tells the **basic rules** for managing stores and inventory in **all Central Government Ministries and Departments**.

- Each Ministry/Department can make **detailed procedures**
- But those procedures **must follow these basic rules**

➤ *For Example, the Health Ministry may issue its own store manual, but it cannot go against GFR rules.*

#### Rule 208 – Receipt of Goods from Private Suppliers What to do when goods come from a private supplier?

##### (i) Follow Contract

- Store officer must **check the contract**
- Follow the **approved receiving procedure**

##### (ii) Check Everything at the Time of Receipt

At the time of delivery, goods must be:

- **Counted** (number)
- **Measured / Weighed**
- **Visually inspected**

Check that:

- Quantity is correct
- Quality matches specifications
- No damage or shortage

If required:

- **Technical inspection** must be done by approved technical authority

A **receipt** can be issued to the supplier as per contract.

**(iii) Entry in Stock Register**

- All received items must be entered in **stock register**
- Preferably through **IT / software system**
- Store officer must **certify**:
  - Material is actually received
  - Entry is correctly made

**Rule 209 – Receipt / Issue from Internal Divisions****(i) Receipt from Same Organisation**

- Indenting officer raises an **indent** (official demand)
- On receipt, he must:
  - Count / check quality
  - Check for damage
- Give **acknowledgement receipt**

**(ii) Issue from Stores**

- Stores can issue material **only against proper indent**
- Written or online **acknowledgement is mandatory**

**(iii) Issue to Contractor (Recoverable Cost)**

If material is issued to contractor and cost is recoverable:

- Recovery rate
- Total value
- All details must be:
  - Signed
  - Dated
  - Acknowledged by contractor

**(iv) Partial Supply:-** If full supply is not possible:

- Supply whatever is available
- Mention clearly in indent copy
- If substitute material is given, it must be recorded

**> For Example** If 100 bags cement demanded but only 70 available:

- Issue 70
- Record balance pending in indent

**Rule 210 – Custody of Goods and Materials****Simple Meaning**

Store officer must ensure **safe storage** of items, especially:

- Valuable items
- Flammable items

**> For Example**

If 100 chairs are supplied:

- Count all 100
- Check quality
- Enter in stock register
- Sign and certify receipt

Must arrange:

- Proper storage space
- Required temperature
- Dust-free environment

**> For Example:-** Medicines must be stored in temperature-controlled rooms.

**Rule 211 – Lists and Accounts****(i) Maintenance of Records**

- Item-wise stock records must be maintained
- Records should allow:
  - Matching physical stock with book balance anytime
- Format depends on:
  - Nature of goods
  - Frequency of transactions
  - Departmental needs

**(ii) Separate Accounts for Different Assets**

Type of Item	Form Used
Fixed Assets (machinery, furniture)	GFR-22
Consumables (stationery, spares)	GFR-23
Library Books	GFR-18
Historical / Artistic Assets	GFR-24

**Rule 212 – Hiring Out of Fixed Assets**

If Government assets are rented out:

- Proper records must be maintained
- Hire charges must be **recovered regularly**
- Charges are calculated on **historical cost** (original purchase cost)

**> For Example** If a generator purchased for ₹5 lakh is hired:

- Charges based on ₹5 lakh, not current value

**Rule 213 – Physical Verification**

**(1) Fixed Assets**

- Fixed assets should be verified **at least once every year**
- Verification done **at site**
- Results recorded in register
- Any difference must be:
  - Investigated
  - Adjusted in accounts

**(2) Consumables**

- Physical verification **once a year**
- Shortage / excess recorded
- Action taken by competent authority

**(3) Verification Procedure**

Verification must:

- Be done **in presence of store officer**
- Certificate of verification recorded
- Shortage, damage, unserviceable items:
  - Immediately reported
  - Action taken as per **Rules 33–38**

Up to 20,000 books	Every year
20,001 – 50,000 books	Once in 3 years
More than 50,000 books	Sample check every 3 years
Unusual loss found	Full verification compulsory

**Permissible Loss**

- Loss of **5 books per 1,000 books issued/used per year** is acceptable
- Only if loss is **not due to negligence or dishonesty**

**Mandatory Investigation**

- Any book costing **more than ₹1,000**
- All **rare books**  
→ Investigation is compulsory, regardless of value

**Rule 216 – Transfer of Charge of Stores**

When the **store officer is transferred**, he must properly hand over all goods and materials to his successor.

- Goods must be handed over **correctly and completely**
- A **detailed statement** of stores must be prepared
- Statement must include **all relevant details**
- Statement must be:
  - Signed
  - Dated
  - By both officers (relieving & relieved)
- Each officer keeps **one copy**

➤ *For Example:-Outgoing storekeeper hands charge of furniture, computers, and stationery with signed stock statement.*

**Rule 214 – Buffer Stock**

- Some minimum stock must be kept to avoid shortage
- Buffer stock depends on:
  - Frequency of use
  - Supply pattern
  - Quantity needed

**Important Note**

- Keeping stock costs money
- Any item lying unused for **more than 1 year** is normally treated as **surplus**
- Surplus items disposed as per **Rule 217**

➤ *For Example:-Office keeps 3-month stationery stock, not 3-year stock.*

**Rule 215 – Physical Verification of Library Books****Verification Frequency**

Library Size	Verification Rule
--------------	-------------------

**Rule 217 – Disposal of Goods****(i) Declaration of Surplus / Obsolete / Unserviceable**

An item can be declared:

- **Surplus** → Not required
- **Obsolete** → Outdated
- **Unserviceable** → Not usable

Reasons must be **recorded in writing** by the authority who had power to purchase the item.

**(ii) Disposal Committee**

- Competent authority may form a **committee**
- Committee decides items to be disposed

**(iii) Valuation & Records**

Before disposal, calculate:

- **Book Value**
- **Guiding Price**

- **Reserve Price**

If book value not available → use **original purchase price**

- Disposal report prepared in **Form GFR-10**

#### (iv) Responsibility

If item becomes unserviceable due to:

- Negligence
- Fraud

- Mischief  
→ Responsibility must be fixed on the concerned Government servant

#### (v) Disposal of Hazardous Waste / E-waste

- Must follow **Environment Ministry guidelines**
- Bidders must be **registered recyclers**
- Registration must be valid:
  - On e-auction date
  - On delivery date

### Rule 218 – Modes of Disposal

#### (i) Based on Residual Value

Residual Value	Mode of Disposal
Above ₹4 lakh	Advertised Tender or Public Auction
Below ₹4 lakh	Mode decided by Competent Authority

Departments should prepare a **list of such goods** to avoid:

- Space blockage
- Value deterioration

- Health hazards
- Environmental pollution
- Misuse

#### (ii) Hazardous / Unfit Goods

Items like:

- Expired medicines
- Food grains
- Ammunition

#### (iii) Security-Sensitive Items

Items involving secrecy (e.g.):

- Currency
- Stamps
- Receipt books
- Security documents

Must be disposed/destroyed carefully to protect:

Must be **destroyed immediately** to avoid:

- Official secrets
- Financial interest

### Rule 219 – Disposal through Advertised Tender

#### (i) Steps in Tender Disposal

1. Prepare bidding documents
2. Invite tenders
3. Open bids
4. Evaluate bids
5. Select highest responsive bidder
6. Collect sale amount
7. Issue sale release order
8. Deliver goods
9. Return bid security to unsuccessful bidders

- Wide publicity is mandatory
- Terms & conditions must be:
  - Clear
  - Simple
- Taxes must be clearly mentioned
- Location and condition of goods must be disclosed
- **Bid Security:**
  - Normally **10% of reserve/assessed price**

#### (ii) Important Rules

- Ensure:
  - Transparency
  - Competition
  - Fairness

Particular	Rule
Bid security	10%
Payment	Full payment before delivery

- Normally accept **highest bid**
- Negotiation allowed **only with highest bidder**
- If bidder fails to lift goods:
  - Bid security forfeited
  - Re-sale at bidder's risk & cost

**(iii) Late Bids**

- Late bids **not acceptable**

**Rule 220 – Disposal through Auction****Key Points**

- Auction can be:
  - Direct
  - Through approved auctioneers
- Same principles as tender:
  - Transparency
  - Fairness
  - Competition

**Auction Procedure**

- Auction details must be widely publicised
- Conditions & location announced again at auction

- Bid acceptance/rejection announced **immediately**
- **Earnest Money Deposit (EMD):**
  - Minimum **25% of bid value**
  - Paid on the spot

Payment Stage	Amount
On acceptance	≥ 25%
Before delivery	Remaining balance

- Auction team decided by competent authority
- Must include **Internal Finance Wing officer**

**Rule 221 – Disposal at Scrap Value / Other Modes**

If goods cannot be sold by:

- Tender
- Auction

Then:

- Sell at **scrap value** with approval + Finance consultation
- If still unsold → destroy in **eco-friendly manner**

**Rule 222 – Sale Account**

- Sale account prepared in **Form GFR-11**
- Signed by officer who supervised sale/auction

**Rule 223 – Write-off of Losses****(1) General Rule**

- All profits & losses must be:
  - Recorded
  - Adjusted
- **Formal sanction** of competent authority is mandatory
- Write-off powers governed by **Delegation of Financial Powers Rules**

**(2) Losses Due to Depreciation**

Type of Loss
<ul style="list-style-type: none"> <li>• Market price fluctuation</li> </ul>
<ul style="list-style-type: none"> <li>• Normal wear &amp; tear</li> </ul>
<ul style="list-style-type: none"> <li>• Poor purchase planning</li> </ul>
<ul style="list-style-type: none"> <li>• Negligence after purchase</li> </ul>

**(3) Losses Not Due to Depreciation**

Category
<ul style="list-style-type: none"> <li>• Theft or fraud</li> </ul>
<ul style="list-style-type: none"> <li>• Neglect</li> </ul>
<ul style="list-style-type: none"> <li>• Excess purchase / obsolescence</li> </ul>
<ul style="list-style-type: none"> <li>• Damage</li> </ul>
<ul style="list-style-type: none"> <li>• Force Majeure (fire, flood, war, etc.)</li> </ul>

**PART-6 - CONTRACT MANAGEMENT****Rule 224 – Authority and Execution of Contracts**

- Authority must be empowered by **or under orders of the President**
- As per **Article 299(1) of the Constitution of India**

**Rule 224(1): Authority to Make Contracts**

- All Government contracts must be made **only by an authority empowered**

**Rule 224(2): Execution in the Name of President**

- All contracts must be executed **on behalf of the President of India**
- The words **“For and on behalf of the President of India”** must be written below the signature of the authorized officer

**Notes** Ministry of Law issues notifications specifying:

- Which authority can sign which type of contract
- Powers, conditions and procedures are given in:
  - **Rule 11 of Delegation of Financial Powers Rules (DFPR)**

- Contract terms must be:
  - Clear
  - Precise
  - Without ambiguity
- No uncertain liability
  - Exception:**
    - Cost-plus contracts
    - Contracts with price variation clause

**Rule 225 – General Principles of Contract**

**(i) Clear and Definite Terms**

**(ii) Use of Standard Contract Forms**

- Standard contract forms should be used **wherever possible**
- Any modification:
  - Only after **financial & legal advice**

**(iii) Non-standard Contracts**

- If standard forms are not used:
  - **Legal and financial advice is compulsory**

**(iv) When Contract Document is Required**

Nature of Contract	Rule
Purchase up to ₹2.5 lakh	Purchase order with basic terms
Works / Purchase ₹1–10 lakh	Letter of Acceptance = binding contract (if GCC, SCC included)
Works ≥ ₹10 lakh / Purchase ≥ ₹10 lakh	Detailed contract document mandatory
Turnkey / Maintenance / Service contracts	Contract document compulsory

*One-page contract allowed if GCC, SCC, scope & LOA already exist.*

- Allowed only when unavoidable
- Reasons must be **recorded in writing**
- Long-term cost-plus contracts should later be converted to **firm price contracts**

**(v) Start of Work**

- No work should start **without a valid contract**

**Meaning of Cost-Plus Contract**

Actual cost + fixed profit (rate or percentage)

**(vi) Time Limit for Contract Execution**

- Contract must be signed **within 21 days** of Letter of Acceptance
- Failure by contractor leads to:
  - Cancellation of award
  - Forfeiture of EMD

**(viii) Price Variation Clause (PVC)**

**When Allowed**

- Only in **long-term contracts**
- Delivery period **more than 18 months**
- Short-term contracts → **Firm & fixed price**

**(vii) Cost-Plus Contracts**

- Should **normally be avoided**

**Essential Features of PVC**

Requirement	Rule
• Base month/year	• Must be specified
• Formula	• Mandatory
• Indices	• Govt / Chamber indices

• Cut-off dates	• For labour & material
• Ceiling limit	• Mandatory
• Minimum variation	• e.g. >2%
• Advance payment	• No PVC after payment
• Delayed delivery	• LD on varied price
• Supplier default	• No PVC
• Force majeure / Govt default	• PVC allowed by amendment
• Imported goods	• FX rate & duty details mandatory
• Mode of payment	• Clearly mentioned

**(ix) Taxes**

- Contract must provide for payment of **all applicable taxes** by contractor

- Approval of competent authority obtained
- Changes only through **formal amendment**
- Signed by all parties

**(x) Lump Sum Contracts**

- Should be **avoided**
- Allowed only in **absolute necessity**
- Full justification required
- Government interest must be protected

**(xv) Extension of Time**

- Normally **not allowed**
- Allowed only:
  - Force majeure
  - Contractual provision
- Must be through **formal amendment**

**(xi) Departmental Supply of Materials**

- Should be **avoided**
- If unavoidable:
  - Quantity schedule
  - Issue rates
  - Must be part of contract

**(xvi) Liquidated Damages (LD)**

- Contract must contain LD clause
- Exemption only in **exceptional cases**
- Reasons must be recorded in writing

**(xii) Government Property with Contractor**

- Contract must include:
  - Safeguarding of Govt property
  - Insurance cover
  - Regular recovery of hire charges
- Periodic physical verification mandatory
- Penal action for shortages/damage

**(xvii) Warranty Clause**

- Mandatory in every contract
- Supplier must:
  - Repair
  - Replace
  - Rectify defects
- No cost to Government
- Delivery at buyer's premises

**(xiii) Intimation to Audit**

- Contracts of value **₹25 lakh and above**
- Copies must be sent to:
  - Audit Officer
  - Accounts Officer

**(xviii) Right of Rejection**

- Government has right to:
  - Reject non-conforming goods

**(xiv) Change in Contract Terms**

- Material changes **not allowed normally**
- If unavoidable:
  - Financial impact examined

**(xix) Time Bar on Claims**

- No contractor claim accepted after **3 years**
- Period counted from date claim arises

- Contract implementation must be **strictly monitored**
- Any breach of contract provisions:
  - Must be noticed immediately
  - **Notices should be issued promptly**

#### (ii) Monitoring of Bank Guarantees (BG)

- Proper system must be laid down for:
  - Safe custody

- Monitoring of Bank Guarantees or similar instruments
- **Monthly review** is mandatory for:
  - All BGs expiring **after 3 months**
  - Progress of supply or work linked to BG
- If required:
  - **Extension of BG** must be sought **immediately**

#### Exam Point Table

Particular	Requirement
BG review frequency	Monthly
BG expiring period to watch	After 3 months

#### Rule 227 – Legal Advice

When disputes arise during execution of contract:

- **Legal advice must be taken first**
- Before:
  - Referring dispute to conciliation
  - Arbitration (if clause exists)
  - Filing a court case (if no arbitration clause)

#### Important Points

- Draft of plaint for arbitration must be:
  - Legally vetted
  - Financially vetted
- All documents related to dispute:
  - Must be carefully examined
  - To protect **Government interest**

#### Rule 227A – Arbitration Awards

##### (i) Payment Against Challenged Award

- If Ministry/Department **challenges an arbitral award**:
  - And payment is withheld
- Then:
  - **75% of arbitral award** must be paid to contractor
  - Payment made **against Bank Guarantee (BG)**

#### Important Conditions

- BG required only for:
  - **75% award amount**
- **BG not required** for:
  - Interest payable to Government if refund ordered later

##### (ii) Escrow Account Mechanism

- Payment may be deposited in **designated Escrow Account**
- Priority of use of funds:

Order	Purpose
1st	Payment of lenders' dues
2nd	Completion of the project
3rd	Other projects of same Ministry

- Remaining balance:
  - Can be used by contractor
  - Only with approval of:
    - Lead banker
    - Ministry/Department
- **Retention money / withheld amounts**:
  - May also be released against BG
  - Subject to eligibility and contract term

**Rule 227A****► For Example:**

A contractor gets an **arbitration award of ₹40 lakh** against a Ministry.  
The Ministry **challenges the award in court.**

- As per **Rule 227A**, the Ministry must pay **75% of the award.**
- **Amount payable:** 75% of ₹40 lakh = **₹30 lakh**
- Payment is made **only against Bank Guarantee (BG)** of ₹30 lakh.
- The remaining **₹10 lakh (25%)** is withheld till court decision.
- If the court later reduces or cancels the award, the Government recovers money through the BG.

● **Exam Tip:** Challenged arbitral award → 75% payment against BG.

**Escrow Account Mechanism****► For Example:**

A contractor wins an **arbitration award of ₹20 crore.**  
The Ministry challenges the award and pays 75% = **₹15 crore** as per Rule 227A.

- Instead of paying directly, **₹15 crore is deposited in an Escrow Account.**
- The Escrow Account money is used in the following order:
  - **First** – payment of contractor's **bank loan (lenders' dues)**
  - **Second** – completion of the same project
  - **Third** – other projects of the same Ministry
- Any remaining balance:
  - Can be used by the contractor
  - Only with approval of **Lead Bank and Ministry**

● **Exam Line to Remember:**

*Escrow account → Lenders first, project next, other projects last.*

## **PART-7 - GRANTS-IN-AID AND LOANS**

**Rule 228 – What is Grant-in-Aid and Who Can Get It**

**Grant-in-Aid** is money given by Government to:

- A person, or
- A public body, or
- An institution

which has a separate legal identity.

Grants (including scholarships) can be sanctioned by a **competent authority** as per **Delegation of Financial Powers Rules (DFPR)**.

**Who Can Receive Grant-in-Aid**

<p><b>(a) Autonomous Organisations</b> Institutions created:</p> <ul style="list-style-type: none"> <li>● Under a <b>specific law</b>, or</li> <li>● As a <b>registered society</b>, or</li> <li>● As a <b>trust</b></li> </ul> <p>➤ <i>For Example: AIIMS, ICAR, IITs, registered research societies</i></p>
<p><b>(b) NGOs / Voluntary Organisations</b> NGOs working for Government welfare schemes. Selection must be based on:</p> <ul style="list-style-type: none"> <li>● Financial strength</li> <li>● Credibility</li> <li>● Nature of activities</li> </ul> <p>➤ <i>For Example: An NGO running nutrition programmes for children under a Government scheme.</i></p>
<p><b>(c) Educational Institutions (Scholarships/Stipends)</b> Grants may be given:</p> <ul style="list-style-type: none"> <li>● Directly to students</li> <li>● Through institutions</li> </ul> <p>➤ <i>For Example: Central Government scholarship for SC/ST or minority students.</i></p>
<p><b>(d) Urban &amp; Rural Local Bodies</b></p> <ul style="list-style-type: none"> <li>● Municipal Corporations</li> <li>● Panchayats</li> <li>● Zila Parishads</li> </ul> <p>➤ <i>For Example: Grant to a Municipality for sanitation improvement.</i></p>
<p><b>(e) Co-operative Societies</b></p> <ul style="list-style-type: none"> <li>● Milk cooperatives</li> <li>● Credit cooperatives</li> </ul> <p>➤ <i>For Example: Grant to a cooperative society for rural dairy development.</i></p>
<p><b>(f) Societies/Clubs of Government Servants</b> For:</p> <ul style="list-style-type: none"> <li>● Sports</li> <li>● Cultural</li> <li>● Social activities</li> </ul> <p>➤ <i>For Example: Sports club of a Government department.</i></p>

### Rule 229 – Principles for Setting up Autonomous Organisations

#### (i) Cabinet Approval Mandatory

- **No new autonomous body** can be created without **Cabinet approval**

#### Example:

A Ministry cannot create a new research institute on its own.

#### (ii) Autonomous Bodies Cannot Create Another Autonomous Body

- An autonomous body **cannot create another autonomous body**
- Same approval process applies
- **Exception:**
  - Regional offices can be opened with:
    - Administrative Ministry approval
    - Consultation with Ministry of Finance

#### (iii) Strict Need-Based Examination

Before creating a new autonomous body, Ministry must examine:

Question	Meaning
Is the activity necessary?	Genuine need
Can Govt do it directly?	Avoid duplication
Can an existing body do it?	Prevent waste

➤ **For Example:** If an existing institute can do the job, no new body should be created

#### (iv) Self-Sufficiency

- Autonomous bodies should:
  - Generate their own income
  - Reduce dependence on Government grants

➤ **For Example:** Charging training fees or consultancy charges.

#### (v) Corpus Fund

- Corpus fund from **budgetary support** → **MoF approval required**
- Corpus fund from **own income** → **Administrative Ministry approval**

➤ **For Example:** If Government gives ₹50 crore to create corpus → MoF approval is compulsory.

#### (vi) User Charges

- Governing Body must review:
  - User charges
  - Internal revenue
- Review must be done **every year**
- Inform Administrative Ministry
- Preferably before **Union Budget**

➤ **For Example:** Hospital revising consultation fees annually.

#### (vii) Mandatory Database

All Autonomous Bodies must maintain data on:

- Grants received
- Income & expenditure
- Investments
- Assets
- Staff strength

As per format prescribed by the Department of Expenditure, MoF.

#### (viii) Financial Advice System

- Each autonomous body must appoint:
  - A financial advisor
- Financial concurrence required for expenditure

- CEO is **fully responsible** for financial management

#### (ix) Peer Review (Every 3 or 5 Years)

Ministry must conduct **peer review** focusing on:

Area	Purpose
Objectives	Achieved or not
Relevance	Still needed or not
Duplication	Similar work elsewhere
Merger/Winding up	Scope
Staff strength	Minimum & efficient
Use of IT/Outsourcing	Optimisation
User charges	Adequate or not
Income generation	Reduce Govt dependence

#### (x) Reward for Excellent Performance

- Outstanding & internationally acclaimed bodies:
  - Get more autonomy
  - More flexibility in:
    - Recruitment
    - Financial rules

#### (xi) MoU Mandatory (Grant > ₹5 Crore)

Condition	Rule
Annual grant	> ₹5 crore
Requirement	MoU with Ministry

MoU must include:

- Performance parameters
- Output targets

- Programme details
- Budget linkage
- Performance roadmap with milestones

- Treated as **Central Financial Assistance (CFA)**
- **No Utilisation Certificate (UC) required**

#### (xii) Grant Linked to Peer Review

- Peer review findings examined by Ministry
- Further grants released **only after**:
  - Review conducted
  - Decisions taken

### Rule 230 – Principles & Procedure for Award of Grants-in-Aid

#### Rule 230(1) – Application for Grant

Any institution or organisation that wants a Government grant must **apply formally** and give full details so that Government can judge whether it deserves the grant.

#### Application must include:

- Articles of Association / Bye-laws
- Audited accounts
- Sources of income
- Pattern of expenditure
- Purpose and need of grant

#### Important Declaration:

- Institutions must certify that **no grant has been taken or applied for the same purpose from any other Ministry or State Government.**

➤ *For Example: An NGO seeking ₹50 lakh for skill training must declare it has not taken money for the same project elsewhere.*

#### Rule 230(2) – Avoiding Duplication

- Every Ministry must maintain a **list of grantee institutions**
- Details to include:
  - Amount of grant
  - Purpose
- Information must be placed on **Ministry website**

**Purpose:** Avoid double funding to the same institution for the same work.

#### Rule 230(3) – Scheme-based Grant

- Grants should be given **only for clear and viable schemes**
- Scheme must show:
  - Quantitative targets (numbers)
  - Qualitative targets (quality improvement)
- **Reimbursement cases** (expenditure already incurred):

➤ *For Example: If a hospital already spent money on an approved project and seeks reimbursement → treated as CFA.*

#### Rule 230(4) – Recurring vs Non-Recurring Grant

Type	Meaning
Recurring Grant	Given repeatedly for same purpose
Non-Recurring Grant	One-time grant for special purpose

#### Sanction Order must specify:

- Type of grant
- Purpose
- Conditions
- Time limit (mandatory for non-recurring grants)

➤ *For Example: Annual salary support → Recurring Grant for building construction → Non-recurring*

#### Rule 230(5) – Separate Accounts

- Autonomous organisations must maintain:
  - **Capital expenditure accounts**
  - **Revenue expenditure accounts**
- Accounts must be prepared in **standard formats prescribed by MoF**
- Grant-sanctioning authority must enforce this condition

#### Rule 230(6) – Internal Resource Generation

- While sanctioning grants, authority must:
  - Consider institution's own income
  - Fix yearly targets for internal income
- Especially important for **recurring grants**

➤ *For Example: Hospital receiving annual grant must be encouraged to earn through fees.*

#### Rule 230(7) – Unspent Balance & PFMS

#### Key Rules:

- Unspent balance of previous grant must be adjusted
- PFMS portal must be used to check bank balance
- Follow '**Just-in-Time**' release principle

#### Broad Principles

Rule	Limit
Cash balance	Max 3 months' requirement
Release	As per actual need

#### Rule 230(8) – Interest on Grants

- Interest earned on grants/advances (except reimbursement):
  - Must be **deposited to Consolidated Fund of India**
- Cannot be adjusted against future grants

#### Rule 230(9) – Disposal of Assets

- Assets created from Government grant:
  - Cannot be sold or disposed
  - Without **prior approval** of sanctioning authority
- Exception:
  - Obsolete / unserviceable items as per GFR

#### Rule 230(10) – Release in Installments

- Grant may be released in installments
- **Last installment** released only after proof of proper utilisation
- In **CFA cases**:
  - One-time release
  - Based on audited expenditure
  - **No UC required**

#### Rule 230(11) – Budget Timeline

Stage	Time
Institution submits demand	By September
Ministry finalises	Before Budget
Institution informed	By April

#### Rule 230(12) – Service Conditions of Employees

- If **>50% recurring expenditure** comes from grants:
  - Pay & service conditions should not exceed Central Government levels
- Relaxation only with **MoF consultation**
- Institutions encouraged to use:
  - Market pension
  - Insurance
  - Loans instead of Government liability

#### Rule 230(13) – Ownership of Buildings

- Ownership of buildings built from grants:

- Government or Institution (as decided)
- If Government owns:
  - Institution may occupy as **lessee**
- Proper records must be kept
- Maintenance responsibility → **Grantee**

#### Rule 230(14) – Special Conditions

- Any special Government conditions must be:
  - Incorporated in Articles / Bye-laws
  - Before release of grant

#### Rule 230(15) – Past Expenditure

- Grant may cover bonafide expenditure incurred:
  - **Up to 2 years before sanction**

#### Rule 230(16) – Refund Clause

- Sanction letter & bond must clearly mention:
  - Refund of unutilised grant
  - Interest payable **Rule 230(17) – Reservation Clause**

#### Applies When:

- 20 regular employees AND
- $\geq 50\%$  recurring expenditure from Central grant AND
- Annual grant  $\geq$  ₹20 lakh

#### Reservation required for:

- SC / ST / OBC (as per Government norms)

Progress of reservation must be reviewed before future grants.

#### Rule 231 – Grants to Voluntary Organisations

##### Rule 231(1) – Administrative Expenditure

- Grant for admin expenses allowed only to **Voluntary Organisations**
- Limit: **Maximum 25%** of approved admin expenditure
- Other private institutions:
  - Normally not allowed
  - Exceptional cases → Finance consultation

##### Rule 231(2) – Execution of Bond

Before release of grant:

- Executive Committee must execute a **Bond**

Bond conditions:

- Follow grant conditions
- No diversion of funds
- Refund with **10% interest** in case of breach
- Stamp duty borne by Government

#### Rule 231(3) – Bond Not Required For

- Quasi-Government institutions
- Central Autonomous Bodies
- Institutions with Government-approved budget

#### Rule 232 – Grants for Centrally Sponsored Schemes (CSS)

##### Key Principles

1. **Clear Outcome Targets**
  - Time-bound
  - Measurable
  - Monitored & evaluated
2. **Consultation with States**
  - Flexibility to adapt locally
  - Changes to be reported
3. **Convergence**
  - Similar schemes should be merged
4. **Limited Number of Schemes**
  - Focus on impact, not quantity
  - Centre's role → monitoring & capacity building
5. **PFMS Based Monitoring**
  - Fund release & utilisation through PFMS
  - Check capacity of States before further release
6. **Focus on Outcomes**
  - Not just spending
  - Avoid year-end bulk releases
7. **Concurrent Monitoring**
  - Mid-course corrections allowed
8. **Post-Completion Review**
  - Review time & cost overruns
  - Lessons for future schemes

#### Rule 233 – Funding of Sponsored Projects / Schemes

Government Ministries may sponsor **projects or schemes** to be carried out by:

- Universities
- IITs
- Autonomous bodies like **ICAR, CSIR, ICMR**, etc.

These projects are funded because their results are in **national interest**.

#### Rule 233(i) – Nature of Funding & Ownership

- Normally **100% expenditure** (including capital cost) is funded by Government
- Money released:
  - Is **NOT treated as Grant-in-Aid** in books of the implementing agency

- On completion:
  - **Technical report + Financial report** must be submitted

#### Ownership Rule

- All **physical and intellectual assets** created:
  - Belong to the **sponsoring Ministry**
- During the project:
  - Assets should **not be shown as own assets**
  - Must be disclosed in **Notes to Accounts**

➤ **For Example:** CSIR conducts a research project funded by Ministry of Science → equipment & patents belong to Ministry, not CSIR.

#### Rule 233(ii) – Decision After Completion

After project completion, Ministry decides whether assets should be:

- Returned
- Sold
- Retained by implementing agency

#### Special Relaxation

- Scientific Departments may apply this rule to:
  - Private sector
  - NGOs

#### Rule 233(iii) – Sale or Retention of Assets

Situation	Treatment
Assets sold	Sale proceeds credited to sponsoring Ministry
Assets retained	Entered in books at book value

#### Rule 234 – Register of Grants (Form GFR-21)

##### Purpose

- Prevent **double payment**
- Track grants and installments

##### Procedure

- Register maintained by **sanctioning authority**
- Entries made **at time of sanction**
- Serial number noted on sanction order
- No bill paid unless:
  - Recorded in Register
  - Conditions accepted by grantee

##### Benefit

- Easy monitoring of installment payments

- Regulates future grants

#### Rule 235 – Accounts of Grantee Institutions

- Every grantee must:
  - Maintain **separate subsidiary accounts** of Government grants
  - Submit **audited accounts** to Accounts Officer
- Applies **irrespective of grant amount**

#### Rule 236 – Audit of Accounts

##### Rule 236(1) – Audit Rights

- Accounts open for:
  - Inspection by sanctioning authority
  - Audit by **CAG**
  - Internal Audit by PAO
- Audit clause must be included in grant sanction order

##### Rule 236(2) – When CAG Audit is Mandatory

Condition	Requirement
Grant $\geq$ ₹25 lakh AND $\geq$ 75% of total expenditure	CAG audit
Grant $\geq$ ₹1 crore	CAG audit
Once audited	Continues for next 2 years

CAG can also verify:

- Whether grant conditions were properly fulfilled

##### Rule 236(3) – Other Cases

- Audit by **Chartered Accountant**

##### Rule 236(4) – Audit Fees

- If CAG is sole auditor:
  - Audit fees paid by institution
  - Unless Government waives

#### Rule 237 – Time Schedule for Accounts

Activity	Due Date
Accounts submitted to Audit	30 June
Audit Certificate issued	31 October

Accounts laid before Parliament	31 December
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#### Rule 238 – Utilization Certificates (UC)

##### Rule 238(1) – Non-Recurring Grants

- UC required in **Form GFR-12A**
- Must show:
  - Utilization
  - Targets achieved (quantitative & qualitative)
- Output-based assessment mandatory
- UC due:
  - **Within 12 months** of financial year end

**Non-submission → Blacklisting possible**

##### Rule 238(2) – Recurring Grants

- Next year grant released **only after provisional UC**
- Release beyond **75%** of next year's grant allowed only after:
  - UC
  - Audited accounts
  - Audit & inspection reports

##### ♀ Special Note

- Scientific Departments can release grants after **75% utilization confirmation**

##### Rule 238(3) – Reimbursement Cases

- UC **not required**
- Sanction letter must clearly mention this

##### Rule 238(4) – Central Autonomous Bodies

- UC must separately show:
  - Actual expenditure
  - Advances pending adjustment
- Pending amounts treated as **unutilized**
- Carried forward to next year

##### Rule 238(5) – Disclosure to Parliament (Recurring Grants)

Grant Amount	Requirement
₹10–50 lakh	Statement in Annual Report
$\geq$ ₹50 lakh	Annual Report & accounts laid before Parliament

##### Rule 238(6) – Disclosure (Non-Recurring Grants)

Grant Amount	Requirement
₹10 lakh – ₹5 crore	Statement in Annual Report
≥ ₹5 crore	Annual Report & audited accounts laid before Parliament

### Rule 239 – Utilization Certificate (UC) by State Government (Central Schemes)

When the Central Government gives grants to **State Governments** for implementing **Central Schemes**, the **State Government** must submit the **Utilization Certificate (UC)**.

#### Important Points

- UC must be in **Form GFR-12C**
- UC must be **countersigned** by:
  - Administrative Secretary of the Scheme, **or**
  - Finance Secretary of the State

➤ **For Example** Central Govt gives ₹100 crore to a State for a health scheme → State submits UC in GFR-12C, signed by Health Secretary / Finance Secretary.

### Rule 240 – UC when Expenditure is through Local Bodies

If Central grant is given to State Government, but:

- Money is spent through:
  - Panchayats
  - Municipalities
  - Private institutions

→ **State Government itself submits the UC**, not the local body.

➤ **For Example** Grant given to State → spent through Municipal Corporation → UC submitted by State Government.

### Rule 241 – UC in Direct Benefit Transfer (DBT) Schemes

In **DBT schemes**, money goes:

- Directly from Central Government
- To beneficiaries' bank accounts

#### UC Rule

- Bank / NPCI confirmation of credit is treated as **Utilization Certificate**
- Ministry must maintain proper records

➤ **For Example** PM-Kisan money credited to farmers' accounts → Bank credit report = UC.

### Rule 242 – Performance Parameters & Reports

#### Rule 242(1) – Performance Parameters

- Clear performance parameters must be fixed
- Purpose:
  - Better monitoring
  - Better control of Autonomous Bodies

#### Rule 242(2) – Achievement-cum-Performance Reports

##### (i) Time Limit

- Report to be submitted:
  - Soon after financial year ends
  - **Within 6 months maximum**

##### (ii) When Report NOT Required

- Non-recurring grants for:
  - Anniversaries
  - Special tours
  - Maintenance grants for education

##### (iii) Recurring Grants

- Performance report **normally mandatory**
- **Exception:**
  - Grant ≤ ₹25 lakh
  - Authority may rely on UC instead

##### (iv) Disclosure in Parliament (Based on Grant Amount)

Grant Amount	Requirement
≥ ₹2 crore	Annual Report & Audited Accounts laid before Parliament
< ₹2 crore	Statement of funds in Ministry's Annual Report

### Autonomous Organisations

#### Other Institutions / Organisations

Type of Grant	Amount	Requirement
Recurring	₹10–50 lakh	Performance statement in Annual Report
Non-recurring	₹10 lakh–₹5 crore	Performance statement
Recurring	≥ ₹50 lakh	Detailed review in Annual Report

Non-recurring	≥ ₹5 crore	Detailed review in Annual Report
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**(v) Audit Link**

- If accounts audited by CAG:
  - Performance reports must be given to audit
- In other cases:
  - Reports made available during local audit

**Rule 243 – Discretionary Grants**

- Discretionary grants are given:
  - At the discretion of a competent authority
- Conditions:
  - Must be **non-recurring**
  - Must **not create future financial commitment**
- Purpose and conditions fixed by Government orders

➤ *For Example One-time grant for disaster relief by a Minister → discretionary & non-recurring.*

**Rule 244 – Other Grants****Simple Meaning**

- Any grants not covered earlier:
  - Given only under **special Government orders**

**Rule 245 – Grants for Government Employees' Welfare****Rule 245(1) – Welfare & Recreation Grants****Who Can Get**

- Ministries / Departments
- Attached & Subordinate Offices
- Statutory bodies funded from CFI

**Eligibility Rules**

- Based on **total regular staff strength**
- Not based on club membership
- Excluded:
  - Contingency staff
  - Work-charged staff
  - Staff already covered under other rules

**Grant Amount**

Type	Amount
Basic Grant	₹50 per employee per year
Matching Grant	Up to ₹25 per employee per year
Maximum one-time grant for new club	₹50,000

**Permitted Uses of Grant (Illustrative)**

- Sports equipment
- Uniforms
- Magazines
- Tournament fees
- Playground hire
- Furniture purchase/repair
- Cultural & sports programmes
- Inter-ministerial / inter-departmental meets

**Rule 245(2) – One-time Grant for Club**

- Maximum ₹50,000
- For setting up a Recreation Club

**Rule 245(3) – Allocation & Accounts**

- Ministry treated as **single unit**
- Ministry distributes funds to offices/clubs
- Audited accounts of clubs:
  - Must be obtained by **30 April**
  - Before releasing next year's grant

**Rule 245(4) – IA&AD Staff**

- Welfare grants for Indian Audit & Accounts Department:
  - Governed by **separate rules**

## **PART-8 -BUDGETING AND ACCOUNTING OF EXTERNALLY AIDED PROJECTS**

**Rule 264 – Externally Aided Projects (EAPs)**

A project that is funded or financially supported by an outside agency, usually from outside the country.

**Rule 264(1) – Budget Provision**

Projects funded with external aid must be:

- Shown in **Union Budget**

- Approved by **Parliament every year**

No externally aided project can run **outside the Budget**.

➤ **For Example:** A World Bank funded road project must appear in the annual Union Budget.

#### Rule 264(2) – Sources of External Aid

External aid comes from two sources:

Source	Meaning	Example
Bilateral	One country to another	Japan funding metro project
Multilateral	International institutions	World Bank, ADB

#### Rule 264(3) – Signing of Agreements

- **Department of Economic Affairs (DEA), MoF is the nodal agency**
- DEA signs:
  - Loan agreements
  - Grant agreements
- **Exception:**
  - Technical Assistance grants may be signed by beneficiary Ministry
  - But only with **DEA approval**

#### Rule 264(4) – Role of CAAA

- **Controller of Aid Accounts & Audit (CAAA):**
  - Implements financial conditions of agreements
- Copy of all agreements must be sent to CAAA

#### Rule 266 – Accounting of Cash Grants

- **Cash grants only** (not goods or services):
  - Accounted **only** by CAAA

#### Rule 267 – Withdrawal of External Aid

##### Budget Provision

- Ministries must show:
  - **“Externally Aided Component”**

##### Two Methods of Withdrawal

#### Rule 267(1) – Reimbursement Procedure

##### Basic Principle

1. Project Implementing Agency (PIA):
  - Spends money first
2. Claims reimbursement later from Funding Agency
3. Claim routed through CAAA

#### Rule 265 – Currency Flow of External Aid

##### Simple Flow

1. Funding Agency sends money:
  - In foreign currency or INR
2. Money received by:
  - **Reserve Bank of India (RBI), Mumbai**
3. RBI converts (if required) and credits:
  - Rupee equivalent to **CAAA account at RBI, New Delhi**
4. Amount booked as:
  - **External Loan/Grant receipt**
  - **In Consolidated Fund of India (CFI)**

➤ **For Example:** ADB sends USD 10 million → RBI converts → CAAA gets INR → recorded

- Implementing agencies **do not account** cash grants

- In **Detailed Demands for Grants**

- Funds released to **Project Implementing Agencies (PIA)**

**Method (i): Reimbursement through Special Account (Revolving Fund)****What is a Special Account?**

- A **revolving fund** maintained in foreign currency
- Used for continuous payments

**Step-by-Step Flow**

1. Funding Agency gives **4 months estimated expenditure** as advance
2. Advance received by:
  - RBI Mumbai (in USD)
3. RBI credits:
  - Rupee equivalent to CAAA
4. PIA submits expenditure claims to CAAA
5. CAAA:
  - Advises RBI to debit Special Account (USD)
6. CAAA sends consolidated claim to Funding Agency
7. Funding Agency **replenishes** Special Account

**Key Point**

- RBI maintains **loan-wise proforma account**

➤ **For Example:** World Bank gives USD 5 million advance → PIA spends → CAAA debits special account → Bank refills it.

**Method (ii): Reimbursement without Special Account****When Used**

- No Special Account in agreement
- OR Special Account balance = Nil

**Procedure**

1. PIA incurs expenditure
2. Submits claim to CAAA
3. CAAA checks eligibility
4. Claim sent **directly to Funding Agency**
5. Funding Agency sends money to:
  - RBI Mumbai
6. RBI remits rupee equivalent to:
  - CAAA account at RBI New Delhi

➤ **For Example:** ADB reimburses project expenses directly after verification.

**Rule 267(2) – Direct Payment Procedure**

Under **Direct Payment Procedure**, the **Funding Agency** pays directly to:

- Contractor
- Supplier
- Consultant

instead of reimbursing the Government later.

**Step-by-Step Flow**

1. **Project Implementing Agency (PIA)** submits request
2. Request goes **through CAAA** with bills & documents
3. **Funding Agency checks eligibility**
4. Funding Agency **pays directly** to contractor/supplier
5. Funding Agency informs:
  - CAAA
  - PIA
6. **CAAA calculates rupee equivalent**
7. Rupee equivalent is **recovered from PIA / State Government**

**Important Note (Central Projects)**

- Administrative Ministry releases funds to PIA
- PIA must deposit **rupee equivalent** into:
  - CAAA account at **RBI New Delhi** or authorised **SBI branch**

➤ *For Example* World Bank directly pays USD 1 million to a road contractor.

CAAA converts it to INR and recovers that amount from the concerned Ministry/State.

**Rule 268 – Fund Flow for State Projects (Externally Aided)****Rule 268(1) – Budget Provision by States**

- State Departments must show:
  - External aid expenditure
  - In **State Budget**
- Applies to:
  - Loans
  - Credits
  - Grants
- Covers both:
  - Reimbursement
  - Direct Payment procedures

**Rule 268(2) – State Projects under Reimbursement Procedure****Fund Flow Cycle (Very Important for Exam)**

1. State PIA incurs expenditure
2. Claims sent to CAAA
3. CAAA consolidates claims **State-wise**
4. Details sent to:
  - **Plan Finance Division (DoE, MoF)**
5. Plan Finance Division issues sanction
6. **Chief Controller of Accounts (CCA)** issues **IG Advice**
7. **RBI Nagpur** credits State Government account
8. Funds reach State → **Cycle completed**

➤ *For Example* State builds irrigation project → spends money → claims sent → GoI reimburses → State account credited.

**Rule 268(3) – State Projects under Direct Payment Procedure****Step-by-Step Flow**

1. Funding Agency pays contractor directly
2. CAAA calculates INR value using **RBI buying rate**
3. CAAA consolidates payments State-wise
4. Requests:
  - Notional release to State
  - Simultaneous recovery back to CAAA
5. Plan Finance Division issues sanction

6. CCA advises RBI Nagpur
7. RBI makes accounting adjustments
8. Fund flow cycle completed

➤ *For Example* ADB pays contractor directly → State budget adjusted through accounting entries.

**Rule 269 – Fund Flow for Central / Centrally Sponsored Projects****Key Points**

- Disbursement procedure same as **Rule 267**
- Funds provided under **separate budget head**
- Parliament approval required
- Administrative Ministry releases funds:
  - **Within 6 weeks**
  - Based on actual expenditure by PIA

➤ *For Example* World Bank funded national highway project → Ministry releases funds within 6 weeks.

**Rule 270 – Fund Flow for PSUs & Financial Institutions****Case 1: GoI is Borrower**

- Ministry provides budget provision
- PIA submits claims to CAAA
- Disbursement same as Rule 267
- Ministry releases funds based on CAAA certification

**Case 2: PSU borrows directly**

- Funds flow **directly from Funding Agency to PSU**
- No GoI budget routing

➤ *For Example* If Power PSU borrows directly from ADB → money goes directly to PSU.

**Rule 271 – Repayment of External Loans****Who is Responsible**

- CAAA repays:
  - Principal amount
  - On due date

**Procedure**

- Payment arranged through:
  - PSU Banks
  - RBI
- RBI debits CAAA account
- Loan account debited in **CFI**
- Repayment classified as **Charged Expenditure**

**Important**

- If loan passed onward:
  - Recovery from end-user is responsibility of Ministry

### Rule 272 – Interest Payments

#### Key Points

- Interest paid on due date
- Budget provision mandatory
- Accounted under:
  - **Major Head 2049 – Interest Payments**
- Classified as **Charged Expenditure**
- Same procedure as loan repayment

### Rule 273 – Exchange Rate Variation

- After full repayment of foreign loan:
  - Exchange gain/loss adjusted
- Written off to:
  - **Major Head 8680 – Miscellaneous Government Accounts**

- As per CGA & CAG procedures

### Rule 274 – Aid in Kind (No Cash)

#### What is Aid in Kind

- Materials
- Equipment
- Commodities
- **No cash received**

#### Procedure

1. Funding Agency sends advice with:
  - Item details
  - Value
2. Ministry informs **CAAA**
3. Budget provision made accordingly

➤ **For Example** Foreign country supplies medical equipment free of cost → value recorded → budget adjusted.

## PART-9 -GOVERNMENT GUARANTEES

### Government Guarantee:-

A **Government Guarantee** is a promise given by the **Government of India** to a lender that if a borrower (usually a Central Public Sector Enterprise) **fails to repay a loan**, the Government will repay it on their behalf.

It is a **contingent liability**, meaning:

- Payment is **not immediate**
- Payment arises **only if the borrower defaults**

### Constitutional and Legal Basis

The power of the Union Government to give guarantees comes from:

- The **Constitution of India**
- The **Fiscal Responsibility and Budget Management (FRBM) Act**
- Rules framed under FRBM

The total amount of guarantees that can be given by the Central Government is **subject to limits prescribed under FRBM law**.

The Government **cannot exceed these limits**.

### Authority for Grant of Guarantees

- The power to approve Government of India guarantees is vested with:
  - **Budget Division**
  - **Department of Economic Affairs (DEA)**
  - **Ministry of Finance**

No Ministry or Department can issue a Government Guarantee **without approval of Budget Division, DEA**.

### Why Government Gives Guarantees (Objectives)

Government guarantees are given only for **important national purposes**, such as:

1. **Improving project viability**  
Projects having high social or economic value but low commercial returns.
2. **Lowering borrowing cost**  
Helps Central PSUs borrow at:
  - Lower interest rates
  - Better loan terms
3. **Meeting donor conditions**  
Many bilateral or multilateral agencies give concessional loans **only if sovereign guarantee is provided**.

**Example** A power PSU wants to build a rural electrification project.

Banks agree to lend only if Government gives guarantee → Government guarantee enables the project.

### General Principles for Grant of Guarantees

Before recommending a Government Guarantee, the following principles must be strictly followed:

#### Public Interest Test

A guarantee must serve **clear public interest**, such as:

- Infrastructure development

- Social welfare projects
- National priority sectors

Guarantees are generally considered for:

- Central Public Sector Undertakings (CPSUs)
- Development-oriented borrowings
- Working capital needs of CPSUs

#### Financial Examination (Like a Loan Proposal)

Guarantee proposals are examined **similar to loan proposals**, in consultation with the **Financial Adviser**.

Key aspects examined:

Aspect	What is Checked
Public purpose	Why guarantee is needed
Creditworthiness	Ability of borrower to repay
Borrowing terms	Comparable to Govt securities
Conditions	Safeguards in guarantee agreement

#### Risk Assessment

- Risk of future payment by Government must be **carefully assessed**
- Probability of default must be examined
- Financial health of borrower must be evaluated
- Project execution risks must be studied

This assessment should preferably be done by an **independent unit**, even if higher authorities have already agreed in principle.

**Purpose:** To estimate possible future burden on the Budget.

#### Mandatory Approval

### External Borrowing

Government guarantees are **normally not given** for:

- External Commercial Borrowings (ECBs)
- However:
  - Guarantees **may be given** for soft loan components of bilateral/multilateral aid
  - Guarantees are **normally not given** for commercial portions of such aid

#### Grants

- Government guarantee is **not given for grants**
- If donor insists on assurance:
  - Performance guarantee may be negotiated as a **condition**

#### Conditions Attached to Guarantees

After examination by the concerned Ministry or Credit Division:

- **All guarantee proposals must be sent to Budget Division, DEA**
- **No guarantee is valid without this approval**

#### Data & Documentation Requirement

To enable proper examination, Ministries must submit detailed information in a **prescribed format**, including:

- Financial performance of PSU
- Operational indicators
- Profitability
- Impact of audit observations
- Targets fixed by BIFR or Cabinet and actual performance

This ensures **informed decision-making**.

#### Scope and Restrictions of Guarantees

Government guarantees are subject to strict limitations:

##### What is Normally Covered

- **Principal amount**
- **Normal interest**

Other risks are **not covered**.

##### Who Can Get Guarantee

Category	Allowed
Central PSUs / Agencies	✓ Yes
Private sector entities	✗ No
State PSUs	✗ Normally No

Government may impose conditions to protect public money, such as:

- Limiting **period of guarantee**
- Charging **guarantee fee**
- Government nominee on Board
- Mortgage or lien on assets
- Submission of periodic financial reports
- Right to audit accounts
- Right to verify ongoing creditworthiness

Even if no fee or security is imposed, **the government's right to monitor financial health must always exist.**

#### Guarantees and Budget Discipline

- Guarantees should **not be used** to support:
  - Low-priority programmes
  - Inefficient enterprises
- Guarantees should not become a tool for **off-budget financing**

Before proposing a guarantee, Ministries must consider **better alternatives**, such as:

- Direct budget subsidy
- Government loan
- Viability gap funding

These options may be **cheaper and more transparent.**

**Example** A PSU continuously incurs losses due to price controls.

Instead of repeated guarantees:

- Budget subsidy or
- Direct Government loan may be more effective.

#### Restriction for Strong PSUs

Government guarantees should **not be proposed** for:

- CPSUs with strong finances
- High credit rating
- Independent ability to raise funds

Such PSUs should borrow directly from the market.

### BORROWINGS BY CENTRAL PUBLIC SECTOR UNDERTAKINGS (CPSUs)

#### AND LEVY & EXECUTION OF GOVERNMENT GUARANTEES

#### Borrowings from Multilateral Agencies by CPSUs

##### Basic Concept

Central Public Sector Undertakings (CPSUs) are allowed to borrow funds directly from **multilateral agencies** such as:

- World Bank
- Asian Development Bank (ADB)
- IMF, etc.

These borrowings are **direct borrowings**, meaning:

- Government of India does **not act as an intermediary**
- Loan terms are settled **directly between CPSU and lender**
- Terms must be **approved by Government of India**

#### When Government Guarantee Is Required

- If the loan agreement requires a **sovereign guarantee**, then:
  - **Prior approval of Budget Division, Ministry of Finance is mandatory**
- Without such approval, **no Government guarantee can be given**

#### Conditions for CPSU Borrowings

1. **Project Approval**
  - Borrowing must be for projects:
    - Approved by the competent authority of Central Government
2. **Guarantee Fee**
  - If Government guarantee is provided:
    - CPSU must sign an agreement with Government of India
    - CPSU must pay **guarantee fee**
    - Fee is charged on:
      - Principal drawn
      - Outstanding loan balance
3. **Scope of Guarantee**
  - Government guarantee covers only:
    - Principal amount
    - Normal interest
  - It does **not cover**:
    - Exchange rate risk
    - Other commercial risks
  - Such risks are shared between:
    - Borrower (CPSU)
    - Lender

**Example** NTPC borrows from World Bank for a power project.

Government guarantees only loan + interest.  
Loss due to dollar–rupee fluctuation is **not covered** by Government.

### Levy of Guarantee Fee What is Guarantee Fee

Guarantee fee is a **charge collected by Government** for taking the risk of guaranteeing a loan.

#### Rates of Guarantee Fee

- Rates are notified by:
  - **Budget Division, DEA**
- Given in **Appendix-12 of GFR**
- Fee applies to:
  - Fund-based loans
  - Non-fund based facilities like:
    - Letters of Credit
    - Bank Guarantees

If there is any doubt regarding:

- Type of organization
- Nature of borrowing

→ Matter is referred to **Budget Division for clarification**

#### Time of Collection

Stage	Requirement
Before issuing guarantee	Fee must be collected
Every year	Fee levied on 1st April
Base for calculation	Outstanding amount at start of year

#### Penalty for Delay

- If guarantee fee is **not paid on time**:
  - Fee charged at **double the normal rate**
  - Applicable for the period of default

#### Extent of Government Guarantee

##### Normal Limit

- Government usually guarantees **up to 80% of project loan**

##### Purpose

- To ensure:
  - Lenders also bear risk
  - Proper credit appraisal by banks

##### Risk Sharing

- Lenders must bear at least **20% of loss** in case of default

##### Exceptional Cases

- Government may guarantee **100% loan** only when:
  - CPSU performs functions **on behalf of Government of India**
  - Exceptional public interest exists

**Example** Defence PSU executing sovereign defence function → 100% guarantee possible  
Commercial PSU → guarantee normally limited to 80%

### Execution and Monitoring of Government Guarantees

#### Role of Administrative Ministries

Once guarantee is approved by Ministry of Finance:

- Execution and monitoring is done by:
  - **Concerned Administrative Ministry**
- Status of guarantees must be:
  - Reported **annually**
  - Continued until:
    - Guarantee is invoked, or
    - Guarantee expires

#### Key Guidelines for Issuing Guarantees

##### Back-to-Back Agreement

Administrative Ministry must sign a **back-to-back agreement** with CPSU to ensure:

- Loan servicing by borrower
- Payment of guarantee fee
- Proper utilization of funds
- Compliance with guarantee conditions

All monitoring records must be maintained.

##### Consistency of Conditions

- Guarantee agreement must exactly match:
  - Approval given by Ministry of Finance
- No extra or missing obligations allowed

##### Modification of Guarantee Conditions

- Changes in:
  - Interest rate
  - Scope of Government obligation should **not be made casually**

Any modification requires:

- Full justification
- Detailed scrutiny
- Fresh approval of Budget Division

##### Bilateral & Multilateral Guarantees

- Standard formats used by lenders must be:
  - Carefully examined
  - Checked for consistency with Government rules
- Any new or contradictory condition:

- Must be referred for **Time Validity of Approval**
- Guarantee must be executed:
  - **Within the same financial year**
- If not executed:
  - Proposal must be submitted again

#### Purpose Limitation

- Guarantee is valid:
  - Only for the **specific purpose approved**
- Cannot be used for:
  - Any other project or activity

#### Non-transferability

- Government guarantee:
  - Is **non-transferable**

### REVIEW, ACCOUNTING AND INVOCATION OF GOVERNMENT GUARANTEES

#### Annual Review of Government Guarantees

All Ministries and Departments must ensure that **every Government Guarantee is reviewed every year**. The purpose of review is to ensure that **public money is not put at risk unnecessarily**.

#### What is Checked During Review

During the annual review, the following points are examined:

- Whether the borrower is **repaying loan principal on time**
- Whether **interest payments** are being made as per agreement
- Whether the **repayment capacity** of the borrower has weakened
- Whether **all conditions and covenants** of the guarantee are being strictly followed
- Whether **guarantee fees** are paid **correctly and on time**

#### Responsibility for Review

- The **Financial Adviser (FA)** of the Ministry/Department:
  - Conducts the review
  - Prepares a review report
- The review report must include:
  - Status of loan repayment
  - Status of interest payment
  - Status of guarantee fee payment

#### Purpose of Register

The register helps to:

1. Keep a **complete record of all guarantees**
2. Store **updated financial information**
3. Track **annual reviews**

- If ownership of CPSU changes:
  - Guarantee automatically lapses
  - Unless reconfirmed by Budget Division

#### Role of Financial Advisers

- Financial Advisers in Ministries:
  - Maintain records of guarantees
  - Handle reporting requirements
  - Coordinate with:
    - Controller of Accounts
    - Chief Controller of Accounts
- Ensure correct disclosure in:
  - Finance Accounts
  - Government accounting systems (IGAS)

#### Reporting Timeline

Activity	Due Date
Annual review completed	Every year
Review report sent to Budget Division	<b>By 30th April</b>
Period covered	Previous financial year

**Example** A PSU borrowed ₹1,000 crore with Government guarantee. During review, FA checks:

- EMI paid or not
  - Interest overdue or not
  - Guarantee fee deposited or not
- If delays are found, Ministry alerts Budget Division.

#### Register of Guarantees

To maintain proper control, a **formal Register of Guarantees** must be maintained.

4. Track **levy and recovery of guarantee fee**
5. Send updated data to Ministry of Finance

#### Responsibility

- Financial Adviser ensures:

- Register is maintained
- Entries are updated annually
- Information is accurate

**Reporting Requirement**

Requirement	Date
Updated guarantee data sent to Budget Division	<b>By 10th April every year</b>

**Review of External Loan Guarantees**

- Guarantees for **external loans** are reviewed by:
  - Credit Divisions of Department of Economic Affairs (DEA)
- Review is done:
  - In consultation with Financial Adviser (DEA)
- Report is sent:
  - To Budget Division
- If guarantee is issued by:
  - Administrative Ministry → That Ministry conducts review

**Classification of Government Guarantees**

For proper record-keeping, guarantees are grouped into categories.

**Types of Guarantees**

Category	Nature of Guarantee
Banking Guarantees	Loans, cash credit, working capital
Capital Guarantees	Share capital, dividends, bonds
International Guarantees	Loans from foreign institutions
Counter Guarantees	For Letters of Credit
Railway Guarantees	Dues payable by CPSEs
Others	Any guarantee not fitting above

**Why Classification is Important**

- Helps in analysis of fiscal risk
- Helps Parliament understand exposure
- Improves transparency

**Accounting and Disclosure of Guarantees**

To ensure **financial transparency**, Government publishes a **Guarantee Disclosure Statement** every year.

**What the Disclosure Includes**

- Number of guarantees
- Amount guaranteed
- Amount outstanding
- Guarantees invoked
- Guarantee fees receivable
- Other important details

**Where It Appears**

- Included as **Annexure in the Receipt Budget**
- Presented along with:
  - Annual Financial Statement
  - Demands for Grants

**Role of Ministries**

- Ministries compile guarantee data
- Submit to:
  - Controller General of Accounts (CGA)
- Ensure:
  - Figures match Demands for Grants
  - Figures match Finance Accounts
  - Compliance with **IGAS-1 (Government Guarantees Standard)**

**Exam Tip**

*Guarantee disclosure ensures fiscal transparency under FRBM.*

**Invocation of Government Guarantee**

A guarantee is **invoked** when the borrower **fails to repay** and the lender demands payment from Government.

**Guarantee Redemption Fund (GRF)**

To meet such obligations, Government has created a **Guarantee Redemption Fund**.

**Key Features of GRF**

Feature	Detail
Nature	Public Account of India
Purpose	Payment when guarantees are invoked
Funding	Through Budget provisions
Controlled by	Department of Economic Affairs

**Budget Provision**

- Funds transferred under:
  - “**Transfer to Guarantee Redemption Fund**”
- Provided through:
  - Demands for Grants of DEA

#### **Advance Warning of Invocation**

- Administrative Ministries must:
  - Inform Budget Division **in advance**
  - If invocation is likely
- Corrective measures must be suggested

**Example** If PSU shows signs of default:

- Ministry informs Budget Division early
- Preventive steps are explored

#### **Settlement When Guarantee is Invoked**

When guarantee is actually invoked:

1. Government may:
  - Sanction a **loan** to the defaulting PSU
  - Amount = Guarantee outstanding
2. Approval required from:
  - Budget Division, Ministry of Finance
3. Final payment:
  - Charged to **Guarantee Redemption Fund**

**Example** PSU defaults on ₹500 crore loan.

Government pays lender.

Later, Government treats this payment as **loan to PSU**, recoverable later.

# CHAPTER:09. CENTRAL SECRETARIAT MANUAL OF OFFICE PROCEDURE (CSMOP), 2022

THE GOVERNMENT OF INDIA (CSMOP - 2022)

## PART-1-ORGANIZATIONAL STRUCTURE

### 1.1 PRESIDENT

- The **President of India** is the **formal head of the executive** of the Union Government.
- All executive powers are **constitutionally vested** in the President.

#### How power is actually used

- The President **does not work alone**.
- Powers are exercised:
  - **Directly** by the President, or
  - **Through officers** working under him/her,
- All actions are done **as per the Constitution**.

➤ **Example** -Appointing Ministers, issuing ordinances, approving rules → done **in the name of the President**, but on advice of the Government.

◆ **Exam Tip** -Executive power formally vests in the President, but practically exercised by the Council of Ministers.

### 1.2 THE COUNCIL OF MINISTERS

#### (i) Role of Council of Ministers

- The President is **aided and advised** by the **Council of Ministers**, headed by the **Prime Minister**.
- In **actual practice**, the **real executive power** lies with the **Council of Ministers**, not the President.

#### (ii) Categories of Ministers

Category	Simple Meaning
<b>Cabinet Ministers</b>	Senior-most Ministers, take major policy decisions
<b>Ministers of State (MoS)</b>	Assist Cabinet Ministers or may have independent charge
<b>Deputy Ministers</b>	Junior-most, assist MoS/Cabinet Ministers

#### (iii) The Cabinet

- The **Cabinet** consists only of **Cabinet Ministers**.
- It is the **top decision-making body** of the Government.
- Responsible for **overall policy direction**.

#### Special Point

- A **Minister of State with Independent Charge** attends Cabinet meetings **only when matters of his/her department are discussed**.
- Cabinet also works through **Cabinet Committees**.

➤ **Example** -Cabinet Committee on Economic Affairs (CCEA) decides big economic policies.

📌 **Exam Tip** -Cabinet = policy-making body of Government.

### 1.3 ALLOCATION / TRANSACTION OF GOVERNMENT BUSINESS

#### Constitutional Basis

- Issued under **Article 77(3) of the Constitution**.

#### Two Important Rules

Rule	Purpose
Allocation of Business Rules, 1961	Distributes work among Ministries
Transaction of Business Rules, 1961	Explains how work is processed

#### (i) Allocation of Business Rules, 1961

- Allocates **subjects/work** to different **Ministries/Departments**.
- Ministers are assigned departments by the President **on advice of the Prime Minister**.
- Allows **association of another Minister or Deputy Minister** if required.

#### (ii) Transaction of Business Rules, 1961

- Defines:
  - **Authority**
  - **Responsibility**
  - **Procedure**
- Business is disposed of by or **under direction of the Minister-in-charge**.

These rules specify:

#### a. Cases needing prior approval of:

- President
- Prime Minister
- Cabinet / Cabinet Committees

#### b. Inter-departmental consultation:

- When other Ministries' comments or concurrence is mandatory before final decision.

#### ➤ **Example**

- *Big financial proposal* → needs Finance Ministry concurrence.

#### 📌 **Exam Tip**

Allocation = "Who does what"

Transaction = "How the work is done"

### 1.4 MINISTRY / DEPARTMENT

#### (i) Role

- Responsible for:
  - Policy formulation
  - Implementation
  - Monitoring
  - Review

#### (ii) Internal Structure

A Department is divided for **efficient work** into:

**Wings** → **Divisions** → **Branches** → **Sections / Units / Cells**

#### (iii) Secretary

- Headed by a **Secretary to the Government of India**.
- Acts as:

- **Administrative Head**
- **Principal Adviser** to the Minister.

#### (iv) Wings

- Each Wing is headed by:
  - Special Secretary / Additional Secretary / Joint Secretary.

#### (v) Divisions & Branches

Level	Headed by
<b>Division</b>	Director / Joint Director / Deputy Secretary
<b>Branch</b>	Under Secretary (Branch Officer)

#### (vi) Section / Desk (Lowest Unit)

##### ⇒ Composition

- **Dealing Officers:**
  - Assistant Section Officer (ASO)
  - Senior Secretariat Assistant (SSA)
- **Clerical Support:**
  - Junior Secretariat Assistant (JSA)
- **Supervision:**
  - Section Officer

##### ⇒ Work Done

- Initial processing
- Noting & Drafting
- Submission of cases

##### ⇒ Special Point

### 1.5 INTEGRATED HEADQUARTERS OF MINISTRY OF DEFENCE

#### Components

- Army Headquarters
- Naval Headquarters
- Air Headquarters
- Defence Staff Headquarters

#### Role

- Assist in **policy formulation** on defence matters.
- Provide **executive direction** for implementation.
- Exercise **delegated administrative and financial powers**.

#### Important Point

- Designated as **Integrated Headquarters**.

- Even if the case starts at a higher level, Section staff assists.

#### ➤ Example

- *File related to leave rules starts at ASO → moves upward.*

#### (vii) Desk Officer System (Variation)

- Lowest level work organized into **functional desks**.
- Each desk is handled by the **Under Secretary / Section Officer**.
- The Desk Officer handles cases **independently** with staff support.

📌 **Exam Tip** *Desk Officer System = fewer layers, faster disposal.*

#### (viii) O&M / IWSU (Organisation & Methods)

##### a. Abolition of O&M / IWSU setup

- Based on **SIU (Staff Inspection Unit)** recommendations:
  - Separate O&M / IWSU units abolished.
- Responsibility for reforms now lies with **each Ministry/Department**.
- Work may be handled by:
  - Administration
  - Coordination Divisions

##### b. Guidance

- **Administrative Reforms** → Department of ARPG
- **Work Measurement Studies** → Staff Inspection Unit (Department of Expenditure)
- Other roles and functions **remain unchanged**.

#### ➤ Example

- *Defence policy framed by MoD → implemented through Integrated Headquarters.*

📌 **Exam Tip** *Integrated HQ = policy support + execution in defence matters.*

### 1.6 ATTACHED AND SUBORDINATE OFFICES

#### (i) Why these offices are created

- When **policy execution** needs to be done at **different levels** and cannot be handled directly by the Ministry, the Government creates:

- **Attached Offices** This helps in **decentralization of executive work** and
- **Subordinate Offices** smooth implementatio

**(ii) Attached Offices**

- Attached Offices work **closely with the Ministry/Department**.
- They give **detailed executive directions** for implementing policies.
- They act as **technical experts** and advisers to the Ministry.

**Main Functions**

- Convert policies into **detailed instructions**
- Maintain **technical data and expertise**
- Advise the Ministry on **specialized matters**

**Example** :Directorate General of Health Services (DGHS) attached to Ministry of Health.

**(iii) Subordinate Offices**

- Subordinate Offices are mainly **field-level offices**.
- They actually **execute policies on the ground**.
- They usually work under:
  - An Attached Office, or
  - Directly under the Ministry (if work volume is small)
- **Main Functions**
- Field implementation
- Technical assistance
- Execution of schemes

**Example** :Regional offices, survey offices, field directorates.

**COMPARISON TABLE**

<b>Basis</b>	<b>Attached Office</b>	<b>Subordinate Office</b>
Level	Higher than Subordinate Office	Lower, field-level
Main Role	Executive directions & technical advice	Actual execution
Relation	Works closely with Ministry	Works under Attached Office or Ministry
Nature of Work	Policy support & expertise	Field implementation
Example	Directorate General	Regional / Field Offices

● **Exam Tip** :-Attached Office = Direction + Advice, Subordinate Office = Execution

**1.7 CONSTITUTIONAL BODIES**

- Bodies created **directly by the Constitution of India**.
- Their powers, functions and independence are **constitutionally protected**.

➤ **Examples**

- *Comptroller & Auditor General (CAG)*
- *Election Commission of India (ECI)*
- *Union Public Service Commission (UPSC)*

● **Exam Tip**

*Constitutional Body = Created by Constitution, not by an Act.*

**1.8 STATUTORY BODIES**

- Bodies created by a **Law / Act passed by Parliament**.
- They work strictly within the **powers given in the Act**.

#### Key Point

- Parliament can **change, amend or abolish** them by law.

#### > Examples

- *Central Vigilance Commission (CVC)*
- *Central Information Commission (CIC)*
- *Central Board of Film Certification (CBFC)*
- *National Commission for Backward Classes (NCBC)*

📌 **Exam Tip** - *Statutory Body = Created by Act of Parliament.*

### 1.9 AUTONOMOUS BODIES

Bodies set up by the Government to **implement policies** but given **functional freedom**.

- They work as per their **Memorandum of Association (MoA)**.

#### Important Features

- Government control exists only at **policy level**
- Funded fully or partly by **Grants-in-Aid**
- Registered under **Societies Registration Act, 1861**

#### > Examples

- Central Board of Secondary Education (CBSE)
- Indian Institute of Public Administration (IIPA)

📌 **Exam Tip** - *Autonomous Body = Functional freedom + policy control by Government.*

### 1.10 CENTRAL PUBLIC SECTOR ENTERPRISES (CPSEs) - A CPSE is:

- A company where the **Central Government holds more than 50% equity**.

#### Covered under CPSE

- Subsidiaries of CPSEs (if CPSE holds >50%)
- Certain statutory corporations like:
  - Airport Authority of India

- Food Corporation of India
- Central Warehousing Corporation

#### Ownership & Management

- Shares held by **President of India or nominees**
- Managed by:
  - Board of Directors
  - Holding Companies

#### Not Covered as CPSE

- Departmentally run enterprises
- Banks
- Insurance companies

### 1.11 INFORMATION AND FACILITATION COUNTERS (IFCs)

#### Purpose

- Acts as **single-window interface** between Government and public.

#### Services Provided by IFCs

Sl. No.	Service
(i)	Information about schemes, services, rules
(ii)	Help citizens access services efficiently
(iii)	Information on service standards & time limits
(iv)	Details of Public Grievance Redressal hierarchy
(v)	Receive & forward applications / grievances

#### > Example

- A citizen wants a pension form → IFC provides form, explains process, and forwards application.

📌 **Exam Tip** : *IFC = Information + Facilitation + Grievance handling.*

## TOPIC-2-FUNCTIONARIES AND FUNCTIONS

This Topic explains the **functions and responsibilities of different officers** working in the Secretariat of a Ministry/Department.

#### Core Idea

- For **effective governance**, powers must be **delegated** to different levels of officers.
- Each functionary has **clearly defined duties**, authority and accountability.

📌 **Exam Tip** Delegation of powers = faster decision making + better governance.

## 2.1 SECRETARY

### Position

- **Administrative Head** of the Ministry/Department.
- **Principal Adviser** to the Minister.

### Responsibilities

- Advises the Minister on:
  - Policy matters
  - Administrative matters
- Responsibility is **complete and undivided**.
- Acts as **Chief Accounting Authority** of the Ministry/Department.

### Easy Example

- Final responsibility of budget utilization of a Ministry lies with the Secretary.

📌 **Exam Tip** -Secretary = Administrative Head + Chief Accounting Authority.

## 2.2 SPECIAL SECRETARY / ADDITIONAL SECRETARY / JOINT SECRETARY

### Role

- Heads a **Wing** of the Department.
- Enjoys **maximum independent functioning** in matters of his/her Wing.

### Key Point

- Works independently **but under overall responsibility of the Secretary**.

### > Example

- Joint Secretary (Establishment) handles service matters of the Ministry.

📌 **Exam Tip** -JS level = highest operational independence below Secretary.

## 2.3 DIRECTOR / DEPUTY SECRETARY

### Role

- Heads a **Division** in the Secretariat.
- Acts **on behalf of the Secretary**.

### Responsibilities

- Disposal of Government business of the Division.
- Should be able to decide cases:
  - As per delegated powers, or
  - As per channel of submission.

### > Example

- Approving routine administrative proposals of the Division.

📌 **Exam Tip** -Director/DS = Division Head + case disposal authority.

## 2.4 UNDER SECRETARY

### Role

- In-charge of a **Branch** consisting of:
  - Sections / Units / Cells.

### Responsibilities

- Controls:
  - Disposal of work
  - Discipline in the Branch
- Disposes cases **at own level as far as possible**.
- Takes approval of **Deputy Secretary or higher** in important cases.
- Responsible for:
  - Development & maintenance of **manual and electronic knowledge tools**.

### > Example

- Signing routine orders, forwarding important proposals upward.

📌 **Exam Tip** -Under Secretary = Branch Officer + discipline controller.

## 2.5 DESK OFFICER

### Who can be Desk Officer

- **Under Secretary** or
- **Senior Section Officer**

**Role**

- Functions independently at a **functional desk**.
- Examines and submits cases directly to higher officers.

**Special Powers**

- Decision-making power **equal to Under Secretary**.
- Can:
  - Sign Orders
  - Issue Financial Sanctions
  - Affirm affidavits in courts

**> Example**

- Desk Officer signing sanction order for routine expenditure.

📌 **Exam Tip** -Desk Officer = Independent decision maker.

**2.6 SECTION OFFICER (SO)****Position**

- In-charge of a **Section** (basic working unit).

**Section Composition**

Staff	Role
ASO / SSA	Dealing Officers
JSA	Clerical support
MTS	Support services

**Responsibilities:-**

- Overall supervision of Section work.
- Key duties:

Area	Responsibility
(a)	Work distribution, training & discipline
(b)	Speedy disposal of cases

(c)	Timely reports & returns
(d)	Records & information management

**> Example**

- Ensuring files are processed timely and correctly.

📌 **Exam Tip** -Section Officer = backbone of Secretariat functioning.

**2.7 PERSONAL STAFF OF OFFICERS**

(PPS / Sr. PPS / PSO)

**Major Functions**

Area	Work
(a)	Executive summaries & briefings
(b)	Management of Personal Section
(c)	Liaison with Parliament & Ministries
(d)	Awareness of vision & KPIs
(e)	Information security & grievance facilitation
(f)	Engagement diary
(g)	Tour & office management

**> Example**

- Preparing brief for Minister before Parliament Question Hour.

📌 **Exam Tip** Personal Staff = decision support system of senior officers.

**2.8 PRIVATE SECRETARY / PERSONAL ASSISTANT / STENOGRAPHER (GRADE 'D')****Main Duties:-**

Type	Work
(a)	Dictation, typing, calls, visitors, tours
(b)	Confidential work, parliamentary work, meetings

**>Example**

- Transcribing dictation and arranging official tours.

📌 **Exam Tip** -*Stenographic staff = communication & confidentiality handlers.*

## 2.9 ASSISTANT SECTION OFFICER (ASO) / SENIOR SECRETARIAT ASSISTANT (SSA)

**Role**

- Works as **Dealing Officer** under Section Officer.

**Responsibilities**

- Handles subjects allotted to him/her.
- Deals with:
  - Files
  - Notes
  - Drafts
- Performs any other assigned work.

**>Example**

- Drafting office memorandum on service matters.

📌 **Exam Tip** -*ASO/SSA = primary file handler.*

## 2.10 JUNIOR SECRETARIAT ASSISTANT (JSA)

**Role**

- Provides **day-to-day support** to Section / Desk.

**Duties**

- Photocopying
- Dak registration
- File movement

**COMPARATIVE SUMMARY**

Level	Key Role
Secretary	Admin Head & Accounting Authority
JS / AS / SS	Wing head, independent functioning
Director / DS	Division head
Under Secretary	Branch control
Desk Officer	Independent desk decisions

- Record maintenance
- Repetitive case work (if assigned)

**>Example**

- *Entering dak and dispatching files.*

📌 **Exam Tip** -*JSA = clerical support pillar.*

## 2.11 MULTI-TASKING STAFF (MTS)

**Background**

- Replaced erstwhile Group 'D' posts.

**Duties (Illustrative)**

Type of Work	Examples
Records	Maintenance of files
Office upkeep	Cleaning, dusting
Movement	Carrying files
Technical	Photocopying, fax
Support	Diary, dispatch
Security	Watch & ward
ITI	Skilled work if qualified
Driving	If licensed
Gardening	Lawns, plants
Others	Any assigned work

**>Example :-**Delivering dak and maintaining cleanliness of office.

📌 **Exam Tip** -*MTS = essential non-clerical support staff*

Section Officer	Section supervision
ASO / SSA	File processing
JSA	Clerical support
MTS	Office support services

### TOPIC-3-MANAGEMENT OF DAK AND RECEIPTS

**Dak** means all communications received in an office, such as:

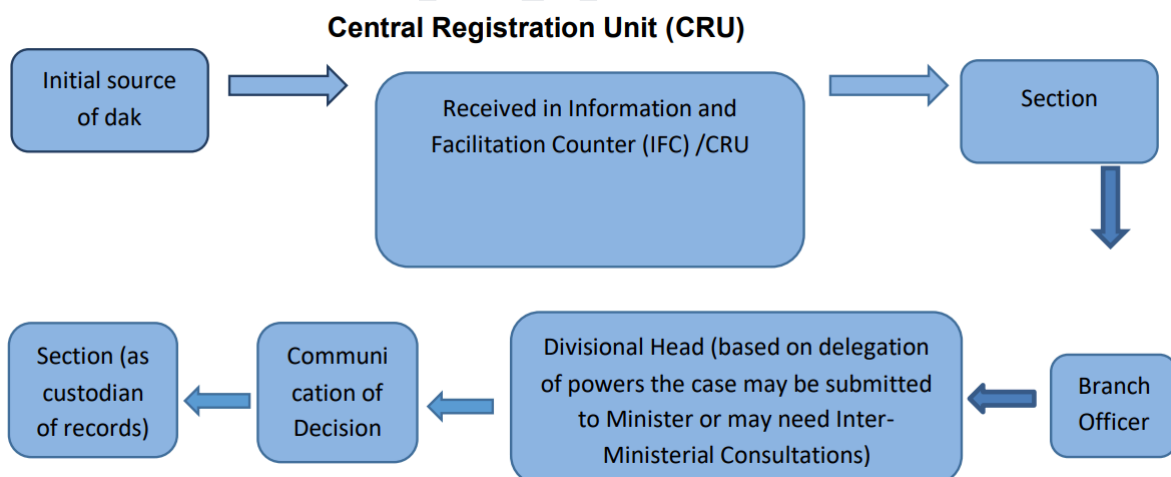
- Letters
- Files
- Emails
- Applications
- References from other Departments, Parliament, courts, etc.

This Topic explains **how dak is received, checked, registered, distributed, processed and disposed of**, in a **step-by-step flow**, so that:

- No paper is lost
- Accountability is fixed
- Decisions are taken quickly

☛ **Core Principle** -Every receipt must move smoothly from entry point to final decision.

#### FLOW OF DISPOSAL OF DAK / RECEIPT



**Simple Flow :-**

**Initial Source of Dak**



**CRU / IFC (Central Registration Unit / Information & Facilitation Counter)**



Section



Branch Officer



Divisional Head



Decision Communicated



Section (Custodian of Records)

📌 **Exam Tip** -CRU is the single entry point for dak during office hours.

### 3.1 RECEIPT OF DAK

#### (i) Receipt during Office Hours

- All dak, including dak addressed by name to Ministers/Officers, is received in CRU/IFC.
- **Exception:**
  - Dak marked **Immediate / Priority / Urgent** and addressed by name → sent directly by **special messenger** to the addressee or personal staff.

#### ➤ Example

- Ordinary letter to Secretary → CRU
- “Immediate” letter to Minister → Direct delivery

#### (ii) When Officer is Not Available

If the officer is:

- On leave
- On training
- On tour
- Retired
- Transferred

1. Successor
2. Personal staff
3. Link officer
4. Officer dealing with the subject

If none are available, then CRU will receive it.

#### △ Important Rule

- Immediate or important letters **must never be returned or left undelivered.**

Then urgent dak will be received by:

📌 **Exam Tip** -Urgent dak must always be received by someone responsible.

#### (iii) Receipt Outside Office Hours

- If marked **Immediate** and addressed by name:
  - Delivered to officer’s **residence**
  - Officer is normally informed in advance by phone

Other cases:

- Received by:
  - Night duty clerk, or
  - Designated officer, or
  - As per departmental instructions

#### (iv) Dak Received Through Email

- Emails received centrally → downloaded by **designated person** → sent to **Central Registry**.
- Emails addressed by name → downloaded by **officer or personal staff**.

📌 **Exam Tip** -Email is treated at par with physical dak.

### 3.2 SCRUTINY OF DAK

What happens after dak reaches CRU?

#### (i) Priority Handling

- Urgent dak is separated and processed **first**.

#### (ii) Opening of Covers

- CRU opens all covers **except**:
  - Dak addressed by name
  - Dak with security classification

#### (iii) Checking Enclosures

- Enclosures are checked.
- Missing enclosure is **clearly noted** on the dak.

#### (iv) Date Stamping

### 3.3 REGISTRATION OF DAK

Why Registration is Important

- Fixes **accountability**
- Ensures **traceability** of every paper

#### (i) Registration at Entry Level

- All dak is registered by **CRU** in prescribed registers (Appendix 5.1).
- CRU must be adequately staffed for this purpose.

#### (ii) Dak NOT Required to be Registered

Sl.	Category
a.	Telephone bills (entered in separate register)
b.	MP references (separate register)
c.	Duplicate representations
d.	Casual leave applications
e.	General circulars / OMs
f.	Any category exempted by Department

📌 **Exam Tip** Rule = Register all dak, Exception = as per instructions.

#### (iii) Registers

- All dak (opened and unopened) is **date-stamped**.

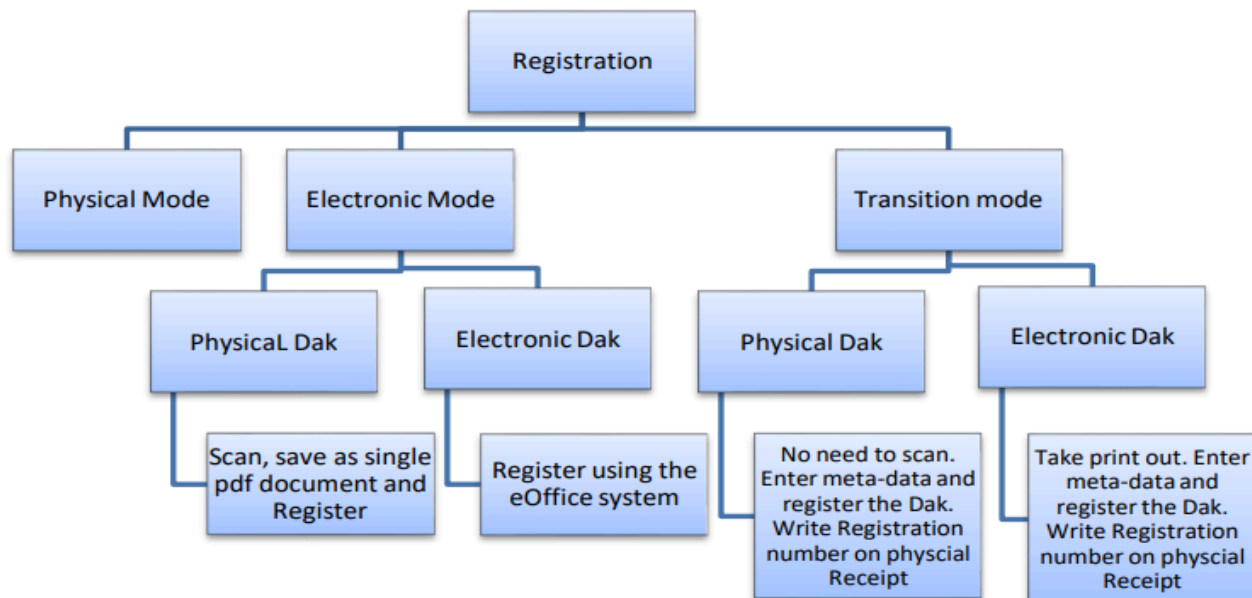
#### (v) Sorting

- Dak is sorted:
  - Section-wise
  - Officer-wise (if addressed by name)

CRU maintains an updated **subject allocation list** for correct sorting.

#### > Example

- Pension matter → Pension Section
- Court case → Legal Section



- CRU may maintain **one or more registers** depending on workload.

Late dak → distributed early the next day.

### 3.4 ACKNOWLEDGEMENT OF DAK

- Receipt of dak (including files from other Departments) is acknowledged by:
  - Full signature
  - Name
  - Date
  - Designation

Acknowledgement is done in the Messenger (**Peon**) **Book**.

- Dak received through **email must also be acknowledged**.

📌 **Exam Tip** -*Acknowledgement ensures proof of receipt.*

### 3.5 DISTRIBUTION OF RECEIPTS

#### (i) Distribution Method

- Dak is sent to the concerned **Section / Officer**.
- Acknowledgement obtained:
  - Individually, or
  - Through section-wise register

#### (ii) Time Schedule for Distribution

Type of Dak	Distribution
Urgent	Immediately
Ordinary	11:00 AM, 2:00 PM, 4:00 PM

#### CRU In-charge must ensure:

- Sorting & registration on same day
- Night duty staff handles pending dak
- Proper handing over with signatures

#### (iii) Urgent Dak Outside Office Hours

- Sent to sections if staff is on duty.

#### (iv) Use of Email (Strongly Encouraged)

- Faster dispatch & receipt
- Parliament, Budget & Coordination Sections must use email extensively
- Attach:
  - PDF
  - Word
  - Excel (for easy compilation)

📌 **Exam Tip** -*E-office & email = faster governance.*

### 3.6 PERUSAL AND MARKING OF RECEIPTS (BY SECTION OFFICER)

On receiving receipts, Section Officer will:

Step	Action
(i)	Read the receipt
(ii)	Redirect mis-sent receipts

(iii)	Identify cases for higher officers
(iv)	Retain difficult/special cases
(v)	Mark to Dealing Officers with instructions
(vi)	Note important cases in register
(vii)	Submit returned files to last noting officer

➤ **Example**

- *Court matter* → marked “Immediate” to ASO.3.7 **MOVEMENT OF RECEIPTS**
- Manual receipts move in **Receipt Pads** Section Officer monitors:
  - Delays
  - Hold-ups

If receipt is not returned within **one day**, it must be reported.

📌 **Exam Tip** - *Receipt movement should never be stalled.*

### 3.8 ACTION BY HIGHER OFFICERS

Higher officers will:

1. Go through receipts, initial them, return to SO
2. Retain receipts for:
  - Processing at own level, or
  - Submitting to higher authority
3. Ensure:
  - Existing file is called, or
  - New file is opened with proper entry

### 3.9 ALLOCATION OF DISPUTED RECEIPTS

#### 3.10 (b) ACTION BY DEALING OFFICER

Once the **receipt reaches the Section and is marked to a Dealing Officer (ASO/SSA)** by the Section Officer, the **real processing of the case begins**.

The Dealing Officer is the **first level of decision support** in file work.

#### ROLE OF DEALING OFFICER

The Dealing Officer **examines the receipt, builds the file, analyses the issue, and puts up a reasoned note** for decision by higher officers.

#### STEP-BY-STEP FUNCTIONS OF DEALING OFFICER

##### (i) Segregation of Receipts

- If a Section feels receipt does not belong to it:
  - Matter referred to **designated Under Secretary**

#### Time Limits

Type	Time
Normal	Within 2 working days
Urgent	Within half-a-day

📌 **Exam Tip** *Disputed receipts must be settled quickly.*

### 3.10 ACTION ON RECEIPTS – GENERAL PRINCIPLES

#### Core Principles

Principle	Meaning
Minimum paperwork	Avoid unnecessary noting
Speed	No delay unless prescribed
Accuracy	Correct decisions
Balance	Speed with accuracy
Standardization	Use formats for repetitive cases
Citizen-friendly	Simple formats for public

➤ **Exampl** : Standard format for pension cases saves time.

📌 **Exam Tip** - *Golden rule: Speed with accuracy*

- First, the Dealing Officer **separates urgent receipts** from normal ones.
- Urgency grading like *Immediate / Priority* is strictly followed.

➤ **Example**

- Court notice (Immediate) → handled first
- General query → handled later

📌 **Exam Tip** -*Urgency grading decides priority of action.*

(ii) **Priority Handling**

- **Urgent receipts are dealt with first**, followed by other cases.

**Core Principle** -*First urgent, then important, then routine.*

(iii) **Checking of Enclosures**

- Checks whether all **annexures/documents** mentioned are attached.
- If anything is missing → **immediate action** to obtain it.

➤ **Example**

- Representation mentions “attached copy of order” but order missing → call for it.

(iv) **Inter-Section Consultation**

- Checks whether **another Section is also concerned**.
- If yes:
  - Sends **copy or relevant extract** to that Section for comments/action.

➤ **Example**

- Service + Finance issue → copy sent to Finance Section.

📌 **Exam Tip** -*Consultation avoids incomplete decisions.*

(v) **Linking with File / Opening New File**

- Processes the receipt:
  - On an **existing file**, or
  - By **opening a new file** (as per Para 6.6 & Appendix 6.3).

➤ **Example**

- Repeated pension complaint → existing file
- New policy issue → new file

(vi) **Proper Filing of Papers**

- Papers are placed in the file **as per prescribed instructions** (Para 6.6).

**Why is it important?**

Proper filing ensures **traceability and record management**.

(vii) **Use of Knowledge Management Tools**

The Dealing Officer uses:

- Standing Guard Files
- Precedent Books
- Reference Folders

to:

- Locate past cases
- Ensure consistency
- Avoid repetition of work

📌 **Exam Tip** -*Past precedents guide present decisions.*

(viii) **Identification of Issues & Noting**

- Identifies **core issues** involved in the receipt.
- Records a **clear, logical note** using **functional approach to noting**.

➤ **Example**

- Issue: eligibility, rule position, past practice, proposal.

(ix) **Arrangement of Papers**

- Papers are arranged systematically (Box 6.1):
  - Receipt
  - Enclosures
  - Notes
  - References

(x) **Referencing**

- Proper **references** are given to:
  - Rules
  - Previous correspondence
  - File numbers

(xi) **Docketing**

- Each paper is given a **serial number (docket number)**.

📌 **Exam Tip** *Docketing = identity of paper.*

(xii) **Urgency & Security Labelling**

- If required:
  - Attach **urgency label**
  - Attach **security grading label**

(xiii) **Signing the Note**

- Dealing Officer **signs the note**
- This fixes **responsibility and accountability**.

**(xiv) Submission of File**

- File is submitted to the **next officer** as per:
  - Channel of submission.

**3.10 (c) ACTION BY SECTION OFFICER**

After the Dealing Officer submits the file, the **Section Officer (SO)** performs a **supervisory and decision-filtering role**.

**FUNCTIONS OF SECTION OFFICER****(i) Scrutiny of Note**

- Examine the note prepared by the Dealing Officer.
- Checks:
  - Accuracy
  - Rule position
  - Clarity

**(ii) Disposal of Routine Cases**

- SO may **dispose of routine matters at own level**, such as:
  - Collecting information
  - Draft replies to Parliament Questions
  - Sending reminders

**> Example**

- Simple factual reply to Parliament question.

**(iii) Recording Own Note**

- If required, SO records:
  - Own comments

**3.10 (e) ACTION BY BRANCH OFFICERS AND ABOVE****Who are Branch Officers?**

- Under Secretary
- Deputy Secretary
- Director and above

**Their Role****If they AGREE with Section:**

- Simply **append signature**.
- Submit file to **competent authority**.

**COMPLETE FLOW**

**Receipt → CRU / IFC → Section Officer → Dealing Officer (analysis + noting) → Section Officer (scrutiny) → Branch Officer → Competent Authority → Decision → Communication → Record**

**FUNCTIONS OF CRU (CENTRAL REGISTRATION UNIT)**

- Suggestions
- Improvements

**(iv) Submission to Higher Officer**

- Submits the case to:
  - Under Secretary / Desk Officer / Higher authority.

**(v) Monitoring Progress**

- Keeps watch on the case to **avoid delays**.
- **Exam Tip** - *Delay defeats administration.*

**(vi) Action on Return of File**

- After file comes back:
  - Issue communication
  - Re-examine case
  - Take further action

**ROUTINE CASES – IMPORTANT NOTE**

- What constitutes “**routine cases**” is **defined by each Department** in its own departmental instructions.

- **Exam Tip** - *Routine ≠ same in all Ministries*

**If they DO NOT AGREE:**

They may:

1. **Return the file** with written advice, or
2. **Record own note** and submit to competent authority.

**> Example**

- DS disagrees with SO → records alternate view.

- **Exam Tip** - *Higher officer can modify, return or escalate the case.*

## 1. CRU – DEFINITION

The **Central Registration Unit (CRU)** is a **specialised section/unit** within a Ministry or Department. It acts as the **single, authorised entry point** for all incoming dak and communications.

### Composition of CRU

CRU generally consists of:

- Resident Clerk
- Night Duty Clerk
- Data Entry Operator (DEO)

These functionaries work in coordination to ensure **round-the-clock handling of dak**, including after office hours.

### Core Responsibility of CRU

The CRU is entrusted with the responsibility of:

- Receiving physical dak
- Registering dak
- Converting physical dak into **electronic receipts**
- Distributing, marking and sending receipts to concerned Sections/Officers

↳ CRU ensures that every communication entering the Department is recorded, digitised, tracked and delivered correctly.

◆ **EXAM TIP** -CRU is the foundation of transparency, accountability and eOffice governance.

## 2. CRU – PROCESS FLOW

The work of CRU follows a **fixed, logical and traceable sequence**, ensuring that **no dak is misplaced or ignored**.

### (a) Receipt of DAKS

- All **physical dak** meant for the Department is received **at CRU**.
- This includes:
  - Letters from public
  - Files from other Departments
  - Court notices
  - Parliamentary references
  - Applications, complaints, representations, etc.

**Important Principle** -No dak bypasses CRU unless specifically permitted under rules.

#### ➤ Example

- A representation sent by a citizen to the Ministry → first reaches CRU.

### (b) Scanning of Physical DAK

**Purpose of Scanning** -Scanning converts physical dak into **digital form**, enabling:

- Electronic processing
- Faster movement
- Permanent backup

#### Rules for Scanning

- Every physical dak is:
  - Scanned completely
  - Saved as a **PDF document**

#### Important Instructions

- **All pages of one dak must be scanned into one single PDF file.**
- Pages should be scanned:
  - Clearly
  - In proper sequence
  - Without omission

#### Voluminous Annexures

When dak contains:

- Large books
- Bulky reports

- Numerous annexures

Then:

- Sender may be requested to:
  - Provide a **soft copy**, or
  - Mention a **public website link** from where the document can be downloaded

This avoids:

- Excessive storage
- Unnecessary scanning delay

📌 **EXAM TIP** -One dak = one PDF document.

### (c) Registration of DAK

Registration is the **most critical function** of CRU as it ensures:

- Accountability
- Traceability
- Audit trail

#### (i) Registration for Fully Electronic Processing

If the receipt is to be processed **completely in eOffice**:

- Scanned PDF is:
  - Uploaded in the system
  - Tagged with **metadata**

**Metadata includes:**

- Date of receipt
- Sender's name
- Subject
- Category
- Urgency level, etc.

#### (ii) Registration for Physical Processing

If the receipt is to be processed **physically**:

### 3. STORAGE OF PHYSICAL DAK AFTER SCANNING

After:

- Scanning, and
- Registration

The **physical dak**:

- Is stamped with the **registration/receipt number**
- Sent to the **concerned Section**

- Registration is done using **eFile** in eOffice.

#### △ **Mandatory Rule**

Even when processing is physical:

- **Dak must be scanned and uploaded at the registration stage**

**Reason**

- Prevents loss of documents
- Ensures future reference
- Provides digital backup

#### (iii) Registration of Dak Received Through Email

If dak is received via **email**, action depends on processing nature:

Processing Type	Action
Electronic processing	Email converted into PDF
Physical processing	Print-out taken

In **both cases**:

- Metadata is entered
- System generates a **registration / receipt number**

#### Registration / Receipt Number – Key Points

- Generated automatically by the system
- Unique for each receipt
- Generated in **seriatim (continuous order)**
- Common sequence for entire Ministry/Department

📌 **EXAM TIP** -Receipt number is system-generated and unique across the Ministry.

#### Why physical dak is preserved?

- For:
  - Verification
  - Legal reference
  - Court cases
  - Audit requirements

### 4. DISTRIBUTION OF RECEIPTS

- Registered receipts are:
  - Forwarded to concerned Sections/Officers
  - Electronically and/or physically

**Disputed Receipts**

- If there is confusion regarding allocation:
  - Such receipts are handled strictly as per **Para 5.9 of CSMOP**

**CRU's role** -CRU distributes; it does not adjudicate disputes.

**5. STRENGTHENING OF CRU**

The CRU is considered the **backbone of successful and sustainable eOffice implementation.**

A weak CRU leads to:

- Delay
- Loss of dak
- Administrative inefficiency

Therefore, CRU must be strengthened in the following two areas:

**(a) Human Resources**

CRU must have:

- Adequate staff strength
- Technically skilled manpower
- Computer-proficient personnel
- Staff trained in:
  - Scanning
  - Data entry
  - eOffice operations

**Why important?**

- Entire dak management depends on CRU efficiency
- Errors at CRU level affect all downstream processing

📌 **EXAM TIP** -Skilled manpower = efficient CRU.

**(b) Infrastructure**

CRU deals with:

- Heavy volume of dak
- Multiple-page documents daily

Therefore, it must be equipped with:

Component	Requirement
Scanners	High-speed ADF scanners

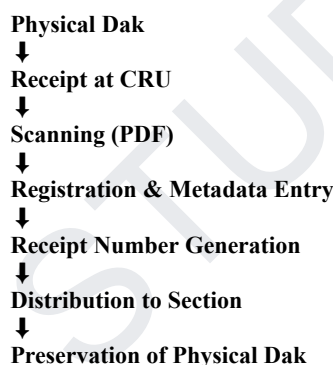
Computers	New-generation systems
Network	Reliable and fast connectivity

**Outcome of Good Infrastructure**

- Faster scanning
- Reduced backlog
- Higher productivity
- Smooth eOffice functioning

📌 **EXAM TIP** -High-speed scanners + good network = effective CRU.

**COMPLETE PROCESS FLOW**



**SCANNING GUIDELINES**



**WHY SCANNING GUIDELINES ARE IMPORTANT**

In eOffice and CRU functioning, **scanning is the foundation.**

Good scanning ensures:

- Clear readability
- Small file size
- Faster uploading/downloading
- Long-term record preservation

**Golden Rule** -Scan clearly, keep file size minimum, never compromise legibility.

**BASIC CLASSIFICATION OF DOCUMENTS FOR SCANNING**

All documents are broadly divided into **two main categories**:

1. **Note-sheet**
2. **Correspondence / DAK**

Each category has **different scanning settings** to balance **clarity and file size**.

**PART – A : SCANNING OF NOTE-SHEET**

A **Note-sheet** contains:

- Internal notes
- Opinions
- Approvals
- Remarks by officers

These are **core decision documents**, hence clarity is critical.

**1. NOTE-SHEET WITH TEAR / POOR LEGIBILITY**

**What does it mean?**

- Old papers
- Torn pages
- Faded ink
- Smudged typing

**Scanner Settings**

Parameter	Setting
Resolution	<b>200 dpi</b>
Mode	<b>Black &amp; White (B/W)</b>
Grey Scale	<b>8-bit grey scale</b>
Output Format	<b>PDF</b>

**Expected Output Size**

Pages	Approx. Size
1 page	150 KB
10 pages	890 KB
25 pages	1.5 MB

**Why these settings?**

- Grey scale improves **readability**
- 200 dpi captures faded text clearly

**> Example**

- 15-year-old handwritten approval note → use this setting.

📌 **Exam Tip** - *Poor legibility → Grey scale + higher clarity.*

**2. NOTE-SHEET WITH CLEAN PAPER**

**What does it mean?**

- Fresh paper
- Clear typing
- No fading or damage

**Scanner Settings**

Parameter	Setting
Resolution	<b>150 dpi</b>
Mode	<b>Black &amp; White (B/W)</b>
Output Format	<b>PDF</b>

**Expected Output Size**

Pages	Approx. Size
1 page	15 KB
10 pages	250 KB
25 pages	1.1 MB

**Why lower DPI?**

- Clean documents do not need high resolution
- Saves storage and bandwidth

**> Example**

- Recently typed office note → clean paper category.

📌 **Exam Tip** - *Clean paper → Lower DPI = smaller file.*

**PART – B : SCANNING OF CORRESPONDENCE / DAK**

**Correspondence / DAK** includes:

- Letters from public
- Emails (printed)
- Fax messages
- Enclosures

**3. HANDWRITTEN CORRESPONDENCE**

**> Examples**

- Handwritten public representations
- Personal letters
- Applications written by hand

**Scanner Settings**

Parameter	Setting
Resolution	<b>200 dpi</b>
Mode	<b>Black &amp; White (B/W)</b>
Grey Scale	<b>8-bit grey scale</b>
Output Format	<b>PDF</b>

**Expected Output Size**

Pages	Approx. Size
1 page	150 KB
10 pages	1 MB
25 pages	1.7 MB

**Why?**

- Handwriting needs higher clarity
- Grey scale captures strokes properly

**> Example**

- Pension grievance written by a retired employee.

**Exam Tip** -Handwritten = treat like poor legibility.

**4. PRINTED PAPER / COMPUTER PRINTED / FAX****> Examples**

- Typed letters
- Computer printouts
- Fax messages

**Scanner Settings**

Parameter	Setting
Resolution	<b>150 dpi</b>
Mode	<b>Black &amp; White (B/W)</b>
Output Format	<b>PDF</b>

**Expected Output Size**

Pages	Approx. Size
1 page	150–200 KB
10 pages	300 KB
25 pages	1 MB

**Why?**

- Printed text is already sharp
- Lower DPI is sufficient

**> Example**

- Letter received from another Ministry.

📌 **Exam Tip** -Printed text = 150 dpi is enough.

**5. COLOR PRINTED PAPER****Examples**

- Brochures
- Certificates
- Maps
- Charts with colour codes

**Scanner Settings**

Parameter	Setting
Resolution	<b>300 dpi</b>
Mode	<b>Colour</b>
Output Format	<b>PDF</b>

**Expected Output Size**

Pages	Approx. Size
1 page	450 KB
10 pages	3 MB
25 pages	5 MB

**Why highest DPI?**

- Colour information must not be lost
- Details like stamps, seals, diagrams matter

**> Example**

- Colour mark-sheet or certificate.

📌 **Exam Tip** Colour document → Always scan in colour.

## TOPIC-4- FILE MANAGEMENT SYSTEM

### 4.1 FILE – DEFINITION & STRUCTURE

A **File** means a **folder containing all papers related to a specific subject**, systematically arranged and assigned **one unique file number** for identification, processing, storage, and retrieval.

**In simple words:** *A file is the complete record of a case from beginning to final decision.*

### STRUCTURE OF A FILE – PARTS OF A FILE

Every file normally consists of **four main parts**:

Part	Name
(i)	Correspondence Portion
(ii)	Notes Portion
(iii)	Appendix to Correspondence
(iv)	Appendix to Notes

#### (i) CORRESPONDENCE PORTION

This portion contains:

1. **All incoming communications** which are required to take a decision, and
2. **Office copies of outgoing communications** sent by the office.

#### Purpose

- To maintain **complete communication history** of the case.

#### What it contains?

- Letters from public
- References from other Ministries
- Court notices
- Parliamentary references
- Office replies sent

#### > Example

- Citizen complaint letter
- Office reply to that complaint

#### (ii) NOTES PORTION

This portion contains the **process sheet**, showing:

- How the case was examined
- How decisions were taken
- Opinions and approvals of officers

#### Purpose

- To record **thinking, reasoning, analysis and decisions**.

#### What it contains?

- Dealing Officer's note
- Section Officer's remarks
- Approvals of higher officers

#### > Example

- Analysis of pension rules
- Approval note of Under Secretary

📌 **Exam Tip** -Notes portion = decision-making history.

#### (iii) APPENDIX TO CORRESPONDENCE

Contains **lengthy enclosures** attached with communications, which if kept in correspondence portion may:

- Obstruct smooth reading
- Make file bulky

#### Purpose

- To keep **main correspondence clean and readable**.

#### What it contains?

- Large reports
- Books
- Detailed annexures

#### > Example

- 200-page inquiry report attached with a letter

📌 **Exam Tip** -Lengthy enclosures → Appendix to Correspondence.

#### (iv) APPENDIX TO NOTES

#### Definition

Contains **detailed statements, summaries or data**, which if added to main note may:

- Obscure main point
- Make note lengthy

#### Purpose

- To keep main note **short, crisp and focused**.

#### What it contains?

- Detailed calculations
- Comparative tables
- Historical data

#### > Example

- Detailed service history of employee
- Calculation sheets of pension

📌 **Exam Tip** -Details → Appendix to Notes; Decisions  
→ Notes portio

## 4.2 FILE MANAGEMENT SYSTEM – DEFINITION

File Management System means:

1. **The method of assigning file numbers**, and
2. **The system of arranging papers within files**.

**In simple words:** *It is the system that ensures files are properly numbered, arranged, stored and easily retrieved.*

#### OBJECTIVES OF FILE MANAGEMENT SYSTEM

- Easy identification
- Proper classification
- Smooth processing
- Safe storage
- Quick retrieval

📌 **Exam Tip** -Good file management = fast and efficient governance

#### TYPES OF FILE NUMBERING SYSTEMS

There are **two major file numbering systems** used in Central Secretariat:

System	Name
(a)	Functional File Numbering System
(b)	Conventional File Numbering System / Subject Classification System

#### (a) FUNCTIONAL FILE NUMBERING SYSTEM

The **Functional File Numbering System** is a **uniform and scientific system** of file numbering developed by **DARPG (Department of Administrative Reforms & Public Grievances)**.

It is based on:

- **Functions performed** by Ministries & Departments.

**In simple words:** *Files are numbered according to functions, not merely subjects.*

#### PURPOSE

- Bring **uniformity** in file numbering
- Avoid confusion
- Standardize file classification across Ministries

📌 **Exam Tip** - Functional system = uniform system across Government.

#### COMMON OFFICE FUNCTION CODES

These codes represent **common administrative functions** applicable to all Ministries.

Code	Function
A	Establishment
B	Welfare
C	Vigilance
D	Common Office Services
E	Hindi

F	Public Relations
G	Finance, Budget, Cash & Accounts
H	Parliament Matters
I	RTI Matters

➤ **Example**

- Staff recruitment file → **A – Establishment**
- Parliament question → **H – Parliament Matters**
- RTI application → **I – RTI Matters**

📌 **Exam Tip** -RTI code = I

### 4.3 STRUCTURE OF FUNCTIONAL FILE NUMBER

#### EXPLANATION OF EACH HEAD

##### 1. BASIC HEAD (Function)

Basic head represents the **main function of the department**.

➤ **Examples:**

- A – Establishment
- B – Welfare
- Labour Relations
- Fertilizers

##### 2. PRIMARY HEAD (Main Activity)

**Definition:**

Represents **major activities under each function**.

➤ **Example:**

- Under Establishment → Recruitment, Promotion, Transfer

##### 3. SECONDARY HEAD (Sub-Activity)

Further divides primary head into **specific sub-areas**.

A **functional file number** consists of:

Component	Meaning
Basic Head	Main function
Primary Head	Main activity
Secondary Head	Sub-activity
Tertiary Head	Further break-up
Serial Number	Running number
Year	Year of opening

➤ **Example:**

- Recruitment → Group B recruitment

##### 4. TERTIARY HEAD (Detailed Factors)

Breaks secondary head into **micro-level aspects**, wherever required.

➤ **Example:**

- Group B recruitment → SSC quota, Departmental quota

##### 5. SERIAL NUMBER

- Running number of files opened under that category during the year.

##### 6. YEAR

- Year in which the file is opened.

#### EXAMPLE OF FUNCTIONAL FILE NUMBER

A-11013/2/2024-Estt

Component	Meaning
A	Establishment
11013	Primary + Secondary coding

2	Serial number
2024	Year
Estt	Section ownership

📌 **Exam Tip** -Functional file numbering ensures national-level uniformity.

## (b) CONVENTIONAL FILE NUMBERING SYSTEM

(Subject Classification System)

The **Conventional File Numbering System** is the **traditional method** where:

- File numbers are based on **subject classification**.
- It varies:
  - Between Departments
  - Even between Sections

## WHY FUNCTIONAL SYSTEM WAS INTRODUCED?

Because:

- Conventional system lacks **uniformity**
- Creates **confusion and duplication**

## STRUCTURE OF CONVENTIONAL FILE NUMBER

A conventional file number generally contains:

Component	Meaning
Subject Code	Main subject
Sub-head Code	Sub-topic
Serial Number	Running file number
Year	Year of opening
Section Code	Ownership

## EXAMPLE OF CONVENTIONAL FILE NUMBER

5/2/2024-Admn

Part	Meaning
5	Subject code
2	Sub-head
2024	Year
Admn	Administration Section

## COMPARISON – FUNCTIONAL vs CONVENTIONAL SYSTEM

Basis	Functional System	Conventional System

Uniformity	High	Low
Basis	Function	Subject
Standard	Government -wide	Section-wise
Purpose	Standardization	Traditional

## FILE MANAGEMENT SYSTEM

### 4.4 FILE REGISTER

A **File Register** is a **permanent record** of all files opened during a **calendar year** in a Section.

**Who maintains it?**

- Maintained **Section-wise**
- Responsibility lies with the **Section**

**Purpose**

- To keep track of:
  - Number of files opened
  - Subject of files
  - File numbers
- Helps in **control, audit, retrieval and accountability**

**Format**

- Prescribed format is given in **Appendix – 6.3**

➤ **Example**

- If 35 files are opened by Establishment Section in 2024, all 35 will be entered in the File Register.

📌 **Exam Tip** -File Register = record of files opened in a year.

### 4.5 FILE MOVEMENT REGISTER

A **File Movement Register** records the **movement of files** from one officer/section to another.

**Purpose**

- To know:
  - Where the file is
  - With whom the file is pending
  - For how long it is pending

**Format**

- Prescribed specimen is given in **Appendix – 6.4**

**Modern Practice**

- Departments are advised to use **eFile MIS Reports** available in **eOffice** instead of manual registers.

➤ **Example**

- File sent to Under Secretary on 10 Jan → returned on 12 Jan → movement recorded.

**Exam Tip** -File Movement Register = tracking tool for delay control.

## 4.6 FILING OF PAPERS

### 4.6.1 Definition- Filing of papers means:

- Placing **PUC (Paper Under Consideration)** and **FRs (Fresh Receipts)** in the **Correspondence portion**, and
- Placing **notes** in the **Notes portion** of the file.

### 4.6.2 Method of Filing Paper

#### (i) Punching & Tagging

- Papers are:
  - Punched at **left top corner**
  - Leaving **1 inch margin** on top and left
- Tagged to:
  - Notes portion
  - Correspondence portion
  - Appendix to Notes
  - Appendix to Correspondence

- Both Notes and Correspondence are kept in **one file cover**.
- **Tagging rule:**

Portion	Tagging
Notes	Left side tagged, right loose
Correspondence	Right side tagged, left loose

#### (ii) Chronological Order

- Papers are filed:
  - **Top to bottom**
  - **Oldest at the top**
  - **Latest at the bottom**

#### Reason

- Helps in understanding the **history of the case**.

#### (iii) Page Numbering

- Notes portion and Correspondence portion are:
  - **Separately page numbered**
- Numbering is:
  - In sequence
  - First page on top
  - Last page at bottom

#### > Example

- Correspondence portion pages: 1 to 20  
→ Page 1 on top, page 20 at bottom.

#### (iv) Keeping Latest Receipt on Top (Temporary)

- Sometimes latest **PUC/FR** is kept on top for:
  - Quick access by senior officers
- **Important condition:**
  - Page numbering, referencing & docketing must be done
- After decision:
  - These papers are transferred to **bottom** to restore chronological order.

#### (v) Tagging in File Cover

#### (vi) Indicating References (R & I)

- Earlier communications referred to as:
  - **Receipt (R)** or
  - **Issue (I)**
- Indicated in **red ink**
- Position of reference mentioned on file.

#### (vii) Bulky Files & Appendices

- If file becomes bulky:
  - Appendix to Notes
  - Appendix to Correspondence may be kept in **separate file covers**.

#### > Example

- D.O. letter + 50-page report
  - D.O. letter → Correspondence portion
  - Report → Appendix to Correspondence
- Cross-reference is given on both.

#### (viii) Routine Papers

- Routine receipts/issues like:
  - Acknowledgements
  - Reminders
- Should **not clutter the file**
- Kept in **separate cover**
- Destroyed after use unless:
  - Audit
  - Legal necessity

#### (ix) When File Is Not Bulky

- Appendix to Notes and Appendix to Correspondence may be kept **with main file**.

#### (x) Creation of Volumes

- When Notes + Correspondence exceed **150–200 pages**:
  - File is stitched and marked **Volume – I**
- Further papers go into:
  - **Volume – II, Volume – III**, etc.

#### ➤ Example

A-11011/2/2019-Estt (Vol-I)  
A-11011/2/2019-Estt (Vol-II)

#### (xi) Page Numbering Across Volumes

- Page numbering in new volume continues from:
  - Last page of previous volume.

#### eFile Special Rule

- In eFile:
  - All receipts are uploaded electronically
  - **No volume concept** is required

#### BOX – 4.1

##### ARRANGEMENT OF PAPERS IN A FILE (VERY IMPORTANT)

##### Order from TOP to BOTTOM:

1. Acts / Rules / Instructions / Reference books
2. Notes portion (ending with current note)
3. Draft for approval
4. Correspondence portion (ending with latest receipt/issue)
5. Appendix to notes/correspondence (if needed)
6. Standing Guard File / Precedent Book / Reference Folder
7. Other papers (chronological, latest on top)
8. Recorded files (latest on top)
9. Routine papers (separate cover)

**Exam Tip** :Arrangement order is a favourite exam area.

#### 6.7 REFERENCING

Referencing means **indicating exact location of papers** in a file or in other files for easy identification.

##### (i) Page Numbering

- Every page in:
  - Notes
  - Correspondence
  - Appendices
 is numbered **separately** in pen at **top right corner**.

##### (ii) Docket Number

- Each receipt or issue is assigned a **docket number**
- Written in **red ink**
- Displayed at **top middle** of first page.

##### (iii) PUC & FR

- **PUC** – Paper Under Consideration
- **FR** – Fresh Receipt
- If more than one:
  - FR-I, FR-II, etc.
- Page number is always quoted in margin.

##### (iv) Flagging of Papers

- Papers are flagged as:
  - Flag A, Flag B, etc.
- Recorded files are flagged with **alphabetical slips**.

##### (v) Referencing Other Files

- File number is quoted in **body of note**
- Page number + flag shown in **margin**

##### (vi) When Rules Are Not Put Up

- If Rules/Acts are commonly available:
  - Not put up physically
  - Mentioned in margin as **“Not put up”**

##### (vii) Method of Flagging

- Flags are pinned neatly on **backside**
- Spread across width for visibility.

## 4.8 DOCKETING

Docketing means:

- Recording in **Notes portion**
- The **serial number** of each receipt/issue.

### Purpose

- Establishes **identity and continuity** of correspondence.

### eFile System

- Page numbering is **automatic**
- PUC/FR numbers once assigned **cannot be changed**
- No physical flagging required
- Page number reference is sufficient

## 4.9 LINKING OF FILES

Linking of files is done when:

- Two or more current files are **inter-connected**
- Decisions must be taken **simultaneously**

### Difference Between Linked & Attached Files

Basis	Linked File	Attached File
Purpose	Decision required	Reference only
Status	Active	Supporting

### Procedure

- Linked files stacked one above another
- Slip placed on file board flap showing file numbers

### After Completion

## 4.11 TRANSFER, RECONSTRUCTION AND RENUMBERING OF FILES

### 4.11.1 TRANSFER OF FILES

**Transfer of files** means shifting **all records relating to a subject** from one Department/Section to another when the **work itself is transferred**.

- Closed files

#### (i) Transfer of Records on Change of Work

##### Rule

- When work is transferred:
  - **All related records** must be transferred, including:
    - Current files

- Files are:
  - Delinked immediately
  - Relevant extracts placed

##### eFile

- Only **active files** can be linked/attached
- Files must be in user's account

### 4.10 PART FILE

A **Part File** is opened when:

- Main file is **not available**
- Urgent action cannot wait

#### Contents of Part File

- Relevant receipt
- Notes relating to it

#### Identification

- PF-1, PF-2, etc.

#### Example

A-11011/2/2018-Fin (PF-1)

#### Merger Rule

- Part file is:
  - Merged with main file
  - After main file returns
  - With fresh referencing

#### eFile Practice

- Part file opened electronically
- Remains separate entity
- Closed after processing

#### Procedure

- A **list of files** is prepared.
- Approval of the **Head of Department** is taken (when transfer is between Departments).

#### Important Rules on Renumbering

Type of File	Action after Transfer
Closed files	✗ No reclassification or renumbering
Current files	Try to close early & open new file under new Section's scheme

#### Why closed files are not renumbered?

- To maintain:
  - Historical continuity
  - Audit trail
  - Legal validity

#### ➤ Example

- Pension work transferred from Section A to Section B:
  - Old closed files remain unchanged.
  - Running file is closed and a new file opened by Section B.

📌 **Exam Tip** -Closed files are never renumbered after transfer.

#### 4.11.2 RECONSTRUCTION OF FILES

A file is reconstructed when it is **misplaced or lost**.

### 4.12 MOVEMENT OF FILES AND OTHER PAPERS

**4.12.1 Basic Rule**-Movement of files means **tracking where the file goes and who handles it**

#### (i) File Movement Register

- Every movement is entered in:
  - **File Movement Register**

#### (ii) Movement of Linked Files

- When files are linked:
  - Entry is made:
    - In main file's movement column

#### (iii) Movement of Recorded Files

- When recorded files are put up:
  - Movement noted against the **current file**.
- Separately for each linked file

### 4.13 URGENCY GRADING

**Urgency grading** is the method of **prioritising files/receipts** based on how quickly action is required.

#### 4.13.2 TYPES OF URGENCY GRADING

Grading	Meaning
Immediate	Requires prompt attention
Priority	To be disposed before ordinary cases

#### Step-by-Step Reconstruction Process

1. **Identify file details**
  - File number
  - Subject
  - (From File Register)
2. **Collect copies**
  - Copies of correspondence obtained from:
    - Other Sections
    - Other Departments
3. **Arrange papers**
  - Papers arranged in **chronological order**
4. **Prepare a self-contained note**
  - Explains:
    - Background
    - Actions taken
    - Basis of reconstruction
5. **Place note in Notes Portion**
  - This note becomes the authority record of the reconstructed file.

#### ➤ Example

- Vigilance file misplaced → letters copied from CVC & other Sections → reconstructed.

📌 **Exam Tip** -Reconstructed file must contain a self-contained note.

#### eFile Note

- Transfer of files can also be done electronically by **eFile Administrator**.

Top Priority	Extremely urgent
--------------	------------------

## **PART - 5 -GUIDELINES ON NOTING**

**5.1 NOTE AND NOTING:** A **Note** is the written remarks recorded on a file to help in **deciding a case**.

A good note includes:

- Brief summary of earlier papers
- Analysis of issues
- Financial / legal implications
- Suggestions with reasons
- Final proposal
- Authority competent to decide

**In simple words:** *A Note explains the problem, examines it, and proposes a decision.*

### **Definition of NOTING**

**Noting** is the **process of writing notes** in the Notes Portion of the file.

It is done by:

- Dealing Officer
- Section Officer
- Higher officers

to assist the **competent authority** in decision-making.

● **Exam Tip** -Note = content; Noting = process.

### **5.2 GENERAL GUIDELINES FOR NOTING**

These rules ensure that notes are **clear, short, objective and decision-oriented**.

#### **(i) Note Sheet**

- All notes must be written on **Note Sheet (Green Sheet)**.

#### **(ii) Purpose of a Note**

A note is prepared:

- To **seek approval**, or
- To **place information** on record.

#### **(iii) Brevity & Precision**

- Notes must be:
  - **Concise**
  - **To the point**

- **Avoid:**
  - Copy-paste from receipts
  - Paraphrasing long letters

Instead: Summarise issues raised in **PUC / FR**.

#### **(iv) Functional Approach**

- Use **functional approach to noting** (Para 7.14).
- Helps decide:
  - How much to write
  - What structure to follow.

#### **(v) Avoid Repetition**

- If agreeing with previous note:
  - Simply **sign**.
- If differing:
  - Record reasons clearly.

#### **(vi) Running Summary of Facts**

If already available:

- Refer to it instead of repeating.

- Criticism must be:
  - Polite
  - Objective
- No personal remarks.

#### (vii) Acts & Rules

- Place extracts on file.
- Refer to them in note.
- Do not copy full text unless essential.

#### (xii) Cabinet Notes

- Follow **Cabinet Secretariat format**.

#### (viii) Self-Contained Notes for Secretary / Minister

When submitting to Secretary or Minister:

- Put up a **self-contained note** including:
  - Facts
  - Inter-departmental views
  - Decision sought

#### (xiii) Ink Colour

- Use **black or blue ink** only.

#### (ix) Inter-Departmental References

- Self-contained note required.
- Approval needed from:
  - **Joint Secretary level or above.**

#### (xiv) Paragraphing

- Notes divided into **numbered paragraphs**.
- Policy cases may have headings.

#### (x) Sectional Notes

- If many major issues:
  - Prepare **separate sectional notes**.
- Each begins with:
  - List of issues dealt with.

#### (xv) Typed Notes

- Handwritten notes discouraged.
- Typed if half-page or more.
- Print both sides.

#### (xi) Courteous Language

#### (xvi) Margins

- Leave **1-inch margin** on all sides.
- Helps preservatio

### BOX-E-7.1 — NOTING IN eFILE

#### Creation of eFile

Before noting: ⇔ Electronic or physical file is created in system.

#### Recording Note

- **Green Note** → final note
- **Yellow Note** → draft / rough

**Digital Signature** ⇒ Mandatory for Dealing Officer & above.

- Use: >
- e-Sign requires Aadhaar-linked mobile.

DSC or e-Sign

#### Delegation in eFile – TYPES

Feature	Signatory Delegation	Secretarial Assistance	Authority Delegation
Login	Own eOffice + DSC	Own eOffice + DSC	Own eOffice + DSC
Rights	Read/Write/Send	Read/Write/Send (Physical only)	Read/Write/Send
Signature shows	Both officers	Original officer	Delegated officer

Movement history	Both names	Original officer	Both names
Applies to	Officers	Personal staff	Link officers

### 5.3 EXAMINATION BY DEALING OFFICER IN SECTION

This is the **first analytical stage** of noting after receipt reaches Section.

When draft reply is obvious:

- Put up **draft only**.

In other cases, Dealing Officer must:

#### STEP-BY-STEP DUTIES OF DEALING OFFICER

Step	Duty
(i)	Verify facts
(ii)	Point out mistakes
(iii)	Obtain missing info
(iv)	Add relevant data

(v)	Apply functional approach
(vi)	State issues clearly
(vii)	Quote Acts / Rules
(viii)	Cite precedents
(ix)	Suggest action with alternatives
(x)	Show competent authority
(xi)	Sign & date
(xii)	Leave space below note

📌 **Exam Tip** -Every note must end with signature + date.

#### OVERALL FLOW OF NOTING & DECISION-MAKING

Before going into the rules, understand the **big picture**:

**Examination in Section** ⇒ **Inter-Ministerial Consultation (if required)** ⇒ **Submission to Competent Authority** ⇒ **Approval** ⇒ **Communication of Decision**

Every note ultimately travels through this path.

### 7.4 EXAMINATION BY SECTION OFFICER

At this stage, the **Section Officer (SO)** checks the quality of the note prepared by the Dealing Officer and ensures it is **decision-ready**. **FUNCTIONS OF SECTION OFFICER** :-(i) **Check Functional Approach**

- Verify that the **functional approach to noting** is followed.

#### (ii) Use of Standard Process Sheet

- See whether:
  - An existing **Standard Process Sheet** can be used, or
  - A new one should be developed.

#### (iii) Evaluate Inputs

- Check whether:
  - Data is sufficient
  - Facts are relevant
  - Analysis is complete

#### (iv) Agreement or Dissent

Situation	What SO does
Agrees with note	Signs on right side with date (rubber stamp)
Does not agree	Records own note

📌 **Exam Tip** -SO signs only when fully agreeing; otherwise records note.

### 5.5 EXAMINATION BY BRANCH OFFICER AND ABOVE

Branch Officer / Division Head / Wing Head handles **complex or new matters** that need deeper analysis and team discussion.

**(i) Discussion with Team**

- Officer may consult:
  - Section Officer
  - Dealing Officer
  - Other experts

**(ii) Discussed Note**

A **Discussed Note** is:

- A **draft note** prepared after discussion.
- Finalised only after clearance from senior officers.
- Then fair-typed and submitted by the Dealing Officer.

**(iii) Contents of Discussed Note**

A discussed note must be:

Element	Explanation
Background	History of case
Issues	Points requiring decision
Rules	Acts / Rules / Instructions

Precedents	Past cases
Analysis	Logical reasoning
Proposal	Recommended action

📌 **Exam Tip** -Discussed note = used for policy / complex cases.

**5.6 LEVEL OF DISPOSAL & CHANNEL OF SUBMISSION**

Every Department prescribes:

- **Who can finally decide which type of case, and**
- **Through which officers the file should pass.**

This is called **Channel of Submission**

**(i) Departmental Instructions**

- Dealing Officer follows:
    - Department's channel rules.
  - Department must publish on website:
    - Channel of submission
    - Officers' contact details.
- Deputy Secretary / Director.
- Section & Branch Officers still assist.

📌 **Exam Tip** -Max 4 levels for faster decisions.

**(iii) Inter-Disciplinary Teams**

- Secretary may form teams for:
  - Cross-cutting issues.

**(ii) Review of Levels**

- Departments must review:
  - Levels every **3 years**.
- Aim:
  - Reduce layers
  - Delegate powers downward
- Channels normally:
  - ⇔ **Not more than four levels.**

**(iv) Level Jumping**

- Sometimes file skips levels.
- On return:
  - It must pass through skipped levels.
- Those officers may:
  - Resubmit case if needed

**Minister-Level Files**

- May start at:

**5.7 DEVIATION FROM RULES / PROCEDURE**

When a case proposes:

- Major departure from existing rules or procedure,

- Decision-making authority must:
  - Record reasons in writing.

📌 **Exam Tip** -No deviation without written justification.

**Rule****5.8 RUNNING SUMMARY OF FACTS**

A **Running Summary of Facts** is a continuously updated note that records:

- Important developments
- Background
- Inter-Departmental views

## FEATURES

- Dated at top right
- Filed in **Correspondence portion**
- Page-numbered
- Updated whenever events occur
- Old versions preserved

## USES

- Policy formulation
- Court cases
- Amendments to Acts/Rules

📌 **Exam Tip** -Running summary = living document.

## 5.9 ORAL DISCUSSIONS

Points emerging from:

- Meetings
- Phone calls
- Inter-Departmental talks

must be:

⇔ **Recorded on file.**

### Confirmation Rule

- Important discussions should be:
  - Confirmed by all participants.
- Especially required when:
  - Policy unclear
  - Deviation proposed
  - Levels disagree
  - Major decisions taken

📌 **Exam Tip** Verbal decisions must be put on record

## GUIDELINES ON NOTING

### 5.10 ORAL INSTRUCTIONS BY HIGHER OFFICERS

**Oral instructions** are directions given verbally — including through:

- Telephone
- SMS
- Messaging apps / social media platforms

Because Government work needs **record and accountability**, oral directions must normally be converted into writing.

## RULES REGARDING ORAL INSTRUCTIONS

### (i) Writing Is the Norm

- Officers should ordinarily issue directions **in writing**.
- If urgency does not permit:
  - Written confirmation must follow **at the earliest**.

### (ii) Acting Under Superior's Instructions

An officer normally acts using his/her own judgment. But if acting under superior's instruction:

- Try to obtain the direction **in writing first**.
- If not possible:
  - Seek **written confirmation later**.

If the instruction comes from someone **higher than immediate superior**:

- It must be reported to the **immediate superior** promptly.

📌 **Exam Tip** -All oral instructions must be confirmed in writing.

## 5.11 ORAL ORDERS ON BEHALF OF OR FROM A MINISTER

Special safeguards apply when oral instructions involve a **Minister** or the Minister's personal staff.

### RULES

#### (i) Orders through Minister's Staff

- If Minister's staff gives oral order:
  - Must be **confirmed in writing immediately**.

#### (ii) Orders in Line with Rules

If oral orders are:

- ✓ in accordance with rules,
  - They must be brought to the notice of:
    - Secretary, or
    - Head of Department (in Non-Secretariat bodies).

#### (iii) Orders Against Rules

If oral orders:

✗ violate rules,

Officer must:

- Inform Secretary / Head of Department clearly.
- State that instruction is **not in accordance with rules**.
- Seek guidance on next action.

#### (iv) Rare & Urgent Situations

When:

- Minister is on tour or ill,
- Approval taken on phone,

Then:

- Minister's Private Secretary records decision **in writing**.
- Minister confirms later on file after return.

📌 **Exam Tip** -Minister's oral orders = always written confirmation.

## 5.12 CONFIRMATION OF ORAL INSTRUCTIONS

### RULES

#### (i) Duty of Superior

If subordinate asks for confirmation:

- Superior must provide it **in writing**.

#### (ii) Acknowledgement

Requests for confirmation must be acknowledged by:

- Minister's personal staff, or
- Senior officers / their staff.

## 5.13 MODIFICATION OF NOTES OR ORDERS

Modification means changing an already recorded note or decision.

Such changes must follow **strict safeguards**.

### IMPORTANT RULES

#### (i) How Higher Officers May Modify

- They may record **fresh notes** correcting earlier facts.
- They must **not replace** earlier notes already recorded.

#### Review of Wrong Decisions

If a decision already communicated is later found wrong due to:

- Mistake of facts
- Wrong rule interpretation,

Then:

- Review must be examined.
- Law Ministry consulted if required.
- Approval taken from officer **higher than original decision-maker**.
- Reasons must be recorded.

#### (ii) No Pasting / Removing Notes

✗ No note may be pasted over or removed.

✓ New note must be recorded while keeping old one intact.

📌 **Exam Tip** -Old notes are never erased — only supplemented.

## 5.14 FUNCTIONAL APPROACH TO NOTING

The **Functional Approach to Noting** is a method that decides:

- **How much to write**, and
- **What kind of note** to prepare,

depending on the nature of the case.

It ensures:

- Optimal length
- Faster decisions
- No unnecessary writing

### PURPOSE

- Save time
- Avoid bulky files
- Focus on decision-making

TABLE – 5.1

### FUNCTIONAL APPROACH TO NOTING (COPYABLE FOR BOOK)

Sl. No.	Category of Case	Quantum of Noting
1	Ephemeral	No noting required
2	Correspondence / Action cases	Very short note
3	Repetitive cases	Use Standard Process Sheet
4	Problem-solving cases	Structured & detailed note
5	Policy / Planning cases	Comprehensive note

### EXPLANATION WITH EXAMPLES

#### 1. Ephemeral Cases

**Definition:** Trivial or short-lived matters.

**Example:** ✓ Holiday circular acknowledgement

**Noting:** ⇨ None required.

#### 2. Correspondence Handling Cases

**Definition:** Routine communication matters.

**Example:** ✓ Forwarding letter to another Section

**Noting:** ⇨ 2–3 lines.

#### 3. Repetitive Cases

**Definition:** Cases occurring again and again.

**Example:** ✓ Grant of LTC ✓ Routine transfer orders

**Noting:** ⇨ Use Standard Process Sheet.

#### 4. Problem-Solving Cases

**Definition:** Cases involving analysis and judgment.

**Example:** ✓ Court case reply, ✓ Vigilance inquiry

**Noting:** ⇨ Detailed structured note.

### 5. Policy / Planning Cases

**Definition:** Cases that shape Government policy.

**Example:** ✓ New recruitment policy, ✓ Amendment to rules

**Noting:** ⇨ Comprehensive note covering:

- Impact
- Finance
- Legal aspects

## TYPES OF CASES, QUANTUM OF NOTING & FUNCTIONAL APPROACH

### CONCEPT FIRST – WHAT DOES THIS MEAN?

Not every file needs the **same length or depth of note**.

- Some cases need **no note**.
- Some need **2–3 lines**.
- Some need **detailed policy analysis**.

This is called the **Functional Approach to Noting**.

It decides:

- ✓ how much to write
- ✓ what structure to follow
- ✓ how senior officers can decide faster

### 1. EPHEMERAL CASES (NO-NOTING CASES)

Ephemeral cases are **temporary or trivial matters that do not require action**.

They are also called “No-Noting Cases.”

#### How are they handled?

- Section Officer records **brief reason** why no action is required.
- Case is **filed at dak stage**.
- Kept in **File “O” bundle**.
- Destroyed on **31st December every year**.
- In some cases, original may be returned with factual reply.

#### Example

- Duplicate circular received
- Advertisement already complied with
- General information pamphlet

📌 **Exam Tip** -Ephemeral cases → File “O” → Destroyed yearly.

### 2. CORRESPONDENCE HANDLING / ACTION-IN-CORRESPONDENCE CASES

Cases where:

- Only routine communication is needed, or
- More inputs are required.

#### Quantum of Noting

- **Very short note**
- One paragraph (3–4 sentences)

#### ➤ Example

- Letter forwarded to another Section
- Seeking clarification from State Govt.

📌 **Exam Tip** -Correspondence case = short note only.

### 3. ROUTINE / REPETITIVE CASES

Cases which:

- Occur frequently
- Follow fixed rules or procedure

#### ➤ Examples

- Leave sanction
- Pension processing
- Motor Car Advance
- Grant-in-Aid
- Vigilance clearance
- Logo/emblem permission

### HOW ARE THEY DEALT WITH?

#### Standard Process Sheet (SPS) – Definition

A **Standard Process Sheet** is:

- A **pre-designed skeleton note / template**
- Contains **check-points**
- Used instead of lengthy notes.

#### What does SPS include?

Checklist such as:

- ✓ eligibility
- ✓ rules complied
- ✓ documents attached
- ✓ financial sanction required

#### Important Rules

- SPS prepared by:

- Section Officer + Dealing Officer
- Issued through Departmental Instructions.
- Acts as:
  - Training tool for new staff.
- Standard communication formats encouraged.

📌 **Exam Tip** -Repetitive cases → Standard Process Sheet only.

#### 4. PROBLEM-SOLVING CASES

Cases involving:

- Analysis
- Judgment
- Alternative solutions

#### Quantum of Noting

- Detailed but concise note.

Must answer these 8 questions:

No.	Question
1	What is the problem?
2	How did it arise?
3	Relevant Act/Rule/Policy?
4	Possible solutions?
5	Best solution & why?
6	Consequences?
7	Need inter-department consultation?
8	Competent authority?

#### ➤ Example

- Court case interpretation
- Vigilance inquiry
- Disciplinary proceedings

**Exam Tip** -Problem case → 8-point analysis.

#### 5. POLICY & PLANNING CASES

Cases which:

- Frame or change Government policy
- Usually handled at senior levels

#### Structure of Policy Note

#### (a) Problem

- How problem arose?
- Critical factors?

#### (b) Additional Information

- Collect missing data first.
- Use records & reports.

#### (c) Rules / Policies

- Quote and analyze:
  - Acts
  - Regulations
  - Standing orders

#### (d) Precedents

- Show earlier cases.
- Differences highlighted.

#### (e) Critical Analysis

- Alternative options
- Best solution
- Finance & legal impact
- Implementation method
- Competent authority
- Inter-ministerial views

#### (f) Concluding Paragraph

- Suggest final course of action.
- Clearly state:
  - What approval is required
  - From whom (Cabinet/Board etc.)

#### STRUCTURE OF PROBLEM-SOLVING / POLICY NOTE

Step	Element
(i)	File Number (top right)
(ii)	Subject
(iii)	Introduction / Context
(iv)	Relevant Acts & Rules
(v)	Precedents
(vi)	Analysis
(vii)	Financial & other implications
(viii)	Reasoned conclusions
(ix)	Approval for specific option
(x)	Competent authority

(xi)	Docketing & Referencing
(xii)	Signature of Dealing Officer

**△ IMPORTANT NOTE – FLEXIBILITY OF CATEGORIES**

- Functional Approach does **not** mean rigid compartments.
- A case may start as:
  - correspondence → then become
  - problem-solving → and finally
  - policy case

## **PART - 6 -COMMUNICATION – FORMS, CHANNELS AND PROCEDURE**

In Government offices, **decision-making does not happen in isolation.** Very often, one Ministry or Department needs:

- advice,
- clarification,
- concurrence, or
- information

from **another Ministry/Department** before taking a final decision.

This chapter explains **how Government communicates, which format is used, through which channel, and what procedure must be followed.**

### **6.1 INTER-DEPARTMENTAL CONSULTATIONS**

**Inter-Departmental Consultation** means consultation between two or more:

- Ministries, or
- Departments, or
- Sections

for the purpose of:

- policy decisions,
- interpretation of rules,
- concurrence,
- coordination.

#### **Forms of Inter-Departmental Consultation**

Inter-Departmental consultation may take place through:

Sl. No.	Form	Explanation
1	Inter-Departmental Note (ID Note)	Written consultation
2	Inter-Departmental Meeting	Face-to-face / VC discussion

3	Oral Discussions	Telephonic / informal discussion
---	------------------	----------------------------------

➤ **Most commonly used form: Inter-Departmental Note (ID Note)**  
(Earlier called **U.O. Note** or **Inter-Section Note**)

### 1. INTER-DEPARTMENTAL (ID) NOTE

An **Inter-Departmental (ID) Note** is a **formal written communication** used between Ministries/Departments to:

- seek **advice**,
- obtain **views or comments**,
- get **concurrence**, or
- clarify **rules/instructions** from the nodal Ministry.

It is also used for consultation with:

- attached offices, and
- subordinate offices.

➤ **Example** -The **Ministry of Health** wants clarification on **financial rules**.  
It will send an **ID Note** to the **Ministry of Finance**.

#### Forms of ID Note

An ID Note can be prepared in **two ways**:

Type	Explanation
On an existing file	File is sent to another Department
Self-contained note	Independent note explaining entire case

#### Marking of ID Note

When an ID note is sent:

- it is **marked to the concerned officer** in the receiving Department.

### 2. IMPORTANT POINTS WHILE PREPARING ID NOTE

The following rules **must be strictly followed**:

#### (i) Time Limit

A **clear time limit** must be prescribed while seeking advice or concurrence.

➤ **Example**: -“Comments may kindly be furnished within **15 days**.”

#### (ii) Delay by Other Ministry

If the consulted Ministry **cannot reply in time**, it must:

- formally seek **additional time**.

#### (iii) When Concurrence is NOT Mandatory

If concurrence is **not required under rules**:

- the originating Ministry **need not wait**
- it may proceed after expiry of time-limit.

#### (iv) Recall of File

The originating Ministry may **recall its file** to speed up decision-making.  
Decision to recall must be taken by:

- **Branch Officer or above.**

**(v) Level of Approval & Signature**

Aspect	Rule
Approval	Joint Secretary or above
Signature	Under Secretary or above

**(vi) Clear Points for Advice**

The **exact points** on which advice or concurrence is required must be:

- clearly stated,
- preferably in the **concluding paragraph**.

**(vii) Draft Orders**

Draft of proposed:

- order,
- notification,
- OM

must be attached with the ID Note.

**(viii) Consulting Multiple Departments**

Consultation may be done **simultaneously** through self-contained ID notes **unless**:

Situation
Large volume of documents
Second consultation depends on first reply

**3. INTER-DEPARTMENTAL MEETINGS**

Meetings are held when:

- issues are important,
- decision is urgent,
- consensus is required quickly.

**Authority to Convene Meeting**

- Only an officer **not below Joint Secretary** can order such meetings.

**Mandatory Conditions**

Condition	Explanation
Proper Representation	Officers attending must be decision-makers
Agenda	Clear agenda circulated in advance

Record	Minutes prepared and circulated immediately
--------	---

➤ **Example** -A policy involves:

- Health Ministry,
- Finance Ministry,
- Law Ministry.

Instead of long correspondence, a **joint meeting** is held.

**4. ORAL DISCUSSIONS**

**When Required**

Oral discussions (including VC/teleconference) are held when:

Situation
Preliminary discussion helps
Difference of opinion emerges
Only information/advice is needed

### Recording of Discussion

- Result must be recorded in **one note**.
- Note must mention:
  - conclusions,
  - reasons.
- Copy sent to all consulted Departments.

### 5. REOPENING OF DECISIONS

- Normally **avoided**.
- Allowed only when **strong grounds exist**.
- Should be settled through **quick reassessment**.

### 6. DEADLOCK BETWEEN DEPARTMENTS

Deadlock arises when:

- two or more Departments stick to opposite views.

#### Resolution Mechanism

Issue should be escalated to:

- **Committee of Secretaries** (Cabinet Secretary), or
- **Ministerial level**.

Long correspondence should be avoided.

### 7. ROLE OF NODAL MINISTRIES

Nodal Ministries must ensure:

- consistency in views,
- no contradiction between Divisions.

Conflicting views weaken Government decisions.

### 6.2 NOTING ON FILES RECEIVED IN NODAL MINISTRIES (SHADOW FILE)

A **Shadow File** is a **duplicate working file** maintained by the nodal Ministry while examining another Department's case.

#### Contents of Shadow File

- Photocopy of correspondence portion
- Photocopy of notes portion

#### Procedure (Step-by-Step)

1. Reference received from another Department
2. Shadow file opened
3. Detailed examination done
4. Approval obtained in nodal Ministry
5. Decision recorded on original file
6. Original file returned
7. Shadow file retained
8. Entry made in precedent book (if required)

#### Key Point

- Decision recorded preferably at **Under Secretary level**.
- Shadow file has **separate file number**.

> **Example** -Finance Ministry examines Health Ministry file →

Finance keeps **shadow file**, returns original with advice.

### 6.3 OFFICIAL E-MAIL

#### Rules

- Only **NIC email** for official work.
- Paperless communication under **eOffice**.
- Classified data → **encrypted form only**.
- Governed by **GoI Email Policy (MeitY)**

### 6.4 OTHER FORMS OF WRITTEN COMMUNICATION

Sl.	Purpose	Form	Gazette
1	External formal communication	Letter	×
2	Personal official communication	D.O. Letter	×
3	Decisions/info	Office Memorandum	×
4	Internal admin	Office Order	×
5	Financial/disciplinary	Order	×
6	Rules/appointments	Notification	✓
7	Policy decisions	Resolution	✓

8	Media publicity	Press Note	×
9	Forwarding	Endorsement	×
10	Record of meetings	Minutes	×
11	Forwarding	Endorsement	×

Different situations require **different forms of communication**.

### 1. LETTER

- Used with:
  - State
  - Governments,
  - UPSC,
  - Public bodies,
  - Citizens.
- Starts with: **Sir/Madam**
- Ends with: **Yours faithfully**

### 2. DEMI-OFFICIAL (D.O.) LETTER

- Personal yet official
- Written in **first person**
- Friendly tone

Used between:

- officers of same rank,
- Ministers to MPs/Ministers.

### 3. OFFICE MEMORANDUM (OM)

- Used for:
  - decisions,
  - information,
  - staff matters.
- Written in **third person**
- No salutation or subscription.

### 4. OFFICE ORDER

- Internal administrative instructions:
  - leave,
  - transfers,
  - work allocation.

### 5. ORDER

## 6.5 MODES OF COMMUNICATION

**Modes of communication** are the methods used to send official messages or documents from one office to another.

These include:

- e-mail
- fax
- speed post
- registered post
- special messenger
- telephone

Used for:

- financial sanctions,
- disciplinary orders.

### 6. NOTIFICATION

- Published in **Gazette of India**
- Used for:
  - statutory rules,
  - appointments.

### 7. RESOLUTION

- Public policy announcement
- Published in Gazette.

### 8. PRESS COMMUNIQUÉ / PRESS NOTE

- For media publicity.
- Press communiqué → exact text.
- Press note → editable by media.

### 9. ENDORSEMENT

- Forwarding copies.
- Returning original documents.

### 10. MINUTES

- Record of meetings.
- Contains:
  - date,
  - venue,
  - participants,
  - decisions,
  - responsibility

### Purpose

Different situations require different modes:

Situation	Suitable Mode
Urgent matter	Telephone / special messenger

Routine written reply	Speed post
Confidential but electronic	Encrypted email
Proof required	Registered post
Internal government	e-mail / eFile

### Important Rules

#### (i) Telephone Usage

Telephone may be used for:

- internal consultation,
- discussion between Ministries,
- urgent communication with outstation offices.

### A. When Another Ministry's Approval is Needed

#### (i) Attached/Subordinate Offices

Head or senior officer will send:

- Note
- eMail
- eFile

to **their own Ministry**, not directly to another Ministry.

#### (ii) Autonomous Bodies

Head of Autonomous Body will write:

**Letter** to the **Secretary** of concerned Ministry.

#### (iii) Ministry's Role

The Ministry will then take up the matter with the other Ministry.

Attached or subordinate offices **may directly ask factual information** from another Ministry.

#### B. Single File System (Delhi Offices)

Where Attached/Subordinate offices are located in Delhi and are **directly -under Ministry, Single File System** applies .

**NOTE:-**

#### 6.7 SINGLE FILE SYSTEM (SFS)

**Single File System** means: ➔ One single file moves between the:

- Ministry and
- Non-Secretariat Organisation (NSO)

for decision-making.

No duplicate files.

**When Applicable**

Used when NSO seeks:

- sanction,

#### Responsibilities of NSO before sending file

The NSO must ensure:

#### (ii) Confirmation in Writing

Whenever important information is conveyed on phone:-**It should be followed by written confirmation** (email/letter/OM).

➤ **Example** -Finance Officer calls Health Ministry regarding urgent budget figures → Later sends email confirming details.

📌 **EXAM TIP** -Telephonic instructions must normally be confirmed in writing.

### 6.6 CORRESPONDENCE WITH ATTACHED & SUBORDINATE OFFICES

This section explains **how Attached Offices, Subordinate Offices and Autonomous Bodies communicate with Ministries.**

#### (iv) Direct Communication with Ministers – Not Allowed

Officers of:

- Attached office
- Subordinate office
- Autonomous body

✗ **cannot directly write to Minister of another Ministry**

✓ **Exception:**

- Head of Statutory/Regulatory Authority created by Act of Parliament.

#### (v) Seeking Factual Information

✗ SFS does NOT apply to:

- Statutory Bodies
- Corporate bodies
- Autonomous Bodies

- approval,
- order

which is **beyond its delegated powers.**

#### Identification of SFS File

- File cover must prominently show:
  - name of NSO,
  - "SFS Case".
- No formal ID/dispatch number needed.

Requirement	Explanation
-------------	-------------

Clear points	Every issue needing decision stated
Relevant papers	All records attached
Draft orders	Prepared
Financial certificate	Availability of funds certified

Stage	Time Limit
Acknowledgement	15 days
Final reply	Next 15 days
Interim reply (if delayed)	Within 15 days
Transfer wrongly sent letter	5 working days

### Marking of File

- Last officer in NSO marks file **by name** to Ministry officer.
- Policy files go to appropriate level fixed jointly.

### Noting on SFS File

Normally:

All Secretariat notes are recorded **on the same NSO file**.

### Exception — Shadow File

- sensitive persons
- personnel issues,
- policy,
- finance

Shadow file may be opened at specified level.

Final decision recorded on SFS file.

### Convention of Secretariat Noting

- Starts on new page.
- Continues sequentially.

### Implementation of Decision

After file returns:

- NSO issues orders.
- Must clearly state:
  - “Issued with concurrence of Government”.
- Copies endorsed to Department officers.

## 6.9 PROMPT RESPONSE TO LETTERS RECEIVED

### Acknowledgement & Reply Timelines

### Courtesy & Public-friendly Approach

- Refusal must be polite.
- Reasons must be given.
- Look from **citizen's point of view**, not convenience of office.

**EXAM TIP** -MP letters have strict time limits.

### 6.10 TARGET DATE FOR REPLIES

When consulting:

- State Governments,
- Central Ministries,
- Public bodies,
- Individuals

➔ Time limit should be clearly fixed.

If reply not received:

- authority decides:
  - extend time OR
  - proceed without waiting.

### 6.11 USE OF OFFICIAL LANGUAGE

All Government communication must follow:

- Official Languages Act, 1963
- Instructions of Department of Official Language.

### In eFile

System allows:

- Hindi,
- English,
- bilingual drafting

## PART - 7 -RECORDS MANAGEMENT

### INTRODUCTION – WHAT IS RECORDS MANAGEMENT?

In Government offices, every file, letter, note, order or report is a **record**.

**Records Management** means:

**Systematic control of records from their creation till their final disposal or permanent preservation.**

It ensures that:

- documents are safe,
- easily retrievable,
- legally valid,
- not destroyed prematurely,
- not stored unnecessarily.

## STAGES OF RECORDS MANAGEMENT

Records pass through the following stages:

**Creation → Use → Recording → Retention → Transfer to DRR → Review/Weeding → Appraisal → Transfer to NAI**

### SIMPLE MEANING OF EACH STAGE

Stage	Meaning
Creation	File or document is created
Use	Used for decision making
Recording	Closed after action
Retention	Kept for prescribed time
Transfer to DRR	Sent to Departmental Record Room
Review / Weed out	Checked for destruction or retention
Appraisal	Value assessed
Transfer to NAI	Sent to National Archives of India

## 7.1 ACTIVITIES IN RECORDS MANAGEMENT

### (1) Core Activities

Records management mainly involves:

- recording of files,
- retention,
- retrieval,
- weeding out (destroying useless records).

### (2) Departmental Records Officer (DRO)

Every Department must appoint a **Departmental Records Officer (DRO)**.

#### Who can be DRO?

Not below **Section Officer**.

#### Legal Basis

- Public Records Act, 1993

- Public Records Rules, 1997

#### Role of DRO

- overall supervision of records,
- compliance with retention schedules,
- liaison with Record Room & NAI.

## 7.2 STAGE OF RECORDING

### Meaning of "Recording"

A file is **recorded** when:  
**all actions on the case are complete and no further correspondence is expected.**

#### When to Record Files?

After completion of action and as per **Record Retention Schedule**.

#### Ephemeral Files

Some files are **temporary**:

➤ Examples:

- casual leave papers,
- temporary circulars.

➡ These may be destroyed after **one year without formal recording**.

## RECORDING IN eFILE (Box 10.1 Explained)

### Physical Files in eOffice

- The file is closed after approval.
- Kept in **Closed Folder**.
- Only:
  - person closing,
  - person approving can reopen.

#### Reopening

Allowed only with:

- approval of competent authority (SO or above).

#### Backup of eFiles

Electronic files must:

- be stored on external media,
- checked weekly for usability.

📌 **Exam Tip** -eFiles must be backed up weekly.

## 7.3 DEPARTMENTAL INSTRUCTIONS

Each Department must:

- issue instructions on recording,
- reviewing records,
- retention,
- destruction.

**7.4 CATEGORISATION OF RECORDS**

Files are classified into **three main categories**.

**MASTER TABLE – RECORD CATEGORIES**

Category	Meaning	Retention
A	Keep & Microfilm	Permanent
B	Keep but not microfilm	Permanent
C	Keep for limited period	≤ 10 years

**CATEGORY ‘A’ – KEEP AND MICROFILM**

Files requiring:

- permanent preservation,
- historical value,
- fragile or precious originals,
- frequent reference.

**Two Types**

Type	Example
Precious originals	Treaty documents
Historical importance	Major policy decisions

**CATEGORY ‘B’ – KEEP BUT DO NOT MICROFILM**

- Permanent administrative value.
- Not fragile or frequently handled.

**CATEGORY ‘C’ – KEEP FOR LIMITED PERIOD**

- Secondary importance.
- Kept up to 10 years.

Exceptional → upgraded to **B**.

**eFILE CATEGORIES**

Category	Meaning
A	Permanent / historical
C	Temporary

A	Permanent / historical
C	Temporary

**7.5 PROCEDURE FOR RECORDING FILES**

When the file is ready for recording, Dealing Officer + Section Officer must follow **12 steps**.

**STEP-WISE TABLE**

Step	Action
1	Mark Category & retention
2	Revise file title
3	Index file
4	Extract decisions
5	Remove useless papers
6	Complete references
7	Update file register
8	Progress register
9	Mark “Recorded”
10	Ink page numbers
11	Prepare fresh cover
12	Stitch & send to Record Room

**► EXAMPLE – CATEGORY MARKING**

File closed in Feb 2018, retention 5 years:

Write:

**“C/5 – Destroy 2/2023”**

**◆ Special Points**

- Section Officer approval needed.
- Important decisions → Standing Guard File.
- Rough drafts → destroyed.
- “Recorded” written in **red ink**.

**RECORDING IN eFILE**

- Title cannot be changed.
- No paper deletion.
- System auto-maintains record

**EXAM TAKEAWAYS**

- ✓ DRO ≥ Section Officer
- ✓ Category C ≤ 10 years
- ✓ Ephemeral destroyed after 1 year
- ✓ “Recorded” in red
- ✓ eFile auto maintenance
- ✓ Backup weekly

## 7.6 STAGE OF INDEXING

**Indexing** means preparing a systematic list of recorded files so that they can be:

- easily located,
- quickly retrieved,
- properly tracked.

### ♦ Which Files Are Indexed?

**Only Category ‘A’ and ‘B’ files** are indexed because:

- they are preserved permanently,
- they have long-term value.

✗ Category ‘C’ files are **not indexed**.

### Exception

If the list of recorded files already exists in:

- MS-Word, or
- PDF format,

then **separate indexing is not required**.

### Indexing in eFile

In eOffice:

- file **meta-data** (file number, subject, category, etc.)
- and movement history

automatically help in:

- ✓ tracking
- ✓ retrieval
- ✓ monitoring recording status.

### Searching eFiles

Files can be searched using:

- file number,
- subject or part of subject,
- category,
- year,
- section.

📌 **EXAM TIP** -Indexing applies only to **A & B** category files.

## 7.7 RECORD RETENTION SCHEDULE

A **Record Retention Schedule** tells:

**how long a particular type of file must be kept before review or destruction.**

It prevents:

- premature destruction,
- unnecessary storage.

♦ **What Guides Retention Period?** Each Department must follow **four authorities**:

Sl.	Type of Record	Source
a	Accounts records	Appendix-9 of GFR-2017
b	Common admin records	DARPG schedule
c	CSMOP records	Appendix-10.10
d	Substantive functions	Dept schedule vetted by NAI

### ♦ Review of Schedules

➔ All schedules must be **reviewed every 5 years**.

📌 **EXAM TIP** -Retention schedules reviewed every **5 years**.

## 7.8 CUSTODY OF RECORDS

### ♦ (i) Where Are Recorded Files Kept First?

- In sections/desks for **maximum one year**.
- Then transferred to **Departmental Record Room (DRR)**.

### ♦ (ii) Transfer Between Sections

When work shifts:

- files transferred using **Appendix-10.3 list** (duplicate).
- one copy retained by receiver.
- other signed & returned.

### ♦ (iii) Transfer to Record Room

Files sent with:

- list in duplicate (Appendix-10.3).
- Record Room verifies.
- returns signed copy.
- keeps lists section-wise.

#### (iv) Record Review Register

DRR maintains **Record Review Register**

- separate pages for each future year.
- Category C review year entered.

#### (v) Transfer to National Archives of India (NAI)

After **25 years**, surviving files:

- stamped “**Transferred to NAI**”
- sent with list in triplicate.
- one signed copy returned.

#### ◆ (vi) Preservation Conditions

Record Rooms must:

- ✓ be ventilated
- ✓ well-lit
- ✓ fire-safe
- ✓ moisture-free
- ✓ regularly dusted
- ✓ fumigated periodically
- ✓ arranged section-wise

eFile

- reviewed as per retention schedule,
- transferred to NAI digitally where applicable,
- marked for weeding via RMS.

📌 **EXAM TIP** -Files transferred to NAI after **25 years**.

### 10.9 REVIEW AND WEEDING OF RECORDS

#### ◆ (i) Review of Category ‘C’

- reviewed after retention expires.
- destroyed unless justification recorded.
- approval needed from:
  - Branch Officer/Divisional Head.
- maximum retention including extension = **10 years**.

#### ◆ (ii) Review of Category ‘A’ & ‘B’

- done at **25 years**.
- consultation with **NAI**.
- B category may be upgraded.

#### (iii) Year Counting Rule

Category	Year counted from
C	Closing year
A & B	Opening year

#### (iv) Annual Review Schedule

DRR sends review files in **four batches**:

- January
- April
- July
- September

#### (v) Court/Inquiry Protection

Files connected with:

- court cases,
- inquiries,
- commissions,

✗ **cannot be destroyed** even if retention over.

Only after:

- inquiry complete,
- judgement implemented,
- appeals exhausted,
- JS/HoD approval.

#### (vi) Post-Review Entries

Revised retention recorded in:

- file registers,
- review lists

#### • (vii) Role of DRR & DRO

Under DRO:

- transfer A & B to NAI,
- destroy weeded files,
- restore retained files.

#### (viii) Non-file Records

Publications/orders also:

- periodically reviewed,
- weeded.

#### (ix) Volume Reduction Measures

Departments should:

Measure
Annual special drive
JS half-yearly review
Inspecting officer checks

#### (x) Methods of Destruction

Type of Record	Method
Routine	Tear manually
Classified	Shred
Secret	Shred + incinerate

📌 **EXAM TIP** -Secret records → shred + burn.

#### 7.10 QUARTERLY PROGRESS REPORTS

##### Who Prepares?

Record Officer.

##### Frequency

Every quarter.

##### Flow

Record Officer → Section Officer → Branch Officer → DSIWS/O&M → Secretary.

#### DSIWS/O&M Duties

- compile department-wide data,
- monitor trends,
- alert Secretary.

#### 7.11 RECORDS IN PERSONAL OFFICES OF MINISTERS

PS to Minister:

- maintains registers,
- tracks files given informally,

- ensures return.

#### 7.12 RECORDS WITH OFFICERS & PERSONAL STAFF

Departments may issue instructions for:

- review,
- weeding.

#### 7.13 REQUISITIONING OF RECORDS

**Requisitioning** means formally asking for a recorded file.

- only against **signed requisition**.
- archival records → Public Records Act form.

#### Borrowing Time

- returned within **6 months**.
- reminders issued.
- dual registers maintained.

#### Files from NAI

- department endorsement required.
- confidential → routed via parent Ministry.
- microfilm copy preferred.
- normally kept ≤ 1 year.

#### On Return

- file restored.
- requisition returned.

#### eFile

- RMS automates:
  - requisition,
  - review,
  - transfer,
  - weeding

## PART - 8 -KNOWLEDGE MANAGEMENT

### INTRODUCTION

Knowledge Management is the systematic process of creating, collecting, sharing, storing, using and updating the knowledge and information of an organisation. It follows a multi-disciplinary approach to help the organisation achieve its objectives efficiently by making the best possible use of experience, data, rules, precedents and institutional memory.

In Government offices, Knowledge Management plays a vital role because officers frequently change posts due to promotions, transfers or deputations. Continuity of work is therefore ensured not by individuals but by properly documented knowledge systems.

Knowledge Management acts as an **enabler of organisational learning**, ensuring that experience gained in one case or period benefits the organisation in the future.

To support this objective, every Section, Unit or Desk shall establish a **Knowledge Management Dashboard** in the e-Office environment. This dashboard will provide easy access to various tools and documents known as **Aids to Processing**, which assist officers in the examination and disposal of cases.

### 8.1 AIDS TO PROCESSING

Aids to Processing are tools of Knowledge Management used in Ministries and Departments. Any mechanism that helps an officer understand his or her area of work, apply rules correctly and dispose of cases efficiently is considered an aid to processing.

Such aids are most effective when:

1. Maintained electronically.
2. Updated regularly.
3. Easily searchable and accessible through e-Office systems.

#### Examples of Aids to Processing

The commonly used aids to processing are:

1. Note for the Successor
2. Standing Process Sheet
3. Standing Guard File
4. Standing Note
5. Precedent Book
6. Reference Folder

Each of these is explained in detail in the following sections.

### 8.2 NOTE FOR THE SUCCESSOR

Movement of officers from one post to another is a regular feature in Government organisations. When an officer leaves a post, the work should continue smoothly without disruption. While official files contain all decisions and correspondence, practical experience, working methods and informal institutional knowledge may not always be fully captured in files. Therefore, the predecessor is expected to prepare a **Note for the Successor**, which is a structured document explaining:

1. The nature of work handled at that post.
2. Important ongoing cases.
3. Pending references.
4. Time-bound matters.
5. Key contacts in other Sections or Departments.
6. Common difficulties and solutions.
7. Frequently applied rules and procedures.

#### Purpose

The Note for the Successor ensures:

1. Smooth transition of charge.
2. Continuity of work.
3. Reduction of learning time for the new incumbent.
4. Preservation of institutional memory.
5. Prevention of errors due to lack of familiarity.

#### Format

Although responsibilities may differ from post to post, the Note for the Successor should normally follow a **uniform format** across levels to maintain consistency.

#### Contents Typically Included

1. Brief description of the Section or Desk.
2. Statutory functions handled.
3. Important files and registers.
4. Recurring types of cases.
5. Details of Standing Guard Files or Precedent Books maintained.
6. List of pending court cases or audit matters.
7. Critical deadlines and reporting schedules.
8. Important internal and external contacts.

### 8.3 STANDARD PROCESS SHEET

A Standard Process Sheet is a structured and standardised note or template used for dealing with **repetitive cases**. It acts as:

1. A checklist for the Dealing Officer.
2. A quick reference tool for senior officers.
3. A training instrument for new staff.
4. A time-saving mechanism.

#### Purpose

The Standard Process Sheet ensures that:

1. All relevant facts are brought out clearly.
2. Applicable rules are checked.
3. Financial and administrative aspects are verified.
4. Competent authority is correctly identified.
5. No important point is overlooked.

#### Steps for Designing a Standard Process Sheet

The following systematic method is to be adopted:

1. List all categories of cases handled in the Section.
2. Identify cases of repetitive nature.
3. Prepare a checklist of points required to be examined.
4. Arrange the points in logical sequence, normally as:
  - a) Facts of the case
  - b) Applicable rules or regulations
  - c) Proposed course of action
  - d) Authority competent to decide
  - e) Points on which approval is sought
5. Design a clear and user-friendly format.
6. Obtain clearance from the Section Officer and Branch Officer.
7. Test the format on a few live cases.
8. Modify based on experience.
9. Finalise and issue for regular use.

#### Review and Updating

Standard Process Sheets must be reviewed periodically to ensure conformity with:

1. Current Government instructions.

2. Amendments to rules.
3. Procedural changes.

They are filed on the **notes portion** of the file and treated exactly like a normal note sheet.

In eFile systems, templates can be created and customised for common cases such as:

1. GPF advances or withdrawals.
2. Leave sanction.
3. Medical reimbursement.
4. LTC claims.

#### When Revision Is Necessary

Revision becomes necessary when:

1. Rules change.
2. Procedures are simplified or altered.

For example, if the requirement of minimum notice period for resignation is abolished, that checkpoint must be removed from the Standard Process Sheet.

### 8.4 STANDING GUARD FILE

A Standing Guard File is a carefully maintained compilation of essential information on a particular subject, created to facilitate quick and accurate processing of cases.

It replaces the need to put up bulky old files repeatedly for reference and serves as a ready reckoner for both new and experienced officers.

#### Objectives

A Standing Guard File helps by:

1. Providing historical background of policies and procedures.
2. Enabling speedy decision-making.
3. Reducing dependence on old volumes of files.
4. Assisting in tracing earlier decisions and correspondence.

#### 8.4 (i) Structure of a Standing Guard File

It normally consists of **three parts**:

1. **Part I – Running Summary**  
A consolidated summary of principles, policies and procedures on the subject, with marginal references to the numbers and dates of the relevant orders.
2. **Part II – Copies of Orders**  
Chronologically arranged copies of Government decisions, circulars, office memoranda and instructions referred to in Part I.
3. **Part III – Model Communications**  
Standard draft letters, Office Memoranda, sanctions or other communications used at various stages of processing a case, along with Standard Process Sheets.

#### 8.4 (ii) Use in Day-to-Day Work

When a receipt is received, the Dealing Officer:

1. Identifies the issues involved.
2. Consults the Standing Guard File.
3. Verifies applicable rules from Part I and II.
4. Refreshes knowledge of amendments.
5. Uses model drafts from Part III for preparing communications.

#### ► Illustrative Example

Suppose a new Dealing Officer is assigned a case relating to **release of grant-in-aid to a State Government**.

The Standing Guard File will assist as follows:

#### 8.4 (iv) NUMBERING AND MAINTENANCE OF STANDING GUARD FILES

To make Standing Guard Files easy to locate and retrieve:

1. Each Standing Guard File is given a **unique number**.
2. Every Section must maintain a **master list** of all Standing Guard Files held by it.
3. Copies of this list must be available with:
  - a) Section Officer
  - b) All Dealing Officers

#### Responsibility

Officer	Responsibility
Section Officer	Assigns maintenance of Standing Guard Files
Dealing Officer	Keeps them updated
Branch Officer	Approves major revisions

1. Part I confirms applicable scheme guidelines and financial limits.
2. Part II provides copies of latest orders and amendments.
3. Part III supplies draft sanction orders or letters.

This enables accurate and fast processing without searching multiple old files.

#### 8.4 (iii) Creation of a Standing Guard File

The following systematic method is adopted:

1. Collect all orders issued by the nodal Ministry on the subject.
2. Trace earlier references mentioned in these orders and obtain copies.
3. Arrange them chronologically.
4. Study the orders carefully and note important principles.
5. Prepare a consolidated running summary.
6. Arrange the summary logically.
7. Examine previous years' files to collect model communications.
8. Compile draft formats and Standard Process Sheets.
9. Combine these into Part III.

#### Conclusion

Knowledge Management ensures that Government functioning does not depend on individuals but on systems, records and organised institutional memory. Tools such as Note for Successor, Standard Process Sheet and Standing Guard File allow continuity, consistency, transparency and efficiency in public administration and form an essential pillar of modern office procedure.

#### Why Regular Updating Is Essential

If Standing Guard Files are not updated:

- officers may apply outdated rules
- wrong precedents may be relied upon
- decisions may be delayed
- audit objections may arise

#### How to Update a Standing Guard File

Updating normally involves:

1. Taking photocopies of new Government Orders.
2. Filing them in **Part-II** (Orders section).
3. Revising **Part-I** (Running Summary) when rules change.
4. Getting revised summary approved by Branch Officer.
5. Adding new draft formats or revised forms to **Part-III**.

► **Example** -Suppose Finance Ministry issues a new instruction revising utilisation certificate formats.

Steps:

1. Copy the order and place in Part-II.
2. Modify summary in Part-I.
3. Add revised draft letter in Part-III.
4. Obtain Branch Officer approval.

### 8.5 STANDING NOTE

A Standing Note is a continuously updated note explaining:

- history of a subject
- evolution of policy
- important decisions
- file references

It points to **important past files** so that officers can locate them easily.

#### Purposes

Standing Note serves as:

Purpose	Use
Policy review	Shows background
Parliament questions	Ready reference
Training	Helps new staff
Court cases	Tracks development

#### Updating Standing Note

Whenever policy changes:

- Standing Note must be revised
- new orders must be added
- latest file references inserted

#### ► Example

Subject: Recruitment Rules for Clerks Standings

- Cabinet approvals
- court judgements
- file numbers

### 11.6 PRECEDENT BOOK

A Precedent Book is a **register** kept in prescribed format to record:

- important rulings
- unusual decisions
- policy interpretations
- cases where relaxation was refused
- cases kept pending intentionally

It is mainly maintained in **nodal sections**.

#### Why It Is Important

Without knowing past decisions:

- officers may refer repeatedly to other Ministries
- cases get delayed
- inconsistent decisions may occur

#### How Precedent Book Helps

Function	Benefit
Shows earlier decision	avoids duplication
Gives file numbers	enables linking
Speeds disposal	saves consultation
Ensures uniformity	prevents contradictions

#### What Can Be Entered as Precedent

Not only approvals, but also:

- refusals
- cases kept pending
- proposals rejected
- clarifications issued
- relaxations denied

#### ► Allustrative Examples

Case Type	Precedent Value
Creation of posts kept pending till cadre review	entered
Relaxation in promotion refused by DoPT	entered
Financial sanction denied due to rules	entered

#### Photocopy Folder System

To avoid searching old files:

1. Take photocopies of relevant pages.
2. Number them freshly.
3. Index them.
4. Place coloured separator sheets between sets.
5. Keep folder with Precedent Book.
6. Mention page reference in register.

#### Responsibility

Officer	Task
Section Officer	assigns custodian
Dealing Officer	makes entries

Branch Officer	supervision
----------------	-------------

**Best Time to Enter**

Immediately after:

- decision is taken
- file is recorded

**8.7 REFERENCE FOLDER**

A Reference Folder is **personal** to an officer.

It contains:

- key rules
- recent orders
- statistics
- scheme-wise funds
- utilisation certificate status
- audit notes

**Purpose**

It helps during:

- meetings
- discussions
- drafting notes
- briefing seniors

**> Example**

Reference Folder on a Centrally Sponsored Scheme may contain:

- State-wise fund release
- pending UCs
- allocation for current year
- inspection reports

**Updating Requirement**

It must be updated:

- after every fund release
- after every amendment
- annually at minimum

**8.8 INDUCTION MATERIAL**

Induction Material is official guidance prepared for:

- new officers
- transferred staff
- other Ministries

**Contents**

Item	Included
Functions	of Ministry
Structure	divisions

Officers	names
Rooms	numbers
Phones	contacts
Work distribution	subject wise

**> Example**

Induction booklet may show:

- Division A – Personnel
- Division B – Finance
- Room numbers
- email IDs

**8.9 MASTER CIRCULARS**

A Master Circular is a **consolidated document** containing:

- all current instructions on a subject
- amendments
- latest versions
- superseded orders

**Purpose**

Advantage	Result
One document	saves time
Updated	avoids mistakes
Web-published	easy access
Hyperlinks	track changes

**Updating Master Circular**

Whenever:

- new order issued
- amendment made

the Master Circular must be revised and old one superseded.

**> Example**

Master Circular on:

- Leave Rules
- Pension processing
- LTC claims

**8.10 RESPONSIBILITY MAPPING**

Responsibility Mapping means clearly fixing **who will maintain which Knowledge Management tool** in a Section or Department.

This avoids confusion, duplication of work, neglect of records and outdated reference material.

Each tool of Knowledge Management is important, but unless a specific officer is made responsible, such tools may:

- remain incomplete
- not be updated
- become unreliable
- lose practical value

Therefore, CSMOP provides a structured allocation of responsibility.

### Meaning of Responsibility Mapping

Responsibility Mapping is the assignment of:

- ownership
- supervision
- updating
- quality control

of Knowledge Management tools to specific levels of officers.

Even though one officer is designated as responsible, he/she may take assistance from:

- Dealing Officers
- Assistants
- other staff

but **final accountability** remains with the designated officer.

### RESPONSIBILITY TABLE

S. No.	Knowledge Tool	Officer Responsible	Nature of Responsibility	Support Allowed
1	Note for a Successor	Officer concerned	Preparation before transfer	Dealing Officers
2	Standard Process Sheet	Branch Officer	Approval and supervision	Section Officer / Dealing Officers
3	Standing Guard File	Section Officer	Maintenance and updating	Dealing Officers
4	Precedent Book / Folder	Branch Officer	Ensuring consistency and completeness	Section Officer
5	Reference Folder	Officer concerned	Personal upkeep and updating	Self

### DETAILED EXPLANATION OF EACH RESPONSIBILITY

#### 1. NOTE FOR A SUCCESSOR – RESPONSIBILITY OF OFFICER CONCERNED

##### Why the Officer Himself/Herself?

Because:

- the officer knows ongoing cases
- deadlines are clear to him/her
- sensitive matters must be explained
- court cases and audits are pending

##### ➤ Example

An Under Secretary is transferred.

Before leaving, he prepares:

- list of pending files
- court cases
- Parliament assurances
- major schemes
- deadlines

#### 2. STANDARD PROCESS SHEET – RESPONSIBILITY OF BRANCH OFFICER

##### Why Branch Officer?

Because:

- he ensures uniformity
- he supervises sections
- he ensures legal correctness
- he controls policy interpretation

##### ➤ Example

Standard sheet for:

- LTC claims
- Leave sanction
- Pension cases

Branch Officer approves format.

#### 3. STANDING GUARD FILE – RESPONSIBILITY OF SECTION OFFICER

##### Why Section Officer?

Because:

- Section Officer monitors day-to-day work
- supervises Dealing Officers
- ensures latest rules used
- approves updates before submission

##### ➤ Example

Section Officer ensures:

- new DoPT orders added
- summaries revised
- formats updated

#### 4. PRECEDENT BOOK – RESPONSIBILITY OF BRANCH OFFICER

##### Why Branch Officer?

Because:

- precedents affect policy
- wrong precedent may create audit objections
- cross-sectional consistency needed
- sensitive matters involved

##### ➤ Example

Branch Officer ensures entry of:

- refusal of relaxation
- court judgement
- cadre review decision

#### 5. REFERENCE FOLDER – RESPONSIBILITY OF OFFICER CONCERNED

##### Why Individual Officer?

Because:

- each officer handles different subjects
- personal working tools differ
- folders are officer-specific
- frequently used for meetings

##### (eFILE CONTEXT)

In the electronic environment:

##### 1. REMARKS FIELD ON FILE COVER

In eFile, there is a special “Remarks” column in:

- electronic file cover
- physical file cover (digitally recorded)

This is used to:

- note keywords of decisions
- indicate precedent
- important outcomes

##### ➤ Example of Remarks

“Relaxation in age – rejected – DoPT concurrence – 2026”

This helps in:

- searching later
- adding entry in Precedent Book
- building Standing Guard File

#### 2. COMBINED DIGITAL KNOWLEDGE FOLDER

In eFile:

It is possible to create:

- one consolidated folder having
  - Standing Guard File
  - Precedent Book
  - key policy notes

This reduces:

- duplication
- paper files
- searching time

#### WHY THESE TOOLS ARE CRITICAL

These tools ensure:

- continuity of governance
- institutional memory
- faster decisions
- uniformity
- audit compliance
- legal defensibility

#### EXAM TIPS – VERY IMPORTANT:-

##### Frequently Asked Questions

##### Q1. Who prepares Note for Successor?

→ Officer concerned.

##### Q2. Who approves Standard Process Sheet?

→ Branch Officer.

##### Q3. Who maintains Standing Guard File?

→ Section Officer.

##### Q4. Who controls Precedent Book?

→ Branch Officer.

##### Q5. Who keeps Reference Folder?

→ Individual officer.

## PART - 9 -MONITORING OF TIMELY DISPOSAL

Timely disposal of work is one of the **most important pillars of efficient government functioning.**

This Part explains:

1. **Who is responsible for timely disposal**
2. **Time limits for handling cases**
3. **Special monitoring of MPs/VIP references**
4. **Tracking Court and CAT cases**
5. **Registers and reporting systems**
6. **Use of eFile for monitoring**

All these arrangements ensure:

- accountability
- transparency
- avoidance of delay
- compliance with law
- citizen-friendly administration

### 9.1 DISPOSAL OF WORK

Disposal of work means:

- examining a receipt or case
- taking necessary action
- obtaining approvals
- issuing orders/replies
- closing the file

within a **reasonable and prescribed time**.

#### Primary Responsibility

##### Section Officer / Desk Functionary

They are the **first and most important monitoring authority**.

Their duties include:

- checking Section Register
- checking Assistant's registers
- ensuring no file is unattended
- pushing delayed cases
- redistributing work if required

##### Branch Officer

The Branch Officer:

- supervises several sections
- reviews pendency
- intervenes in delayed cases
- issues directions

##### Role of eFile

###### In eFile system:

- MIS (Management Information System) reports are available
- dashboards show pendency
- ageing of files is visible
- VIP and Court cases are flagged

### 9.2 TIME LIMITS FOR DISPOSAL OF CASES

#### General Rule

Unless a different limit is prescribed:

**No officer should keep a case pending for more than 7 working days.**

#### If Delay Occurs

When a case crosses time limit:

The officer must:

- record explanation in Notes portion
- justify delay
- mention reasons such as:
  - awaiting reply
  - court hearing
  - inter-departmental consultation

#### Exception Reporting System

Exception Reporting means:

- system automatically flags overdue cases
- reports go to senior officers
- special scrutiny is applied

#### ► Example

A file is with an Assistant for 10 days.

He must record:

“Reply awaited from State Government vide ID Note dated ... Hence delay.”

### MONITORING OF DISPOSAL OF RECEIPTS / CASES

#### 9.3 WATCH ON COMMUNICATIONS FROM MPs AND VIPs

These communications require:

- highest priority
- close monitoring
- fast reply

##### A. Register in Personal Section of JS/Director

The personal section of:

- Joint Secretary
  - Director (where applicable)
- maintains a **separate MP/VIP Register**.

Each letter is given:

- serial number
- date of entry

#### Format Example

**125/JS/(P)MP/20.3.2019**

Meaning:

125 = serial number  
 JS = Joint Secretary  
 (P)MP = Member of Parliament  
 Date = 20 March 2019

### B. Registers in Sections

Each section maintains another register:  
 Finalised cases are:  
 • circled in red ink

### Monthly Reporting

On **first working day of every month**:  
 Sections submit:  
 • register  
 to:  
 → Under Secretary / Deputy Secretary  
 → Director / Joint Secretary

### Reconciliation by Personal Section

Personal section checks:  
 • whether all letters appear in section reports  
 • mismatches corrected

### eFile VIP Tracking

<p>In eFile:          • VIP letters are tagged          • auto-tracking enabled          • dashboards available</p>
---

**TABLE – MONITORING MP/VIP REFERENCES**

Level	Responsibility
JS Personal Section	Master Register
Section	Action Register
Under Secretary	Monthly review
Director/JS	Final scrutiny
eFile	Auto-monitoring

## 9.4 MONITORING OF COURT / CAT CASES

Court and CAT matters are **legally sensitive**.

Delay may cause:  
 • contempt of court  
 • adverse orders  
 • financial loss  
 • personal accountability

## Registers Maintained

### At Personal Section of JS/Director

Court/CAT Master Register:  
 • date of filing  
 • serial number  
 • case details

### ► Example:

**12/JS/Court/CAT/18.3.2019**

### At Section Level

Another register records:  
 • implementation status  
 • compliance date  
 Completed cases are:  
 • rounded in red  
 • date recorded

### Reporting Schedule

Sections submit:  
 • registers  
 • reports  
 on:  
 → 1st of month  
 → 15th of month  
 to:  
 Under Secretary → Director/JS

### Reconciliation

Personal section ensures:  
 • every court case is tracked  
 • section report matches master register

### eFile Features

<p><b>eFile provides:</b>          • Court case tags          • alerts          • compliance tracking          • dashboards</p>
---

## COURT/CAT MONITORING STRUCTURE

Stage	Officer Responsible
Registration	JS Personal Section
Section Action	Section
Fortnightly Review	US/DS
Final Review	Director/JS
eFile Monitoring	System

### 📌 EXAM TIPS –

- Time limit for disposal? → **7 working days**
- Who primarily monitors disposal? → **Section Officer**
- How often Court cases reviewed? → **1st & 15th monthly**
- MP/VIP registers submitted when? → **Monthly**

## 9.5 REQUESTS UNDER THE RIGHT TO INFORMATION ACT, 2005

RTI requests are applications made by citizens seeking information from Government authorities under the **Right to Information Act, 2005**.

### Who Deals With RTI Requests

RTI cases are handled and monitored—including **online portals**—by:

- Assistant Public Information Officer (APIO)
- Public Information Officer (PIO)
- Central Public Information Officer (CPIO)
- Appellate Authority

They function strictly as per:

- time limits prescribed in RTI Act
- appeal procedure
- exemptions under the Act

### ➤ Example

A citizen files RTI seeking details of recruitment rules.  
 → CPIO examines records.  
 → Reply must be sent within statutory period (normally 30 days).  
 → If applicant is dissatisfied, appeal goes to Appellate Authority.

### 📌 Exam Tip

- RTI cases are governed by **RTI Act, 2005**, not departmental discretion.
- Monitoring is done by **APIO/PIO/CPIO/Appellate Authority**.

## 9.6 REGISTER OF PARLIAMENTARY ASSURANCES

A Parliamentary Assurance is:

**A promise or commitment given by a Minister in Parliament**  
 during answers to questions, debates, motions, Bills, or discussions.

Such assurances **must be fulfilled** within a reasonable time.

### Registers to be Maintained

Each Section must:

- maintain a separate register for:
  - Lok Sabha
  - Rajya Sabha
- entries made session-wise

### Role of Section Officer

The Section Officer:

1. checks registers **weekly**
2. ensures follow-up action
3. submits to Branch Officer:
  - fortnightly during session
  - monthly otherwise
4. highlights assurances likely to cross **three months**

### Role of Branch Officer

Branch Officer:

- informs higher officers and Minister
- flags potential delays
- ensures remedial action

### Role of eFile

eFile provides:

- tagging of Parliamentary Assurance cases
- MIS reports
- dashboards for monitoring

**Table – Monitoring Parliamentary Assurances**

Level	Role
Section	Maintain register
Section Officer	Weekly review
Branch Officer	Fortnightly/monthly monitoring
Minister	Kept informed
eFile	Auto-tracking

## 9.7 CHECK-LIST OF PERIODICAL REPORTS

Periodical reports are:

- weekly returns
- monthly statements
- quarterly data
- annual reports

Each Section must maintain:

- Incoming Report Check-list
- Outgoing Report Check-list

### Preparation of Check-Lists

- prepared every year
- approved by Section Officer
- shown to Branch Officer
- arranged by frequency:  
weekly → fortnightly → monthly → quarterly → yearly

### Weekly Review

- Section Officer:
- checks lists weekly
  - plans action
  - circles entries in **red ink**

### 📌 Exam Tip

- Two check-lists maintained — incoming & outgoing.
- Red ink indicates completion.

## 9.8 REVIEW OF PERIODICAL REPORTS

### Purpose of Review

Every three years, Joint Secretary level or above reviews reports to:

1. remove unnecessary returns
2. redesign useless formats
3. merge duplicating reports
4. reduce excessive frequency

### Reporting Schedule

- Sections report results to IWSU section by **7 April**
- Consolidated Ministry report sent to DARPG by **30 April**

## 9.9 MONITORING OF WEBSITES

All Ministries and Departments must:

- maintain updated websites
- follow GIGW guidelines
- appoint a nodal officer
- regularly upload information

### 📌 Exam Tip

- GIGW = Guidelines for Indian Government Websites.
- Nodal Officer responsible for updating website.

## 9.10 DISPOSAL OF PENDING MATTERS – SPECIAL CAMPAIGN

### Background

DARPG introduced special campaigns to:

- clear backlog of MPs' references
  - grievances
  - Parliamentary assurances
  - inter-ministerial consultations
- A major campaign ran **2–31 October 2021**.

### Regular Follow-Up Actions

Ministries must:

1. dedicate **3 hours every week**
2. appoint Nodal Officers (JS level)
3. upload data on DARPG portal monthly
4. Secretaries monitor progress
5. include all field offices and PSUs

**Table – Disposal Campaign Structure**

Activity	Officer
Weekly drive	All Sections
Nodal Officer	Joint Secretary
Portal data upload	Nodal Officer
Monthly review	Secretary

### ILLUSTRATIVE LIST OF VIPs

VIP references receive **highest priority**:

1. President
2. Vice-President
3. Prime Minister
4. Governors
5. Former Presidents
6. Deputy PMs
7. Chief Justice of India
8. Speaker Lok Sabha
9. Union Cabinet Ministers
10. Chief Ministers
11. Vice-Chairman NITI Aayog
12. Former PMs
13. Supreme Court Judges
14. Chief Election Commissioner
15. CAG
16. Ministers of State
17. Attorney General
18. Chief Justices of High Courts
19. State Cabinet Ministers
20. Minority Commission Chairperson
21. SC/ST Commission Chairpersons
22. UPSC Chairman
23. President's Office
24. Prime Minister's Office

### REVISION POINTS :

1. RTI handled by APIO/PIO/CPIO/Appellate Authority

2. Parliamentary Assurance registers — House-wise
3. Section Officer reviews weekly
4. Periodical reports reviewed every three years
5. Websites follow GIGW
6. Special campaign monitored by DARPG
7. VIP letters receive top priority

## PART- 10 - SECURITY OF OFFICIAL INFORMATION AND DOCUMENTS

This Part lays down **rules and safeguards** for handling Government information and documents so that:

1. sensitive material is protected;
2. information is shared only with authorised persons;
3. transparency under RTI is respected; and
4. misuse or leakage of official records is prevented.

It balances **openness** (through RTI Act) with **security** (through classification and departmental security instructions).

### 10.1 COMMUNICATION OF OFFICIAL INFORMATION

#### Basic Rule

Every Government servant must:

- communicate information in **good faith**;
- follow the **Right to Information Act, 2005** and related rules.

#### Important Restriction

No Government servant shall:

- directly or indirectly share
- any official document or part of it
- or classified information

with **any unauthorised person**, unless:

1. permitted by general or special Government order; or
2. required for official duty.

#### Simple Meaning

You can share information:

- ✓ when RTI law requires it;
- ✓ when authorised by rules;
- ✓ when part of official work.

You **cannot share**:

- ✗ confidential file contents with outsiders;
- ✗ draft Cabinet notes;
- ✗ classified material on WhatsApp or private email;
- ✗ documents with colleagues who are not authorised.

➤ **Example :-** An Assistant receives an RTI application for a sanctioned project.

- He checks whether the information is exempt.
- Provides allowed information.
- Does **not** share internal confidential noting.

◆◆ **Exam Tip** -RTI disclosure is allowed, but **unauthorised sharing of official documents is prohibited.**

### 10.2 TREATMENT OF CLASSIFIED PAPERS

#### ➔ General Principle

CSMOP mainly applies to **unclassified papers**.

For **classified papers**, special care is required and:

- **Departmental Security Instructions** of MHA must be followed.

#### ➔ Where Classified Papers Are Handled

Normally:

- by officers themselves; or
  - in specially designated **Secret / Top Secret Sections**.
- If a Section is **not designated**, then:

#### ➔ Special Arrangements Required

The Section Officer must personally:

1. maintain **separate registers** for classified work:
  - Dak Register
  - File Register
  - File Movement Register
  - Precedent Book
  - electronic media lists (CD, pen drive etc.)
2. personally supervise:
  - recording;
  - review;
  - custody.

#### ➔ Periodic Review

Every classified file must be:

- reviewed once every **five years**;
- considered for **declassification**.

If declassified and historically important:

→ sent to **National Archives of India (NAI)**.

**Table – Handling Classified Papers**

Activity	Responsibility
Separate registers	Section Officer
Recording & review	Section Officer
Security compliance	Officer-in-charge
Five-year review	Concerned authority
Transfer to NAI	After declassification

➤ **Example**

A Secret file on defence procurement:

- kept in separate cupboard;
- entered in special register;
- reviewed after 5 years;
- later downgraded to unclassified and sent to NAI.

📌 **Exam Tip** -Classified files are reviewed every **five years** for declassification.

### 10.3 CONFIDENTIAL CHARACTER OF INTER-DEPARTMENTAL NOTES / FILES

#### Confidentiality Rule

When one Ministry sends a file or ID note to another:

- it remains **confidential**;
  - cannot be shown to outsiders without consent.
- Electronic versions:
- accessed only by authorised officials.

#### General Consent Limitation

Even if general consent exists, it does **not apply** to:

- classified files;
- cases where officer is personally affected;
- cases examining an officer's conduct

### Carrying Classified Papers Outside Office

Only allowed when:

Classification	Minimum Officer Level	Written Authorisation Required From
Confidential	Section Officer	Joint Secretary
Secret	Under Secretary	Joint Secretary

And Departmental Security Instructions must be followed.

➤ **Example** -An Under Secretary carries Secret file to meeting.

- ✓ obtains written JS authorisation.
- ✓ produces it on demand.

📌 **Exam Tip** -Carrying Secret files outside office requires **written JS approval**.

### 10.4 COMMUNICATION OF INFORMATION TO THE PRESS

#### Normal Channel

Official information is released through:

- **Press Information Bureau (PIB)**.

#### Who Can Speak to Press

Only:

- Ministers
- Secretaries
- specially authorised officers.

Others must:

- redirect journalist to PIB; or
- seek Secretary's permission.

#### Press Briefings

Before:

- press conference;
- briefing;
- report release;

Department must:

- consult accredited Information Officer;
- follow Ministry of Information & Broadcasting procedures.

#### Media Communication Authority

Person	Can Speak to Press?
Minister	Yes

Secretary	Yes
Authorised Officer	Yes
Other Staff	No — refer to PIB

► **Example**

Reporter asks Clerk for internal note.

- Clerk refuses.
- directs to PIB.

● **Exam Tip**

Only authorised officers may communicate with press — normally through PIB.

### 10.5 USE OF RESTRICTIVE CLASSIFICATION

**When It Can Be Used**

Only when disclosure:

- is **not in public interest**.

Test question:

Would Minister be justified in refusing to lay it before Parliament?

If yes → may restrict.

**Approval Required**

No publication (even electronic):

- may be marked “For Official Use Only”
- without Branch Officer approval.

If doubtful:

→ Secretary or Minister’s orders required.

**Example**

Internal vigilance audit report:

- contains sensitive findings;
- Branch Officer approves “For Official Use Only”.

**Exam Tip**

“For Official Use Only” requires **prior approval** of Branch Officer.

### SECURITY FEATURES IN eFILE

eFile system provides:

- security grading for files;
- controlled access;
- restricted movement of envelopes and receipts;
- user-based permissions.

Chief Vigilance Officer issues departmental instructions:

- defining who can access which category;
- preventing unauthorised downloads or viewing

### COMPARATIVE SUMMARY

Area	Key Rule
RTI disclosures	Allowed as per Act
Sharing documents	Only with authorised persons
Classified papers	Follow MHA Security Instructions
Review of classified files	Every 5 years
Media communication	Through PIB
“For Official Use Only”	Needs approval
eFile controls	Role-based access

## PART - 11 - ANNUAL ACTION PLAN & CITIZEN’S / CLIENT’S CHARTER

This Part explains **how Government Ministries and Departments plan their yearly work**, promise service standards to citizens, and handle public grievances in a structured and accountable way.

It has **three major parts**:

1. Annual Action Plan
2. Citizens’ / Clients’ Charter
3. Public Grievance Redressal Mechanism

Each is explained below **in the simplest possible language**, with tables, examples, and exam-oriented tips.

### 11.1 ANNUAL ACTION PLAN

An **Annual Action Plan (AAP)** is a written plan prepared every year by each Ministry/Department showing:

- what work will be done next year;
- how it will be done;
- by whom;
- and by when.

It ensures **systematic implementation** of schemes, programmes and projects.

#### (i) Formulation of Annual Action Plan

##### When Prepared

- In the month of **January**.

This is done **before** the new financial year starts.

##### What It Contains

The Action Plan must include:

1. list of activities / programmes;
2. targets for each activity;
3. **month-wise break-up** of targets;
4. time schedule for completion.

##### ➤ Example

Ministry of Health prepares AAP for next year:

Activity	April	May	June	July
Recruit nurses	200	200	150	150
Upgrade hospitals	10	15	20	25

📌 **Exam Tip** -Annual Action Plan is prepared in **January** with **month-wise targets**.

#### (ii) Accountability

##### What Accountability Means

Accountability means:

- fixing responsibility;
- identifying who must perform;
- identifying who supervises.

##### Types of Accountability

Type	Meaning
Direct	Officer who actually performs the task
Supervisory	Officer who monitors and guides

##### Link with Performance Appraisal

Achievement of Action Plan targets becomes:

- ✓ an important factor in employee appraisal;
- ✓ considered during promotions or assessments.

➤ **Example** -If hospital construction is delayed:

- Engineer = direct accountability
- Chief Engineer = supervisory accountability

##### 📌 Exam Tip

Action Plan targets are linked to **performance appraisal**.

#### (iii) Review of Annual Action Plan

##### Who Reviews

Officer	Frequency
Each officer	Weekly
Secretary	Monthly meeting

### What Happens in Reviews

- progress is checked;
- delays identified;
- corrective steps taken;
- follow-up on minutes ensured.

**Example** -Secretary reviews monthly:

- notices slow recruitment;
- orders special drive;
- asks report next month.

📌 **Exam Tip** -Secretary reviews AAP progress **monthly**.

### 11.2 CITIZENS' / CLIENTS' CHARTER

A **Citizens' Charter** is a public document in which a Ministry/Department:

- promises service standards;
- states timelines;
- explains procedures;
- tells grievance channels.

It makes administration:

- ✓ transparent
- ✓ accountable
- ✓ citizen-friendly.

#### Purpose

Objective	Explanation
Build trust	Bridge citizens and Government
Improve services	Clear commitments
Empower citizens	Demand promised standards
Citizen-centric	Demand-driven services

#### Legal Status

Citizens' Charter:

- is **not enforceable in court**;
- but morally binding;
- allows citizens to seek remedies for poor service.

**Exam Tip** -Citizens' Charter is **not legally enforceable**, but empowers citizens.

#### Citizens vs Clients

##### Citizens

- general public;
  - companies, trusts, NGOs;
  - external to Government.
- Government must:
- explain procedures clearly;
  - use local language if needed;
  - not assume literacy.

##### Clients

- Government offices;
  - Government employees;
  - internal users.
- Here:
- both sides share responsibility;
  - official language is sufficient.

#### Difference

Feature	Citizens	Clients
Status	External	Internal
Knowledge of processes	Limited	Adequate
Language	Local may be used	Official
Responsibility	Mainly service provider	Shared

➤ **Exam Tip** -Citizens are **external**; Clients are **internal**.

#### What Services Are Covered

Clients may include:

- Government agencies;
- employees using another office's services.

Excluded:

- policy advice;
- administrative control matters;
- cases not fixed with timelines.

#### COMPONENTS OF A CITIZENS' CHARTER

Component	What It Contains
Cover page	Name, logo, authority
Vision statement	Long-term goal
Mission statement	Immediate purpose
Business details	Services + timelines
Customer details	Who receives service
Service statements	How to access
Grievance system	Complaint procedure
RTI facilitation	RTI contacts
Citizen expectations	Documents, behaviour
Issue & review date	Validity

➤ **Example** -Passport Office Charter includes:

- service in 30 days;
- contact number;
- grievance portal;
- RTI officer name.

### Nodal Officer for Citizens Charter

Each Ministry must appoint:

- Contact Officer / Nodal Officer.

Responsibilities:

- drafting charter;
- implementation;
- revision;
- training;
- publicity.

### Website Uploading

Citizens Charters must be:

- uploaded on [www.goicharters.nic.in](http://www.goicharters.nic.in);
- updated whenever revised.

### Charter Activities in Annual Report

Each Ministry must report:

1. formulation steps;
2. implementation actions;
3. trainings & workshops;
4. publicity drives;
5. evaluations & satisfaction surveys;
6. revisions made.

## 11.3 PUBLIC GRIEVANCE REDRESSAL MECHANISM

### Meaning of Grievance

A grievance is:

- complaint about non-delivery;
- wrongful action;
- delay;
- unfair treatment.

Not included:

- ✗ normal service requests.

### GRM – Grievance Redress Mechanism

GRMs are systems created by Ministries to:

- receive complaints;
- record them;
- investigate;
- resolve;

- analyse patterns;
- prevent future issues.

### Who Can File

- citizens;
- clients;
- Government employees.

Languages allowed:

- English
- Hindi
- Local languages.

### Online Grievance Portal

All public grievances must be filed at:

[www.pgportal.gov.in](http://www.pgportal.gov.in)

Email complaints:

- ✗ not entertained.

System generates:

- ✓ Unique Registration Number
- ✓ tracking facility.

➤ **Example** -Citizen complains online about delayed pension.

- receives number;
- tracks status;
- Department replies.

➤ **Exam Tip** -Public grievances are lodged on [pgportal.gov.in](http://pgportal.gov.in), not email.

## 11.4 MAIN GUIDELINES ON GRIEVANCE REDRESSAL

These are the basic rules every Ministry/Department must follow.

### (i) Time Limit for Disposal

A grievance must normally be:

- ✓ disposed within **45 days**

If delay occurs:

- ✓ interim reply must be sent
- ✓ reasons for delay must be stated.

**Example** -Citizen complains about delay in pension.

- After 30 days, still pending → department sends interim reply
- explains verification delay
- gives expected date.

**Exam Tip** -Standard grievance disposal time = **45 days**.

### (ii) Speaking and Reasoned Reply

A **speaking reply** means:

- detailed explanation;
- facts;
- reasons;
- rules applied;
- documents uploaded.

No vague closure allowed.

#### ➤ Example

Incorrect reply:

“Your grievance is closed.”

Correct reply:

- service rules cited;
- verification report attached;
- corrective action stated.

#### 📌 Exam Tip

Closure must include a **reasoned speaking order** and documents.

#### (iii) Director of Public Grievances (DPG)

Every Ministry/Department / State / UT must designate:

- ✓ a senior officer (Deputy Secretary level or above)
- ✓ called **Director of Public Grievances**.

He/she can be approached if:

- grievance not solved;
- citizen dissatisfied.

#### (iv) Display of DPG Details

Details of Director must be:

- displayed at reception;
- on notice boards;
- prominently visible.

Also available on:

- ✓ [www.pgportal.gov.in](http://www.pgportal.gov.in)

#### (v) Weekly Public Hearing

Every week:

- ➔ **Wednesday**
- ➔ **10:00 AM to 1:00 PM**

is reserved for grievance hearing by the Director.

📌 **Exam Tip** :Grievance hearing day = **Wednesday (10–1)**.

#### (vi) Complaint Box

- locked complaint box at reception;
- opened regularly by designated officer.

Used for:

- ✓ citizens who cannot access online system.

### 11.5 CPGRAMS – CENTRAL PUBLIC GRIEVANCE REDRESS AND MONITORING SYSTEM

CPGRAMS is an online portal created in **June 2007**.

Purpose:

- lodge grievance from anywhere;
- 24x7 access;
- track status;
- ensure accountability.

Website: ✓ [www.pgportal.gov.in](http://www.pgportal.gov.in)

#### Major Features of CPGRAMS

##### (a) Integration of Authorities

CPGRAMS links:

Authority
PMO
President's Secretariat
Cabinet Secretariat
DARPG
Directorate of Public Grievances
Pensioners' Portal

##### (b) Coverage

CPGRAMS connects:

- 87 Central Ministries/Departments/Organisations
- 36 States and UTs.

##### (c) Registration Number

After filing grievance:

- ✓ Unique Registration Number generated.

Used for:

- tracking;
- reminders;
- comments.

##### (d) Acknowledgement

Citizen receives:

- email OR
- SMS with registration number.

##### (e) Offline Complaints

If sent by post:

- uploaded into CPGRAMS;
- system generates acknowledgement;
- letter sent to citizen.

##### (f) Code of Ministry

First five letters of registration number:

- ✓ indicate concerned Ministry/Department.

##### (g) Forwarding to Field Office

System can:

- ✓ automatically forward grievance to field units.

##### (h) Action Taken Report (ATR)

Ministry must:

- upload ATR online;
- mandatory;
- visible to citizen.

#### (i) Declaration of Subordinate Offices

Departments can declare:

- ✓ attached / subordinate bodies for grievance handling.

#### (j) Monitoring Reports

CPGRAMS generates reports showing:

- delay patterns;
- grievance-prone areas;
- scope for reforms.

#### (k) Citizen Feedback

After disposal:

- ✓ citizen rates satisfaction.

#### (l) Archiving

Records are:

- ✓ archived after 5 years.

#### Exam Tip

CPGRAMS archives grievances after **five years**.

### 11.6 ISSUES NOT ACCEPTED AS GRIEVANCES

#### Not Entertained

1. Sub-judice matters
2. Court judgments
3. Family disputes
4. RTI matters
5. Territorial security
6. Foreign relations
7. Suggestions
8. Email complaints

📌 **Exam Tip** -RTI matters and court cases are **not** grievances.

### 11.7 LINK WITH ANNUAL REPORTS

Public grievance data must appear in:

- ✓ Annual Action Plan
- ✓ Annual Administrative Report.

### 11.8 APPEAL MECHANISM IN CPGRAMS

#### Step-by-Step Process

#### 1. Feedback After Closure

Citizen rates resolution.

If rating is:

- ✓ "Poor" → appeal option appears.

#### 2. Time Limit for Appeal Disposal

Appeal must be decided in:

- ✓ **30 days**.

#### 3. Nodal Appellate Authority (NAA)

Every Ministry must appoint:

- NAA;
- details on portal.

NAA must be:

- ✓ one level above grievance officer.

#### 4. Sub-Appellate Authority

NAA may create:

- Sub-Appellate Authority.

**Exam Tip** -Appeal disposal time = **30 days**.

#### SUMMARY TABLE

Topic	Key Fact
Disposal time	45 days
Weekly hearing	Wednesday 10-1
CPGRAMS started	2007
Appeal limit	30 days
Not entertained	RTI, court cases
Feedback rating	Poor enables appeal
Records archived	5 years

## PART - 12 -E-OFFICE DIGITIZATION FRAMEWORK

1. Department of Administrative Reforms & Public Grievances (DARPG)
2. National Informatics Centre (NIC)

Its main purpose is to guide Government offices in shifting from **paper-based working** to a **fully electronic system (eOffice)** in a **systematic, secure, legal and efficient manner**.

Digitization is **not merely scanning pages**. It is a **planned transformation** that ensures:

- authenticity of records
- legal validity
- easy retrieval
- transparency
- accountability
- long-term preservation

## 12.1 OBJECTIVES OF eOFFICE DIGITIZATION

### Meaning of eOffice Digitization

eOffice aims to:

1. Improve transparency in Government functioning
2. Increase efficiency and productivity
3. Reduce delays
4. Ensure accountability
5. Shift from manual files to electronic records

This transition involves:

- digitising existing physical files
- storing records securely
- managing new electronic files
- training officials
- establishing procedures
- following legal standards

## KEY AREAS OF DIGITIZATION STRATEGY

Before starting digitization, the Department must focus on:

Area	Explanation
Approach	How files will be digitized
Identification	Which records/files to scan
Roles	Who is responsible
Procedures	Standard methods
Retention	How long to keep digital records

## IMPORTANT PRE-DIGITIZATION CONDITIONS

Before beginning:

### 1. Integrity of Records

Digitization must ensure:

- records are authentic
- complete
- unaltered
- legally valid

### 2. Decisions on Technology

Departments must decide:

- scanning method
- equipment
- file formats
- storage standards

### 3. Quality Assurance

There must be:

- checking of scanned images
- verification of completeness
- safe storage of physical files

### 4. Training

Officials must be trained to:

- identify pages to scan
- index documents
- upload files
- follow procedures

📌 **Exam Tip** -Digitization requires **planning, legal compliance, quality control and trainin**

## DIGITIZATION FRAMEWORK

Digitization Framework provides:

- policies
- standards

- guidelines
- best practices

It is aligned with **overall eOffice implementation**.

#### MAIN COMPONENTS OF THE FRAMEWORK

Component	Purpose
Governance Structure	Roles & monitoring

### 1. GOVERNANCE STRUCTURE

Governance Structure means:

- ✓ Top-level supervision
- ✓ Clear assignment of responsibility
- ✓ Monitoring progress
- ✓ Compliance with laws

#### WHY GOVERNANCE IS IMPORTANT

Digitization succeeds only when:

- senior officers support it
- policies are issued
- SOPs exist
- compliance is ensured

#### KEY FUNCTIONS OF GOVERNANCE

##### (a) Legal Compliance

Departments must follow:

- IT Act 2000
- e-Governance standards
- open storage formats
- amendments

##### (b) Scanning Standards

Ensure:

- uniform scanning
- quality control
- readability

##### (c) Storage Formats

Records must be:

- saved in open formats
- retrievable in future
- independent of proprietary software

##### (d) Policy Adherence

Follow:

Digitization Approach	Phased transition
Digitization Process	How scanning is done
Integration into eOffice	Uploading & linking

- Digitization Strategy Framework
- Departmental instructions
- SOPs

📌 **Exam Tip** -Governance ensures **legal validity + quality + standardisation**.

### 2. DIGITIZATION APPROACH – PHASED MODEL

Digitization is done in **three phases**:

Phase	Purpose
Phase 1	Plan
Phase 2	Prepare
Phase 3	Implement

#### PHASE 1 – PLAN

##### STEP 1: Appointment of Officers

Departments appoint:

- Nodal Officer
- Digitization Coordinators

They supervise:

- identification
- scanning
- quality
- uploading

##### STEP 2: IDENTIFICATION OF RECORDS

###### (A) DOCUMENTS

Examples:

- Acts
- Circulars
- Office Memoranda
- Policies
- Annual Reports

###### (B) FILES

**Files to be Selected**

1. Files open beyond six months
2. Files likely to become permanent records
3. Cabinet cases
4. Precedent Book cases
5. Standing Guard File candidates
6. Important instructions

**Files NOT to be scanned**

- files to be disposed soon
- routine short-term files
- unless required for record room

**Exam Tip** -Only important and continuing files are digitized first.

**STEP 3: SELECTION OF PAGES**

Digitization is **selective**.  
Not everything is scanned.

**Pages Normally Excluded**

- extra copies
- drafts
- pages already available electronically
- routine slips

**Apply Record Retention Schedule**

Old legacy files are digitized only if:

- ✓ required to be retained
- ✓ have long-term value

**STEP 4: PHASING & SEQUENCING**

Order of digitization:

1. Closed files not in circulation
2. Recorded files
3. Files referenced in active cases
4. Active files selected for transition

**STEP 5: VOLUME & EFFORT ESTIMATION****Volume Estimation**

Calculate:

- pages
- files
- registers

**Effort Estimation Includes**

Activity
Pre-processing

Scanning
Metadata entry
Storage
Uploading

**STEP 6: DIGITIZATION MODEL****IN-HOUSE**

- ✓ active/current files
- ✓ handled by Sections

**OUTSOURCED**

- ✓ legacy files
- ✓ record room material
- ✓ empanelled agencies

**SCANNER SELECTION****Factors**

Parameter	Requirement
Volume	high-speed scanners
Type	flatbed / book scanner
Quality	OCR capable
Speed	100 pages/min
Paper	laminated/book

**Example Table**

Type of Document	Scanner
Loose sheets	ADF scanner
Bound books	Book scanner
Certificates	Flatbed

**PHASE 2 – PREPARE****STEP 7: DIGITIZATION TIMETABLE**

A detailed calendar covering:

- sections
- deadlines
- vendors
- internal scanning

### STEP 8: PROCUREMENT

Procure:

- scanners
- computers
- storage
- manpower

as per Government rules.

### STEP 9: TRAINING

Three-level training:

1. Identification & indexing
2. Scanning execution
3. Continuous learning

### PHASE 3 – IMPLEMENT

Digitization now begins according to:

- ✓ timetable
- ✓ scanning rules
- ✓ storage guidelines

## STEP-10 : IMPLEMENTATION OF DIGITISATION

Digitisation reaches its most important stage at **Step-10**, where the actual scanning, indexing, storing and uploading of documents is carried out. This stage converts planning into **real operational work**.

Implementation must strictly follow:

1. Digitisation Time Table
2. Digitisation Process
3. Guidelines for Scanning and Storage
4. Quality Control
5. Metadata Rules
6. Security Norms
7. Integration with eOffice

Each of these is explained in detail below in a **book-style format**, with **examples, tables and examination tips**.

#### 1. DIGITISATION TIME TABLE

The Digitisation Time Table is a **calendar-based plan** that specifies:

- which sections will digitise files
- which records are taken first
- whether scanning is in-house or outsourced

#### Implementation Focus

- correct scanning
- metadata accuracy
- quality checking
- uploading to eOffice
- linking with file numbers

#### QUICK REVISION TABLE

Topic	Key Point
Objective	Transparency & efficiency
Phases	Plan-Prepare-Implement
Active files	In-house
Record files	Outsourced
Scanners chosen by	volume & type
Metadata	mandatory
Governance	ensures legality

- weekly and monthly targets
- review points

#### Purpose

The timetable ensures:

1. No duplication of work
2. Smooth transition to eOffice
3. Completion within deadlines
4. Monitoring by senior officers

#### Example

Month	Section	Files to be digitised	Mode
April	Establishment	Pension files	In-house
May	Accounts	Audit files	Outsourced
June	Administration	Policy files	Mixed

📌 **Exam Tip** -Digitisation Time Table = control mechanism for monitoring progress.

## 2. DIGITISATION PROCESS

Digitisation is carried out through the following stages:

- (a) Collection & Preparation
- (b) Mode of Scanning
- (c) Scanning Specifications
- (d) Storage of Documents
- (e) Post-Scanning Processing
- (f) Indexing & Quality Control

5. Choose correct DPI
  - High DPI = clear but large size
  - Low DPI = smaller but dull

### ➤ Example

If a pension file contains 185 pages, after scanning:

- originals are collated
- pages counted again
- clipped
- file bound
- eFile number written on top

➤ **Exam Tip** -Before scanning: remove pins, dust papers, flatten edges, number pages.

### (a) COLLECTION AND PREPARATION OF DOCUMENTS

#### Why Preparation is Necessary

Improper preparation leads to:

- missing pages
- blurred images
- misplacement
- loss of record integrity

#### Activities Involved

##### 1. Separation of Papers

- Remove staples and pins carefully
- Use page separators or sticky notes
- Group documents by category

##### 2. Fixing Annexures

- Attach photographs or maps neatly
- Use glue where required

##### 3. Cleaning

- Dust papers
- Remove dirt or residue

##### 4. Flattening

- Iron folded edges
- Smooth curled pages

##### 5. Page Numbering

Each page must be numbered in the corner to:

- maintain sequence
- avoid loss
- verify completeness

##### 6. Clipping

After numbering, clip documents as a set.

#### Important Operational Points

1. Ensure scanned copies are readable
2. Collect originals after scanning
3. Bind each physical set into a file
4. Mention unique identifier on top

### (b) MODE OF SCANNING

Scanning can be done in two ways depending on file type:

#### 1. Page-by-Page Scanning

Each document is scanned separately.

##### Advantages

- easy indexing
- better search
- precise referencing

##### Disadvantage

- time-consuming

#### 2. Bulk Scanning

Entire bundle is scanned as one PDF.

##### Advantages

- fast

##### Disadvantage

- requires careful indexing later

#### Application to Active Files

Active files contain:

- notes
- correspondence
- drafts
- issues

They may be scanned:

- page-wise
- or in logical sections

**Exam Tip** -Page-wise scanning = accuracy.  
Bulk scanning = speed.

### (c) SCANNING SPECIFICATIONS AND FORMAT

Correct DPI and colour mode are essential.

#### Recommended Standards

Document Type	DPI	Mode
Regular text	100	Black & White
Text + Images	300	Gray scale
Damaged papers	450	B/W
Seriously damaged	600	B/W
Photo documents	600	Colour / Gray

#### Why Format Matters

Wrong format causes:

- unreadable text
- large files
- poor OCR
- legal invalidity

### ENTRY OF METADATA

Metadata is **data about data**.  
It identifies and links scanned records.

#### Mandatory Fields

Active	Closed	Recorded
File No	File No	File No
Subject	Subject	Subject
Category	Category	Category
Language	Language	Language
Created on	Closed on	Recorded on
Previous Ref	Previous Ref	Recorded by
Next Ref	Next Ref	Remarks

#### Example

File No: A-12013/2/2023  
Subject: Pension Revision  
Category: Establishment  
Language: English  
Closed on: 15-05-2024

#### Exam Tip

Metadata = **identity card** of digital files.

### (d) STORAGE OF SCANNED DOCUMENTS

#### TEMPORARY STORAGE

Before upload:

- Notings → Notings Folder
- Correspondence → Correspondence Folder inside eFile directory.

#### PERMANENT STORAGE OF PHYSICAL FILES

After scanning:

1. Write eFile number on physical file
2. Store in record room
3. Assign lock-and-key staff
4. Confidential files → lockers
5. Serial labelling
6. Issue-return register

#### Example

Physical File No	eFile No	Rack	Locker
23/Admin	eF-4578	Shelf-3	Locker-7

📌 **Exam Tips** -Accurate labelling = backbone of digitisation success.

### (e) POST-SCANNING PROCESSING & QUALITY CONTROL

After scanning:

- remove shadows
- straighten skew
- check clarity
- remove punch holes
- verify page order

#### INDEXING

Indexing links scanned pages to:

- file number
- subject
- category

It allows:

- retrieval
- cross-reference
- linking with eFile

## GUIDELINES, STANDARDS & PROCEDURES

These define:

- how digital records are managed
- who authorises
- how compliance is ensured

### (i) GUIDELINES FOR METADATA

#### Functions of Metadata

- authenticate files
- classify records
- control access
- improve retrieval

#### Types

Type	Purpose
Regular	title, subject
Administrative	scanner location
Structural	page size

#### Procedure

1. Decide metadata fields
2. Fix capture time
3. Retain permanently
4. Assign responsibility

### (ii) GUIDELINES FOR STORAGE FORMAT

- Active files → local systems then migrated
- Outsourced → central servers
- Backup mandatory
- Open standards mandatory

### (iii) QUALITY CONTROL

Ensure:

- DPI accuracy
- colour correctness
- completeness
- OCR accuracy

### (iv) SECURITY GUIDELINES

Before upload:

- restricted access
- password control

After upload:

- eOffice security applies

### (v) USER TRAINING

Training includes:

- scanning rules
- metadata entry
- security
- uploading

## 3. INTEGRATION INTO eOFFICE

Digitised records must be migrated into eOffice.

### MIGRATION PROCESS

#### STEP 1

Create main folder with same name as physical file.

#### STEP 2

Create sub-folders:

- Notes
- Receipts
- Issues
- References

#### Example Folder Structure

Main Folder	Sub-Folders
A-21001(3)_5_2008_DFG	Notes
	Receipts
	Issues
	References

#### STEP 3

Scan and save documents in correct folders.

#### STEP 4: SCANNING RULES

- Notes → single PDF
- Receipts → one PDF each
- Issues → one PDF each
- References → one PDF each

#### STEP 5

Upload from FTP client to eOffice server using Migration Module.

### EXAM REVISION

Topic	Key Point
Preparation	remove pins, number pages
DPI	depends on document
Metadata	identity
Storage	locked & labelled
Integration	folder structure

Migration	FTP + module
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## PART - 13 - INSPECTION

Inspection is a **management and improvement tool**, not a fault-finding exercise.

It ensures that Sections, Desks, Record Rooms and offices are functioning efficiently and following prescribed rules, especially during the transition to **eOffice**.

This chapter explains:

1. Purpose and frequency of inspection
2. Simplified inspection system
3. Authorities and inspection teams
4. Annual inspection programme
5. Inspection reports and follow-up
6. Supplementary inspections
7. Supervisory inspections

### 13.1 PURPOSE AND PERIODICITY OF INSPECTION

Inspection is:

- not an investigation
- not meant for punishment
- meant to improve functioning
- meant for self-assessment and correction.

It focuses on:

1. discovering the real working position
2. identifying procedural gaps
3. suggesting improvements
4. ensuring compliance with rules

#### Why Inspections are Conducted

Inspections aim to:

- ensure Central Secretariat Manual procedures are followed
- check eOffice implementation
- improve efficiency
- guide staff on the spot
- review earlier corrective actions

#### Who Conducts Inspection Work Now

Earlier: IWSU / O&M Units handled inspection.

Now:

- A designated Section
- Officers notified through Departmental Instructions

#### Frequency of Inspection

Office / Unit	Inspection Frequency
Each Section / Desk	At least once every year
Attached / Subordinate offices	Once every year

CRU / Record Rooms	As prescribed
Surprise inspection	As ordered by Secretary

📌 **Exam Tip** -Inspection ≠ Investigation.  
Its aim is **improvement, not punishment**.

### 13.2 SIMPLIFICATION OF INSPECTION PROCESS

To support the transition from manual working to **eOffice**, special attention is given to:

1. CRU (Central Receipt Unit)
2. Departmental Record Rooms

Short questionnaires are used instead of lengthy ones.

### 13.3 INSPECTION TEAMS / AUTHORITIES

Different areas are inspected by **different authorities**.

#### Inspection Authority Table

Area	Inspecting Authority	Frequency
CRU	Officers + IT Cell + NIC	Quarterly
Record Room	Dept + National Archives of India	Annual
Sections / Desks	Deputy Secretary or above	Annual
Personal Staff	Concerned Officer / Secretary	Annual
Whole Ministry	SIU (Dept. of Expenditure)	As advised

#### Role of SIU

Staff Inspection Unit (SIU):

- studies manpower & workload
- submits reports
- shares findings with DARPG

📌 **Exam Tip** -Sections inspected by officer **not below Deputy Secretary** and **not in that hierarchy**.

### 13.4 INSPECTION PROGRAMME

An **annual inspection calendar** is prepared.

#### Who Prepares It

The designated section handling IWSU/O&M work:

- drafts monthly programme
- obtains Secretary's approval
- lists officers & months

### Quarterly Review

Every quarter:

- progress report submitted to Secretary
- pending inspections reviewed
- corrective measures assessed

### Example

Month	Section	Inspecting Officer
April	Establishment	DS (Admin)
June	Accounts	Director
August	CRU	IT + NIC

**Exam Tip** -Inspection programme = **approved by Secretary** and prepared **in advance**.

### 13.5 INSPECTION REPORT

After inspection:

Inspecting Officer prepares a **formal report**.

### Circulation of Report

Copies go to:

- Higher officer
- Divisional Head
- O&M Officer
- Section / Desk Officer

### Compliance by Section

Section Officer / Desk Functionary must:

- rectify defects
- submit compliance report
- within 15 days
- copy to Divisional Head & designated section

### Department-level Monitoring

Designated officer reports to Secretary:

- major trends
- systemic problems
- important procedural issues

### Annual Reporting to DARPG

By **30th April**, the Department informs DARPG about:

1. Sections inspected
2. Attached offices inspected
3. Procedural deficiencies

4. Suggestions for improvement
5. General points

**Exam Tip** -Compliance report deadline = **15 days**.

### 13.6 SUPPLEMENTARY INSPECTIONS

Apart from annual inspection:

1. Special inspections may be ordered
2. Surprise inspections may be conducted by Secretary
3. Focus may be on specific sensitive areas

**Exam Tip** -Surprise inspections = ordered by **Secretary**.

### 16.7 PERIODIC INSPECTION BY SUPERVISORY OFFICERS

Supervisory officers must continuously monitor:

- Sections
  - Desks
  - staff work
- These officers include:
- Branch Officer
  - Divisional Head
  - Joint Secretary

### Purpose

- prevent accumulation of defects
- detect issues early
- improve efficiency
- ensure accountability

**Exam Tip** -Annual inspections are supplemented by **routine supervisory checks**.

## CHAPTER:10. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT - 2013 (POSH-2013)

(As per CCS (Conduct) Rules, Vishaka Guidelines & Sexual Harassment of Women at Workplace Act, 2013)

### 1. INTRODUCTION — WHY THIS CHAPTER IS CRITICALLY IMPORTANT

Sexual harassment at the workplace is not merely misconduct under service rules—it is:

- A violation of **Fundamental Rights** under Articles **14, 15 and 21** of the Constitution.
- A breach of the right to work with dignity and safety.
- An offence that may attract **disciplinary as well as criminal action**.

For Central Government employees, this subject is governed by:

- **CCS (Conduct) Rules**
- **Vishaka Guidelines (Supreme Court)**
- **Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

### 2. LEGAL SOURCES — WHERE DO THE RULES COME FROM?

This topic is regulated by **three inter-linked authorities**:

Source	Role
Supreme Court (Vishaka Case)	First binding guidelines
CCS (Conduct) Rules — Rule 3-C & 13-A	Makes it misconduct
2013 Act	Statutory framework

➤ **Example** -A Central Government employee harasses a colleague:

- Department proceeds under **CCS (CCA) Rules**.
- ICC inquires under **2013 Act**.
- Police complaint possible under **IPC**.

### 3. WHAT IS “SEXUAL HARASSMENT”?

Under **Rule 13-A** and **Section 2(n) of the Act**, sexual harassment includes:

#### Five Core Acts

1. Physical contact and advances
2. Demand/request for sexual favours
3. Sexually coloured remarks
4. Showing pornography
5. Any other unwelcome physical, verbal or non-verbal conduct of sexual nature

➤ **Example** -A senior officer repeatedly sends explicit messages to a junior: Covered under **sexually coloured remarks** and **non-verbal conduct**.

### 4. CIRCUMSTANCES THAT AMOUNT TO HARASSMENT

Even if conduct is subtle, it becomes harassment if accompanied by:

Circumstance	Meaning
Preferential treatment	“Agree and you’ll get promotion”
Threat of harm	“Refuse and I’ll block your transfer”
Job insecurity	Threat about career
Hostile work environment	Fear, humiliation
Health/safety impact	Mental trauma

**Example** -Officer threatens poor APAR unless employee complies:-Sexual harassment + abuse of authority.

### 5. WHAT IS A “WORKPLACE”? — VERY BROAD MEANING

Workplace includes:

- ✓ Government offices
- ✓ PSUs & Autonomous bodies
- ✓ Hospitals
- ✓ Sports complexes
- ✓ Official travel & transport
- ✓ Guest houses / residences
- ✓ Any place visited during duty

**Table: Workplace Coverage**

Location	Covered?
Office	✓
Govt bus during tour	✓
Hotel during official stay	✓
Home of officer	✓

### 6. SEXUAL HARASSMENT = MISCONDUCT UNDER CCS RULES

Under **Rule 3(1)(iii)**: -Any sexual harassment is:

- ✓ “Unbecoming conduct of a Government servant”
- ✓ A disciplinary offence
- ✓ Punishable under CCS (CCA) Rules.

➤ **Example** -Complaint proved:

Major penalty proceedings initiated.

### 7. CRIMINAL LIABILITY — PARALLEL ACTION

If the act also amounts to an IPC offence: -Department **must lodge complaint** with police.

Both can run simultaneously:

- Departmental inquiry
- Criminal case.

🔍 **Exam Tip** -Departmental inquiry ≠ substitute for criminal law.

### 8. COMPLAINT MECHANISM — MANDATORY IN EVERY OFFICE

Every organization must:

- ✓ Set up a **Complaints Committee**
- ✓ Ensure time-bound disposal
- ✓ Protect victim/witness
- ✓ Treat ICC report as inquiry report.

### 9. ONLINE PORTAL — SHE-BOX

Government launched: **-Sexual Harassment electronic-Box (SHe-Box)**

Features:

- Online complaint filing
- Auto-forwarded to ICC
- Progress tracking.

➤ **Exam Tip** -Portal name = **SHe-Box**.

### 10. COMPOSITION OF COMPLAINTS COMMITTEE — BASIC RULE

Committee must have:

- ✓ Woman Chairperson
- ✓ ≥ 50% women members
- ✓ One NGO / external expert

Chairperson may even be junior to accused.

### 11. INTERNAL COMPLAINTS COMMITTEE (ICC) — CONSTITUTION AT WORKPLACE

#### Statutory Requirement

Every employer **must** constitute an **Internal Complaints Committee (ICC)** by written order at every workplace.

❖ If offices exist at multiple locations → ICC must be formed **at each unit**.

#### Composition of ICC (Section 4)

Member	Requirement
Presiding Officer	Senior woman employee
Employees	At least 2
External Member	NGO / expert
Women Members	Minimum 50%
Tenure	Up to 3 years

❖ **Example** -A ministry with offices in Delhi & Chennai:

ICC must exist at both.

📌 **Exam Tip** -PYQ: "Minimum women members in ICC?" → **Half**.

#### 12. REMOVAL OF ICC MEMBERS

Member can be removed if:

- ✓ Breaches confidentiality
- ✓ Criminal case pending
- ✓ Disciplinary case
- ✓ Abuse of position.

Vacancy filled by fresh nomination.

#### 13. LOCAL COMPLAINTS COMMITTEE (LCC) — WHEN ICC DOES NOT EXIST

When is LCC used?

- Workplace has <10 workers
- Complaint is **against employer**
- Domestic workers.

#### District Officer Role

District Magistrate / Collector notified.  
Appoints LCC and nodal officers.

#### 14. COMPOSITION OF LCC

Member	Details
Chairperson	Eminent woman
Local women worker	1

NGO members	2
SC/ST/OBC/minority woman	Mandatory
Govt officer	Ex-officio
Tenure	≤ 3 years

#### 15. GRANTS & AUDIT

Central Govt gives grants → State → Agency → District Officer.

Accounts audited.

#### 16. WHO CAN FILE COMPLAINT?

- ✓ Aggrieved woman (any age, employed or not)
- ✓ Domestic worker
- ✓ Legal heir if incapacitated/deceased.

**Time Limit:**

Case	Limit
Single incident	3 months
Series	3 months from last
Extension	Further 3 months

#### 17. CONCILIATION — OPTIONAL & VICTIM-INITIATED

- Only if woman requests.
- No monetary settlement allowed.
- If settled → no inquiry.

📌 **Exam Tip** - Money cannot be basis of conciliation.

#### 18. INQUIRY PROCESS — BASIC FRAMEWORK

- ICC/LCC conducts inquiry.
- As per service rules.
- Domestic worker → police in 7 days.
- Both parties heard.

#### 19. POWERS OF ICC/LCC

Same as Civil Court:

- ✓ Summon witnesses
- ✓ Demand documents
- ✓ Examine on oath.

#### 20. TIME LIMIT FOR INQUIRY

Inquiry must finish within **90 days**.

## 21. RELIEF DURING PENDENCY OF INQUIRY (SECTION 12)

While inquiry is ongoing, **on written request of the aggrieved woman**, ICC/LCC may recommend:

### Interim Measures

Measure	Meaning
Transfer	Move complainant or respondent
Special Leave	Up to 3 months (not debited)
Other Relief	Any prescribed assistance

Employer must implement and report compliance.

**Example** -During inquiry, employee feels unsafe:  
ICC recommends transfer + paid special leave.

**Exam Tip** - Leave is **additional**, not deducted.

## 22. INQUIRY REPORT — WHAT HAPPENS AFTER? (SECTION 13)

Within **10 days** of completing inquiry, ICC/LCC sends report to:

- ✓ Employer
- ✓ District Officer
- ✓ Both parties.

### If Allegations NOT PROVED

Recommend: **No action**.

### If Allegations PROVED

Recommend:

1. Disciplinary action under service rules.
2. Deduction of salary for compensation.

If salary cannot be deducted → District Officer recovers as land revenue.

Employer must act within **60 days**.

## 23. DETERMINATION OF COMPENSATION (SECTION 15)

Factors:

Factor	Meaning
Mental trauma	Emotional suffering
Career loss	Missed promotions
Medical expenses	Therapy
Income	Financial status

Payment mode	Lump sum/installments

## 24. FALSE OR MALICIOUS COMPLAINTS (SECTION 14)

If complaint knowingly false:

ICC may recommend disciplinary action.

△ BUT:

- ✓ Mere failure to prove ≠ punishment
- ✓ Malice must be established by inquiry.
- ☛ **Exam Tip** -Important safeguard: false ≠ unproved.

## 25. CONFIDENTIALITY OF PROCEEDINGS (SECTION 16)

Identity of:

- ✓ Complainant
  - ✓ Respondent
  - ✓ Witness
  - ✓ Inquiry details
  - ➔ Cannot be published even under RTI.
- Only justice outcome may be shared without names.

## 26. PENALTY FOR BREACH OF CONFIDENTIALITY (SECTION 17)

Person leaking details: -Punished under service rules.

## 27. RIGHT TO APPEAL (SECTION 18)

Who can appeal?

- ✓ Aggrieved woman
- ✓ Respondent
- ✓ Employer (non-implementation cases)

Time limit = **90 days**.

Appeal lies to court/tribunal under service rules.

## 28. FLOW-CHART — COMPLAINT TO ORDER

Complaint → Conciliation? → Inquiry → Interim Relief  
→ Report → Employer Action → Appeal.

## 29. PYQ-STYLE QUESTIONS

1. Interim leave duration?
2. Inquiry report sent in how many days?
3. Employer to act within?
4. Appeal limit?

## 30. DUTIES OF EMPLOYER (SECTION 19)

Every employer **must proactively prevent harassment**, not merely respond after complaints.

### Statutory Duties Explained

Duty	Meaning
Safe Workplace	Physical & psychological safety

Display Penalties	Posters & ICC order
Awareness Programs	Workshops & training
Support ICC/LCC	Infrastructure
Summon Witnesses	Attendance
Provide Records	Documents
Police Help	FIR support
Action on Perpetrator	IPC
Implement ICC Orders	Sections 13,14
Prevent Victimization	After-case protection

➤ **Example** -Office displays:

- ✓ ICC constitution order
- ✓ Penal provisions
- ✓ Helpline numbers.

📌 **Exam Tip** -Failure → fine ₹50,000.

### 31. PENALTY ON EMPLOYER (SECTION 26)

Offence	Penalty
First	Fine up to ₹50,000
Repeat	Double fine
Also	License cancellation

### 32. COURT COGNIZANCE (SECTION 27)

Only:

- ✓ Metropolitan Magistrate
- ✓ Judicial Magistrate First Class

Offence is **non-cognizable**.

Complaint must be by:

➤ Aggrieved woman / ICC / LCC authorized person.

### 33. ACT NOT IN DEROGATION (SECTION 28)

➤ Act is **in addition** to IPC & service rules.

### 34. RULE MAKING POWERS (SECTION 29)

Central Govt can prescribe:

- ✓ ICC fees
- ✓ Appeal procedure
- ✓ Workshops
- ✓ Inquiry manner
- ✓ Annual reports

Rules laid before Parliament.

### 35. POWER TO REMOVE DIFFICULTIES (SECTION 30)

Govt may issue orders for 2 years after Act commencement.

Orders laid before Parliament.

### 36. COMPARISON TABLE — ICC vs LCC

Feature	ICC	LCC
Where	Employer office	District
When	>10 staff	<10 or employer accused
Head	Senior woman	Eminent woman
Formed by	Employer	District Officer

### 38. LINKAGE WITH CCS (CONDUCT) RULES — RULE 3 & RULE 13-A

Under **Rule 3(1)(iii)** of CCS Conduct Rules:

➤ Any act of sexual harassment = **“unbecoming of a Government servant”** → **MISCONDUCT**

**Rule 13-A** specifically defines sexual harassment.

#### Why this matters?

Because:

- ✓ Departmental disciplinary action
- ✓ CCA Rules apply
- ✓ Major penalty possible
- ✓ Criminal case separate

➤ **Example** -A Section Officer makes obscene remarks →

- ✓ Rule 13-A violated
- ✓ Misconduct → CCA Rule 14 inquiry
- ✓ IPC case may also run.

📌 **Exam Tip** -If exam asks:

*“Sexual harassment under CCS Rules amounts to misconduct?”* ✓ **YES**.

### 39. VISHÁKHA GUIDELINES — FOUNDATION

Supreme Court case: **Vishaka vs State of Rajasthan (1997)**.

Mandated:

- ✓ Complaint Committees
- ✓ Women headed
- ✓ External NGO member
- ✓ Prevention duty

Later codified into 2013 Act.

#### 40. SHe-Box ONLINE SYSTEM

Government launched: - **Sexual Harassment Electronic-Box (SHe-Box)**

Used to:

- ✓ File complaints online
- ✓ Track progress
- ✓ Auto-forward to ICC

➤ **Example** -Woman files complaint via portal → Sent to Ministry ICC → Inquiry starts.

📌 **Exam Tip** -Portal name = **SHe-Box**.

#### 41. ROLE OF ICC AS INQUIRING AUTHORITY (CCA RULE 14)

When respondent is Govt servant:

- ✓ ICC = **Inquiring Authority**
- ✓ Follow Rule 14 procedure
- ✓ Daily Order Sheet
- ✓ Evidence
- ✓ Defence assistant
- ✓ PO appointed

#### Two-Stage Role of ICC

Stage	Function
Investigation	Fact-finding
Formal Inquiry	Disciplinary

**Example** -Preliminary probe → charges framed → formal inquiry → report.

#### 42. PRELIMINARY / FACT-FINDING INQUIRY

Purpose:

- ✓ Verify facts
- ✓ Collect evidence
- ✓ Statements
- ✓ Decide prima facie case
- ⚠ ICC **must avoid**:
- ✗ Declaring guilt early
- ✗ Recommendation of punishment

#### 43. DISCIPLINARY AUTHORITY ROLE

After ICC report:

- ✓ Examine
- ✓ Decide chargesheet
- ✓ Seek reply
- ✓ Rule 14(5)

If admission → Rule 15.

#### 44. WATCH AFTER CONVICTION — POST-CASE PROTECTION

5-year monitoring:

- ✓ No posting under accused
- ✓ Protection from vendetta
- ✓ Representation within 15 days

#### 45. TIME LIMITS

Stage	Time
Complaint	3 months
Extension	+3 months
Inquiry	90 days
ICC report	10 days
Employer action	60 days
Appeal	90 days

#### 47. COMPLETE PROCEDURAL FLOW — FROM COMPLAINT TO FINAL ORDER

##### STEP-BY-STEP FLOW CHART

Step	Action
1.	Complaint filed within 3 months
2.	ICC/LCC assists writing
3.	Optional conciliation
4.	Formal inquiry
5.	Interim relief
6.	Report
7.	Employer action
8.	Appeal

#### 48. CONCILIATION (SECTION 10)

Allowed only:

- ✓ On woman's request
- ✓ Before inquiry
- ✗ No monetary settlement allowed.

📌 **Exam Tip** - Monetary compensation ≠ conciliation.

#### 49. ACTION DURING PENDING INQUIRY (SECTION 12)

ICC may recommend:

- ✓ Transfer respondent/victim
- ✓ Leave up to 3 months
- ✓ Other relief

Employer must implement.

#### 50. INQUIRY REPORT (SECTION 13)

ICC/LCC must submit within: **-10 days**.

**Outcomes:**

Finding	Action
Not proved	No action
Proved	Penalty + compensation

#### 51. COMPENSATION FACTORS (SECTION 15)

ICC considers:

- ✓ Mental trauma
- ✓ Career loss
- ✓ Medical bills
- ✓ Income
- ✓ Lump sum/installment

#### 52. FALSE OR MALICIOUS COMPLAINTS (SECTION 14)

Action possible if:

- ✓ Malicious intent proved
- ✓ Forged evidence

△ Mere failure to prove ≠ false case.

#### 53. CONFIDENTIALITY (SECTIONS 16 & 17)

Cannot publish:

- ✓ Names
- ✓ Proceedings
- ✓ Findings

Penalty under service rules.

#### 54. APPEAL PROVISIONS (SECTION 18)

Appeal:

- ✓ Within 90 days
- ✓ Court/Tribunal
- ✓ Service rules apply

#### 55. DO's & DON'Ts

Topic	Rule
Conciliation	Non-monetary
Inquiry time	90 days
Employer action	60 days
Appeal time	90 days
False complaint	Intent needed

#### 57. LOCAL COMPLAINTS COMMITTEE (LCC) — DISTRICT LEVEL BODY

Created when:

- ✓ Office has <10 employees
- ✓ Complaint is **against employer**

⚙️ **Who Constitutes LCC?**

**District Officer** (DM/ADM/Collector/Deputy Collector)

#### 58. NODAL OFFICERS IN RURAL / URBAN AREAS

District Officer must appoint:

- ✓ Block
- ✓ Taluka
- ✓ Tehsil
- ✓ Ward
- ✓ Municipality

Function: -Receive complaints → forward to LCC within **7 days**.

#### 59. JURISDICTION OF LCC

Covers: -Entire district area.

#### 60. COMPOSITION OF LCC (SECTION 7)

Member	Source
Chairperson	Eminent woman
1 Woman member	Block/ward
2 NGO members	One must be woman

Govt officer	Ex-officio
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Special:

- ✓ One SC/ST/OBC/minority woman
- ✓ One with legal background preferred

**61. TENURE OF LCC MEMBERS** -Maximum 3 years.

**62. REMOVAL OF MEMBERS**

Removed if:

- ✓ Section 16 violated
- ✓ Criminal case
- ✓ Disciplinary case
- ✓ Abuse of office

**63. GRANTS & AUDIT (SECTION 8)**

Central Govt → State Govt → Agency → District Officer.

Accounts audited by AG.

**64. NON-ORGANISED SECTOR & DOMESTIC WORKERS**

Domestic worker can complain to: - LCC.  
Police FIR if prima facie.

**65. PYQ ORIENTED SHORT QUESTIONS**

- ✓ Who appoints nodal officers?
- ✓ LCC jurisdiction?
- ✓ Chairperson qualification?
- ✓ Tenure?

**66. QUICK MEMORY TRICKS**

ICC → Employer

LCC → District Officer

Tenure → 3 years

Forward complaint → 7 days

**67. KEY DEFINITIONS**

The POSH Act is **definition-heavy**. PYQs often ask exact wording.

**A. "AGGRIEVED WOMAN" — SECTION 2(a)**

Means:

- ✓ Woman of **any age**
- ✓ Employed or not
- ✓ Alleging sexual harassment
- ✓ Includes domestic worker

➤ **Example** -Intern harassed → covered.

**B. "APPROPRIATE GOVERNMENT" — SECTION 2(b)**

Workplace funded/controlled by	Government
Central Govt	Central
State Govt	State
Private sector	State Govt

**C. "EMPLOYEE" — SECTION 2(f)**

Includes:

- ✓ Regular
- ✓ Temporary
- ✓ Contract
- ✓ Trainee
- ✓ Volunteer
- ✓ Apprentice

**D. "EMPLOYER" — SECTION 2(g)**

Sector	Employer
Govt dept	Head
Private	Manager
Dwelling	House owner
Contract	Contractor

**E. "WORKPLACE"**

Includes:

- ✓ Offices
- ✓ NGOs
- ✓ Hospitals
- ✓ Sports venues
- ✓ Transport
- ✓ Houses
- ✓ Private firms

**F. "SEXUAL HARASSMENT" — SECTION 2(n)**

Act	Included
Physical advances	✓
Demand favours	✓
Remarks	✓
Pornography	✓
Gestures	✓

**G. "UNORGANISED SECTOR"**

Enterprise <10 workers.

YOUTUBOX STUDY

## CHAPTER:11. MODIFIED ASSURED CAREER PROGRESSION SCHEME (MACPS)

(As per Seventh Central Pay Commission & Consolidated Government Guidelines)

### 1. INTRODUCTION TO CAREER PROGRESSION IN GOVERNMENT SERVICE

In Government service, promotions normally depend upon the availability of vacancies, recruitment rules, and seniority-cum-fitness or merit. However, in many cadres—especially isolated posts or slow-moving promotional hierarchies—employees may stagnate in the same post for years despite satisfactory service.

To address this stagnation, the Government of India introduced **career progression schemes**:

- **ACP Scheme (1999)** – Assured Career Progression
- **MACPS (2008 onwards)** – Modified Assured Career Progression Scheme

The MACPS is a **financial upgradation scheme**, not a promotion scheme. It ensures that employees who do not get timely promotions still receive periodic pay progression.

### 2. BACKGROUND: SEVENTH CENTRAL PAY COMMISSION (7th CPC)

The **Seventh Central Pay Commission**, in **Para 5.1.44** of its report, recommended:

- MACPS should **continue** at:
  - **10 years**
  - **20 years**
  - **30 years**
- Instead of Grade Pay, employees will move to the **immediate next Pay Level** in the **Pay Matrix**.
- MACPS should apply to:
  - All posts **up to HAG (Higher Administrative Grade)**.
- However, **Organised Group 'A' Services** (like IAS, IPS, IFS etc.) are **excluded**.

The Government accepted these recommendations and issued consolidated instructions making the revised MACPS **effective from 25 July 2016**.

### 3. WHAT IS MACPS?

The **Modified Assured Career Progression Scheme (MACPS)** provides:

**Three financial upgradations** to a Central Government civilian employee who does not receive three regular promotions during his/her career.

These are granted after:

- **10 years**
- **20 years**
- **30 years**

from the **direct entry grade**, or

after **10 years continuous service in the same Pay Level**, whichever is **earlier**. ★ **Key Features at a Glance**

Feature	Description
Nature	Financial upgradation
Number	Three
Time	10, 20, 30 years
Benefit	Next higher Pay Level
Promotion?	× No
Applies till	Level 15 (HAG)

➤ **Example** -Suppose a clerk joins Government service in **Level-2** in 2010.

- No promotion till 2020 → gets **1st MACP** → moves to **Level-3**.
- No promotion till 2030 → gets **2nd MACP** → moves to **Level-4**.
- No promotion till 2040 → gets **3rd MACP** → moves to **Level-5**.

Even though his designation remains the same, his **pay increases**.

📌 **Exam Tip -MACP ≠ Promotion**

MACP only gives **higher pay**, not a new post or seniority change.

#### 4. EMPLOYEES COVERED UNDER MACPS

MACPS applies to:

- **Group 'A'** (except **Organised Group 'A' Services**)
  - **Group 'B'**
  - **Group 'C'**
- Central Government **civilian employees** appointed on a **regular basis**.

MACPS does **not** apply to:

- Casual labour
- Temporary status employees
- Ad-hoc appointees
- Contract employees

➤ **Example**

An Assistant Section Officer appointed regularly is eligible for MACP.

But a contractual clerk hired for 2 years is **not** eligible

✗ **Not Eligible**

📌 **Exam Tip** -Eligibility depends on **regular appointment**, not length of service alone.

#### 5. LEVEL-WISE MOVEMENT UNDER MACPS

MACPS grants movement only to the:

**Immediate next Pay Level** in the Pay Matrix.

It does **not** jump directly to the promotional post's pay if that post lies two or three levels higher.

He will get **Level 7 only when he is actually promoted**.

❖ **Concept Explained**

Suppose:

- Present Level = **Level 4**
- Promotional post is in **Level 7**

Under MACPS:

- Employee moves only to **Level 5**.

➤ **Example**

A Technician in Level 3 has promotion channel:

Level 3 → Level 6.

Under MACP, he moves:

Level 3 → **Level**

📌 **Exam Tip** -MACP always follows **Pay Matrix hierarchy**, not cadre hierarchy.

#### 6. MAXIMUM LIMIT: UP TO HAG

MACPS benefits are admissible **up to Level 15**, which corresponds to:

**Higher Administrative Grade (HAG)**.

Beyond this level, MACP is **not allowed**.

#### 7. PAY FIXATION ON MACP

When MACP is granted, pay is fixed exactly like promotion, as per:

- **Rule 13 of CCS (Revised Pay) Rules, 2016**
- DoPT OM dated **27-07-2017**

⌘ **Important Rules**

1. Fixation benefit allowed at MACP stage.
2. If later promotion is in the **same level**, no fresh fixation.
3. If later promotion is to **higher level**, pay is fixed in that higher level at equal or next higher cell.

Employee may choose:

- Date of promotion, OR
- Date of next increment (1st Jan / 1st July).

➤ **Example** -Employee in Level 4 gets MACP to Level 5.

Later promoted to post in Level 6.

→ Pay refixed in Level 6 at equal or next higher cell.

📌 **Exam Tip** -Option under **FR 22(1)(a)(1)** is frequently asked in exams.

## 8. HOW MANY TIMES DOES MACP COMMITTEE SIT?

To grant MACP, each department constitutes a **Screening Committee**.

### Composition

- Chairperson + 2 members
- Members must be at least **one level above**
- Not below **Under Secretary rank**
- Chairperson usually one level higher than members.

### Meeting Schedule

The committee meets **twice every financial year**:

Period when MACP matures	Committee Meeting
April–September	First week of January
October–March	First week of July

This prevents administrative overload.

➤ **Example** -Employee completes 10 years in May 2025. → Case processed in **January 2026 meeting**.

📌 **Exam Tip** -Twice a year is a favorite MCQ.

## 9. AUTHORITY TO APPROVE SCREENING COMMITTEE RECOMMENDATIONS

After the Screening Committee examines the case of an employee, its recommendations must be approved by the competent authority.

🔗 **Who Approves?** Different situations arise: -**When Appointing Authority is the President**

Location of Screening Committee	Approving Authority
Ministry / Department Secretariat	Secretary of that Ministry/Department
Field Office / Attached / Subordinate Office	Head of that Organisation

### ♦ All Other Cases

- The **Appointing Authority** itself approves.

➤ **Example** -An Assistant working in a field office under a Ministry is eligible for MACP.

- Screening Committee is in that field office.
- Appointing Authority is President.

❖ Approval will be given by **Head of that Organisation**, not by the Ministry Secretariat.

📌 **Exam Tip** -Approval authority is often tested in **departmental exams & SSC**.

these MACP orders are issued **after consultation with the Comptroller and Auditor General (CAG) of India**.

## 10. CONSULTATION WITH CAG FOR AUDIT DEPARTMENT

For officers serving in:

**Indian Audit and Accounts  
Department**

➤ **Example** -An auditor in IA&AD will get MACP only after the procedure includes CAG consultation.

## 11. INTERPRETATION & EFFECTIVE DATE

- Any clarification or doubt regarding MACPS is issued by:  
**Department of Personnel & Training (DoPT), Establishment–D Division**
- MACPS is **effective from 01.09.2008**, though 7th CPC changes apply from **25.07.2016**.

☛ **Exam Tip** -Authority for interpretation = DoPT, not Ministry of Finance.

## 12. NO STEPPING UP DUE TO MACP ALONE

Normally:

No stepping up of pay is allowed merely because a junior gets higher pay due to MACP.

However, later special provisions exist for **pre–2016 vs post–2016 anomalies**, which will be discussed later.

## 13. NUMBER OF FINANCIAL UPGRADATIONS

Under MACPS:

- Three upgradations:
  - 1st at 10 years
  - 2nd at 20 years
  - 3rd at 30 years

OR

- After **10 years in same Pay Level**, whichever is earlier.

➤ **Example** -Officer promoted after 8 years, then stagnates 10 years in same level:

- Gets MACP at 18th year.

## 14. MACP VS REGULAR PROMOTION

This is a crucial concept.

### Difference

MACP	Regular Promotion
Financial only	Functional
No change in post	New post
No seniority change	Seniority affected

No reservation roster	Reservation applies
-----------------------	---------------------

➤ **Example** -Two clerks:

- Senior gets MACP → higher pay.
- Junior promoted → new post.

Junior may still be senior in cadre.

☛ **Exam Tip** -Reservation does **not** apply in MACP.

## 15. IGNORING PAST PROMOTIONS DUE TO MERGER

Sometimes pay scales merge due to Pay Commission.

In such cases:

- Earlier MACPs or promotions **in same Pay Level** are **ignored** for counting future MACP.
- Benefit applies from date Recruitment Rules are notified.

**Example** -Two grades merged into Level 6. Earlier promotion between them will **not count** as MACP.

## ❖ 16. PAY FIXATION AFTER 1.1.2016

For MACP granted after **1 January 2016**:

- Rule 13 of CCS (RP) Rules, 2016 applies.

## 17. RE-FIXATION WHERE POST WAS UPGRADED BY 7TH CPC

If:

- Employee already got MACP earlier, AND
- His substantive post itself is upgraded by 7th CPC,

then:

⇒ Earlier MACP is **refixed** to the next higher level in Pay Matrix.

### Illustrative Case: Postal Inspector

Situation	Result
Old GP 4200	Upgraded to GP 4600 → Level 7
MACP earlier to GP 4600	Now refixed to GP 4800 → Level 8

**Exam Tip** -Postal Inspector example is classic in departmental papers.

## 18. OPTION UNDER FR 22

On MACP/promotion, employee can choose:

- Fixation from date of MACP/promotion, OR
- Fixation from next increment.

## 19. PROMOTIONS IN SAME LEVEL COUNT

If promotion is to a post in:

- **Same Pay Level**

Then: -It will be **counted** for MACP purposes.

## 20. WHAT COUNTS AS “REGULAR SERVICE”?

Regular service begins from:

- Date of joining direct entry post on regular basis.

Counts:

- Deputation
- Foreign service
- Study leave
- Sanctioned leave.

Does **not** count:

- Casual
- Ad-hoc
- Contract
- Training before appointment.

➤ **Example** -Temporary clerk for 2 years → later regularised.

Only regular period counts.

📌 **Exam Tip** -Service in State Govt does **not** count.

## 21. COUNTING PAST SERVICE IN ANOTHER CENTRAL DEPARTMENT

If an employee:

- Served regularly in another **Central Government Department**,
- In the **same Pay Level**,
- Without any break,

and then joins a new Department,

⇔ That past service **will be counted** for MACP **only** (not for regular promotion).

△ **Condition:**

MACP benefit in the new Department is allowed **only after successful completion of probation**.

**Example** -A clerk works 8 years in Ministry A (Level-2).

Transfers to Ministry B (same level).

After 2 more years:

- Total = 10 years → eligible for MACP (after probation).

📌 **Exam Tips** - Past Central Govt service counts only for MACP, not promotion.

## 22. SERVICE IN STATE GOVT / PSU — NOT COUNTED

If a person earlier worked in:

- State Government
- Autonomous body
- Statutory body
- PSU

before joining Central Government,

❖ That service is **NOT counted** for MACP.

➤ **Example** -Worked 5 years in State Govt → joins Central Govt.

MACP clock starts **fresh**.

## 23. WHAT PERIODS ARE INCLUDED IN REGULAR SERVICE?

Included:

- Deputation
- Foreign service
- Study leave
- All sanctioned leave.

**Exam Tip** -Deputation period counts — common MCQ.

## 24. WORK-CHARGED EMPLOYEES

MACPS also applies to:

- Work-charged employees

❖ Only if their service conditions are comparable to regular staff.

## 25. EXISTING TIME-BOUND PROMOTION SCHEMES

Departments may:

- Continue their own in-situ or time-bound schemes, OR
- Switch to MACPS.

△ But:

Both cannot run **simultaneously**.

➤ **Example** -Railway department has its own scheme. Either keep it OR adopt MACPS.

## 26. EXTENSION TO AUTONOMOUS BODIES

MACPS applies directly only to:

- Central Govt civilian employees.

It may be extended to:

- Central Autonomous/Statutory bodies

⇔ Subject to DoPT OM dated **03.08.2010**.

## 27. DEFERMENT OF MACP DUE TO UNFITNESS / DISCIPLINARY CASE

If MACP is:

- Deferred because employee is unfit, OR
- Facing departmental proceedings,

⇒ All future MACPs also get **delayed by same period**.

## 28. EFFECT ON DESIGNATION & STATUS

On MACP:

- No change in post
- No change in classification
- No change in status.

Only:

- Pay increases
- Linked benefits like:
  - HBA
  - Govt accommodation eligibility.

📌 **Exam Tip** - Designation remains same.

## 29. BENCHMARK IN APAR FOR MACP

From **25.07.2016 onwards**:

⇒ Benchmark = “**Very Good**” for all levels.

### APAR Benchmarks Table

Year	Level 11 & below	Level 12 & above
2013–14 & earlier	Good	Very Good
2014–15	Good	Very Good
2015–16	Good	Very Good
2016–17 onwards	Very Good	Very Good

## 30. DISCIPLINARY / PENALTY CASES

MACP is subject to:

- CCS (CCA) Rules, 1965

Same rules as normal promotion.

## 31. RESERVATION IN MACP

MACP is:

- Personal to employee
- Not functional promotion.

Therefore:

✗ No reservation roster.

But:

✓ Reservation applies at **regular promotion**.

## 32. EFFECT OF MACP ON SENIORITY & STEPPING UP OF PAY

MACP is purely a **personal financial benefit**.

It does **not**:

- Change seniority
- Create additional MACP for seniors
- Give functional status.

Normally, a senior cannot demand MACP simply because a junior has drawn higher pay after MACP.

### 📌 **Special Rule: Stepping Up After 01.01.2016**

If:

- Senior got MACP **before 01.01.2016**, AND
- Junior got MACP **after 01.01.2016** to higher Level, AND
- Senior's revised pay becomes **lower**,

Then: - Senior's pay may be **stepped up**, subject to conditions.

### Conditions for Stepping Up

All must be satisfied:

1. Same cadre & same level at MACP.
2. Same old and revised pay structure.
3. Senior earlier drawing equal or higher pay.
4. Anomaly due to FR 22 or pay fixation rules.

✗ Not allowed if junior earlier had advance increments.

➤ **Example** -Senior A & Junior B same cadre.

Junior's MACP after 2016 puts him at higher pay.

Senior's pay may be stepped up.

📌 **Exam Tip** -Stepping up has **strict conditions** — memorize them.

## 33. MACP PAY COUNTS FOR RETIREMENT

Pay drawn under MACP:

Counts for:

- Pension
- Gratuity
- Other terminal benefits.

## 34. SURPLUS EMPLOYEES & TRANSFER CASES

### Surplus Organisation

If employee declared surplus and reappointed:

- Past service counts for MACP.

### Transfer (Including on Request)

Service in old office counts.

MACP in new office is:

Only to immediate next Pay Level.

If employee voluntarily reverts to lower post:

- Past promotion is ignored for MACP.

### 35. REFUSAL OF PROMOTION

Two situations:

#### ✗ Refuses before MACP due

→ No MACP.

#### △ Refuses after MACP granted

- MACP not withdrawn.
- But future MACPs deferred until employee accepts promotion again.

➤ **Example** -Employee refuses promotion at 9th year.→ No MACP at 10th year.

### 36. AD-HOC HIGHER POST CASES

Employees holding higher posts on ad-hoc basis:

- Still considered by Screening Committee.

MACP may be granted after reversion.

### 37. DEPUTATION CASES

Employee on deputation:

- Need not return to parent cadre.

Can choose:

- Pay of deputation post, OR
- Pay under MACP.

If MACP pay chosen:

- Deputation allowance regulated as per DoPT OM dated 24.11.2017.

### Pare 38/ 27. ILLUSTRATION – A (OFFICIAL CASES)

Under MACPS:

⇔ The Government counts **TOTAL UPGRADATIONS:**

- Regular Promotions
    - MACPs
- Together -Maximum = **3 in entire career.**

Type	Counts as upgradation?
Regular Promotion	✓ Yes

MACP	✓ Yes
ACP (old)	✓ Yes

### A.(i) – Official Case

*If a Government servant in Level 2 gets his first regular promotion in the Level 4 on completion of 8 years of service and then continues in that Level for further 10 years without any promotion then he would be eligible for 2nd financial upgradation under the MACPS in the Level 5 after completion of 18 years (8+10 years).*

#### Situation

- Entry Level = **Level 2.**
- After **8 years** → gets **1st regular promotion** to **Level 4.**

This promotion is counted as:

- ✓ **1st career upgradation.**

Then:

- He stays 10 years in Level 4.

At 18 years total service:- He is entitled to the **NEXT** upgradation. Since one upgradation already happened (promotion):

- ✓ This becomes **2nd MACP**, not 1st.

And MACP always gives only:

**Immediate next level → Level 5.**

#### ◆ Why NOT 1st MACP?

Because:

- He already used up his **1st upgradation** in the form of promotion at 8th year. MACP is given **only when promotion does not happen.**

**Exam Tip** -Always count promotions first before numbering MACP.

### A.(ii)(a) – Official Case

*In case he does not get any promotion thereafter, then he would get 3rd financial upgradation in the Level 6 on completion of further 10 years of service i.e. after 28 years (8+10+10).*

### What already happened?

1. Promotion at 8 years → 1st upgradation
  2. MACP at 18 years → 2nd upgradation
- Now: -No promotion for next 10 years.  
 ➔ Next = **3rd MACP** at 28 years → Level 6.

**Exam Tip** -Promotion + MACP = three total chances only.

### A.(ii)(b) – Official Case

*However, if he gets 2nd promotion after 5 years of further service to the grade say in the Level 7 [i.e. on completion of 23 years (8+10+5 years)], then he would get 3rd financial upgradation in Level 8 after completion of 30 years.*

### WHY 3rd MACP AT 30 YEARS

Up to 18th year:

- Promotion = 1st
- MACP = 2nd
- At 23rd year:
- Second regular promotion to Level 7.  
That becomes:

✓ **3rd career upgradation.**

So:

- No MACP immediately.

Third MACP can only come when **three total are not exhausted.**

Hence:

- Third MACP only at **30 years** if applicable → Level 8.

📌 **Exam Tip**- Once three total upgrades (promo + MACP) are done, no more MACP.

### A.(iii)(a) – Official Case

*If he gets 2nd promotion before 20th year (say 19th year), then he gets 3rd MACP at the end of 29th year (i.e. 10 years from 2nd promotion), provided he does not get 3rd promotion.*

### WHY 3rd MACP AT 29 YEARS

- Promotion at 8 years = 1st.
- Second promotion at 19 years = 2nd.  
Now two upgradations already used.

He has no third promotion. So:

- After 10 years from 2nd promotion = 29th year.  
↳ That becomes: ✓ **3rd MACP.**

### A.(iii)(b) – Official Case

*If he gets 2nd promotion after 20th year (say in 23rd year), and there is no 3rd promotion before 30 years, then he may be allowed 3rd MACP at the ↪ If second promotion occurs **after 20 years**, third MACP is normally at **30 years**.*

### WHY 3rd MACP AT 30 YEARS

- Promotion at 8 years = 1st.
- Second promotion at 23 years = 2nd.  
↳ Since second promotion happened **after 20 years**:
- MACP is considered at 30 years. That is **3rd MACP.**

### ILLUSTRATION – B

#### Official Case

*If a Government servant in Level 2 is granted 1st financial upgradation under the MACPS on completion of 10 years of service in Level 3 and 5 years later he gets 1st regular promotion in Level 4, the 2nd financial upgradation under MACPS will be granted in Level 5 on completion of 20 years of service. On completion of 30 years of service, he will get 3rd MACP in Level 6. However, if two promotions are earned before completion of 20 years, only 3rd financial upgradation would be admissible on completion of 10 years from 2nd promotion or at 30th year, whichever is earlier.*

#### Explanation

- Entry: Level 2.
- 10 years → **1st MACP** → Level 3.
- 15th year → **promotion** → Level 4.

⇨ At 20 years:

- **2nd MACP** → Level 5.

⇨ At 30 years

- **3rd MACP** → Level 6.

△ If two promotions happen before 20 years:

- Only 3rd MACP later.

📌 **Exam Tip** -Promotions + MACPs together are counted — **maximum three**.

### What happened?

- Entry Level 2.
- 10 years → 1st MACP → 1st upgradation.
- 15th year → promotion → 2nd upgradation.  
So: ⇨ At 20 years:
- Eligible for **3rd upgradation?**  
-NO.

Only two done so far.

So at 20 years:

- ✓ 2nd MACP? ✗
- ✓ Actually this is **2nd MACP but 3rd upgradation?**

Wait—here's the clarity:

Promotions + MACPs together = total three. So:-

Event	Count
1st MACP (10 yrs)	1
Promotion (15 yrs)	2
MACP at 20 yrs	3

Thus: - MACP at 20 years is actually the **2nd MACP but 3rd career upgradation**.

### ILLUSTRATION – Official Case

*If a Government servant has been granted either two regular promotions or 2nd financial upgradation under the ACP Scheme of August 1999 after completion of 24 years of regular service then only 3rd financial upgradation would be admissible to him under the MACPS on completion of 30 years provided he has not earned third promotion.*

### COUNTING OLD ACP

*Old ACP upgradations count.*

*If two ACPs already given:*

⇨ *Only 3rd MACP remains.*

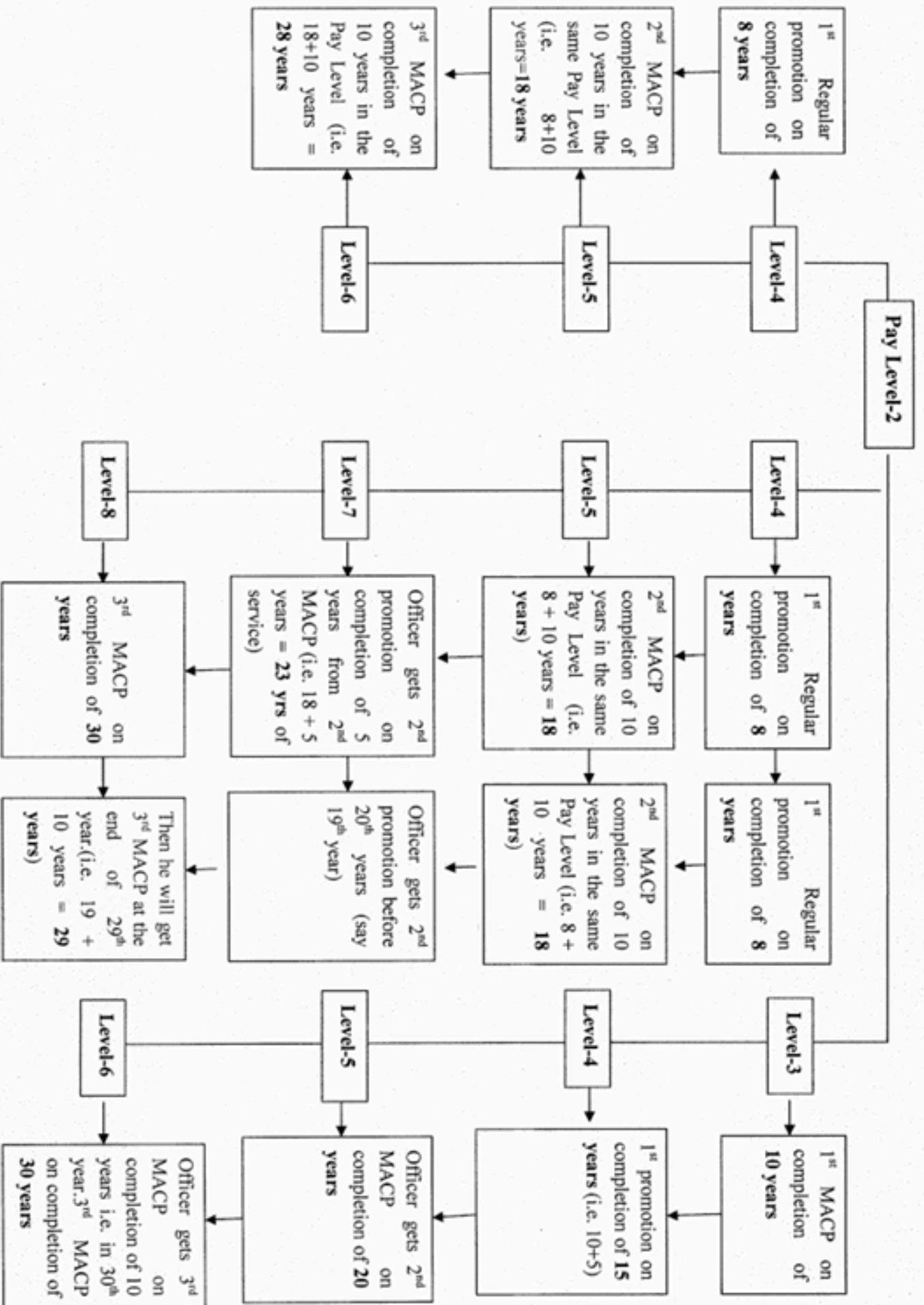
⌘ *MACP counts total number of financial or functional upgradations — promotions + ACP + MACP together.*

**Para 27 (A)(i)&(ii)(a)**

**Para 27(A)(ii)(b)**

**Para 27(A)(iii)(a)**

**Para 27 (B)**



# CHAPTER:12. CENTRAL ADMINISTRATIVE TRIBUNAL (CAT)

(As per Administrative Tribunals Act, 1985, DoPT Rules & Swamy's Handbook)

## 1. INTRODUCTION: WHAT IS CENTRAL ADMINISTRATIVE TRIBUNAL (CAT)?

The **Central Administrative Tribunal (CAT)** is a specialised judicial body established to:

- ⇨ Provide **speedy, effective, and inexpensive** justice to Central Government employees in matters relating to their service conditions.

It was created under the **Administrative Tribunals Act, 1985**, exercising powers previously vested in civil courts and High Courts (in service matters, subject to later constitutional interpretation).

❖ **Full Form -CAT = Central Administrative Tribunal**

### Why CAT Was Created?

Before CAT, Government servants had to approach:

- Civil Courts, or
- High Courts under writ jurisdiction.

This resulted in:

- Delays
- Heavy litigation costs
- Overburdening of courts

❖ CAT was introduced to ensure **specialised adjudication** by experts in service law.

📌 **Exam Tip** - PYQs often ask: “**Full form of CAT?**” or “**CAT is constituted under which Act?**”

✓ Answer: *Administrative Tribunals Act, 1985.*

## 2. WHO COMES UNDER CAT? — BASIC JURISDICTION -

CAT deals with persons:

- Holding civil posts under:
  - Union of India
  - Central Government departments
  - Central Autonomous bodies (if notified)

CAT **does NOT** ordinarily deal with:

- IAS / IPS / IFS (Organised All-India Services) *in certain constitutional contexts*
- Matters of High Court staff
- Armed Forces (covered by Armed Forces Tribunal)

(These distinctions will be discussed in later pages in detail with constitutional background.)

**Example** -A Clerk in Ministry of Health aggrieved about promotion:

↳ Can approach CAT → A soldier in Army:

↳ Cannot go to CAT → must approach **Armed Forces Tribunal**.  
**employees** → CAT.

📌 **Exam Tip** -Service matters of Central civilian

## 3. OBJECTIVE AND NATURE OF CAT

CAT adjudicates disputes relating to:

- Recruitment
- Promotion
- Pay fixation
- Pension
- Transfers

- Disciplinary cases

It functions like a **court**, but with:

- Simplified procedure
- Specialised Members
- Faster disposal.

#### 4. BENCH STRUCTURE OF CAT IN INDIACAT functions through:

- **Principal Bench at New Delhi**
- Several **Regional Benches** across India.

As per the notification cited in your material, Benches exist at:

Ahmedabad, Allahabad, Bangalore, Chandigarh, Chennai, Cuttack, Ernakulam, Guwahati, Hyderabad, Jabalpur, Jaipur, Jammu, Jodhpur, Kolkata, Lucknow, Mumbai, Patna and Srinagar — **along with the Principal Bench at New Delhi.**

#### Bench Distribution Table

Type	Location
Principal Bench	New Delhi
Other Benches	18 locations
<b>Total</b>	<b>19 Benches</b>

#### Exam Tip (Very Important):

- ✓ **Total number of CAT Benches = 19**
- ✓ **Principal Bench location = New Delhi.**

#### 5. JURISDICTION OF EACH BENCH

Each Bench has a **defined territorial jurisdiction.**

An aggrieved employee must normally file the case before the Bench:

- Where he is **posted**, OR
- Where the **cause of action arose.**

❖ **Special Rule** -With permission of the **Chairman**, the case may be filed before the **Principal Bench.**

➤ **Example** -An employee posted in Jaipur whose promotion order was issued there:- Case should be filed before **Jaipur Bench.**

**Exam Tip** -Filing before wrong Bench may lead to rejection or transfer.

#### 6. WHAT ARE “SERVICE MATTERS”? — CORE JURISDICTION OF CAT

The term “**service matters**” includes:

#### Complete List

1. Recruitment & appointment (including compassionate appointment)
2. Pay fixation & increments
3. Confirmation, seniority & promotion
4. Pension & family pension
5. Disciplinary proceedings & adverse entries
6. Transfer & posting
7. Government accommodation issues
8. Medical reimbursement, LTC, leave, joining time
9. Advances & loans
10. Any other connected service issue

◆ **Exam Tip** -Questions often list 4–5 items and ask **which is NOT service matter.**

## 7. WHO CAN APPROACH CAT?

Normally:

- An **individual employee** files an application.

However:

- Multiple employees can file **joint application** with Tribunal's permission if:
  - Cause of action is same
  - Relief sought is common.

**Application Fee** -₹50 per application.

Tribunal may waive fee for indigent persons.

## 8. TYPES OF APPLICATIONS (INTRODUCTORY NOTE)

CAT cases commonly come as:

- **OA** → Original Application
- **TA** → Transferred Application
- **RA** → Review Application
- **Misc./RT** → Interim or procedural relief

These will be explained in **separate detail pages** later.

## 9. LIMITATION PERIOD FOR FILING CASES BEFORE CAT

One of the most important procedural rules is **time limit**.

An application must ordinarily be filed:

### Within ONE YEAR

from:

- The date of the **final order**, OR
- If representation/appeal was made and not decided → after **six months**, and within **one year from expiry of those six months**.

### Power to Relax Limitation

CAT may admit a delayed case:

❖ If **sufficient cause** is shown and supported by an **affidavit**.

➤ **Example** -Promotion denied on 1 Jan 2023.

Representation filed — no reply till July 2023.

OA must be filed between July 2023 and July 2024.

📌 **Exam Tip** -Limitation = **1 year** (not 3 years like civil suits).

## 10. EXHAUSTING DEPARTMENTAL REMEDIES — FIRST STEP BEFORE CAT

Before approaching CAT, the employee must:

➔ **Exhaust all remedies** available under service rules, such as:

- Appeal
- Representation
- Review before departmental authority.

These are treated as exhausted when:

- Final order is passed by highest authority, OR
- Six months pass with no reply.

CAT may relax this only in **exceptional circumstances**.

📌 **Exam Tip** -Departmental appeal normally required before CAT.

## 11. FIRST PROCEDURAL STEP: SCRUTINY BY REGISTRY

Once application is filed:

- It is examined by the **Registry / Registrar**.

The Registrar:

- Checks completeness
- Verifies annexures
- Assigns case number
- Points out defects.

If defects exist:

- Applicants get time (up to **30 days**) to rectify.

If not rectified: -Registrar may place matter before Bench.

## 12. PLACE OF FILING APPLICATION

Normally filed at Bench where:

- Applicant is posted, OR
- Cause of action arose.

Retired/dissmised persons: -May file at Bench where they **reside**.

Principal Bench allowed only with Chairman's permission.

## 13. ADMISSION STAGE & ISSUE OF NOTICE

After scrutiny:

- Case is listed before Bench for **admission hearing**.

At this stage:

❖ Bench may:

- Admit OA, OR
- Reject it, OR
- Issue notice to respondents.

## Important PYQ Area

“Does Bench issue notice before admission?”

✓ Usually **after admission**, but Bench can hear preliminary objections first.

## 14. SERVICE OF NOTICE ON RESPONDENTS

Notices can be served:

Mode	Explanation
By party	Applicant himself
Dasti	Hand delivery
Registered Post	With AD
Through Head of Office	Govt channel
Standing Counsel	If permitted

If private service done:

- Affidavit of service required.

If respondents >5:

- Extra process fee payable.

## 15. TYPES OF BENCHES INTRODUCTION

CAT normally sits as:

- **Division Bench** → Judicial + Administrative Member.

Certain matters:

- Heard by **Single Member Bench**.

If Members differ: - Referred to **Chairman** for larger Bench.

📌 **Exam Tip** - Normal Bench = **two Members**.

## 16. EX-PARTE HEARING

If respondent absent:

- CAT may proceed ex-parte.

Respondent can apply within **30 days** to set aside.

If applicant absent:

- CAT may dismiss for default or decide on merits.

## 17. TYPES OF APPLICATIONS BEFORE CAT — OA, TA, RA & OTHERS

### (A) OA — Original Application

An **Original Application (OA)** is: -The first substantive application filed before CAT by an aggrieved employee under Section 19 of the Act.

Used for:

- Promotion disputes
- Pay fixation
- Transfer
- Disciplinary penalties
- Pension matters.

➤ **Example** -Employee challenges penalty order → files OA.

📌 **Exam Tip** -OA = **Main case before CAT**.

### (B) TA — Transferred Application

A **Transferred Application (TA)** is:- A case originally filed before a High Court or Civil Court, which gets transferred to CAT after its establishment under Section 29.

➤ **Example** -Writ petition pending in High Court in 1986 → transferred to CAT → becomes TA.

📌 **Exam Tip** -TA = not newly filed, but **shifted**.

### (C) RA — Review Application

A **Review Application (RA)** is filed: -To seek review of CAT's own order within **30 days**.

Allowed only for:

- Apparent mistake
- Patent error
- Omission.

➤ **Example** -Clerical mistake in judgment → RA.

📌 **Exam Tip** - RA ≠ Appeal.

### (D) Miscellaneous / Interim Applications

Filed for:

- Stay orders
- Interim relief
- Condonation of delay
- Amendment of pleadings.

## 18. FORM-I — FORMAT OF OA BEFORE CAT

Every OA must be in **Form-I**.

It contains:

1. Details of impugned order
2. Jurisdiction
3. Limitation
4. Facts
5. Grounds + legal provisions

6. Remedies exhausted
7. Declaration of no parallel case
8. Relief sought
9. Interim relief
10. Draft/Postal order details
11. Desire for oral hearing.

📌 **Exam Tip** - “Which Form is used for OA?” → Form-I

## 19. APPLICATION FEE

- ₹50 per application.
- Can be waived for indigent applicant.
- Paid by DD or Postal Order.

## 20. CONTENTS & ANNEXURES

OA must:

- Have numbered grounds.
- Typed double-space.
- Annexures marked:

➔ A-1, A-2, A-3...

Attested by:

- Gazetted Officer, OR
- Advocate.

Agent filing: -Needs authorisation.

Lawyer: - Must attach **Vakalatnama**.

## 21. REPLY BY RESPONDENTS

Respondents must file:

- Reply within **1 month**.
- In triplicate.
- Documents marked:

➔ R-1, R-2...

Copy served on applicant.

## 22. CALENDAR OF CASES & DISPOSAL TIME

Each Bench prepares calendar.

Target:

Decide cases within **6 months** of registration.

Bench can:

- Refuse adjournments.
- Limit oral arguments.

## 23. PRELIMINARY OBJECTIONS

Respondents may raise:

- Limitation
- Jurisdiction
- Maintainability
- Non-exhaustion of remedies.

📌 **Exam Tip** - These are usually raised at **admission stage**.

## 24. CONCEPT OF ESTOPPEL

A party cannot later deny what he earlier accepted by conduct.

In CAT:

- If employee accepted posting without protest → later challenge may fail.

## 25. REVIEW OF CAT ORDERS — DETAILED PROCEDURE

If either party is dissatisfied with a CAT judgment, they may file a **Review Application (RA)**.

### Time Limit

Must be filed within **30 days** from receipt of the order.

### ➔ Who Hears the Review?

Normally:

- The **same Bench** which passed the order.

Exception:

- Chairman may assign to another Bench (reasons recorded).

### ➔ How is Review Decided?

- Often by circulation of papers.
- Bench may:
  - Dismiss RA, OR
  - Issue notice to opposite party.

Once RA is dismissed: -**No second review** lies.

📌 **Exam Tip** -Review is NOT appeal; it is only for correcting errors.

## 26. AFTER CAT — HIGH COURT & SUPREME COURT ROUTE

Earlier Section 28 tried to bar writ jurisdiction of High Courts.

However, Supreme Court ruled: - CAT decisions are subject to **judicial review by High Courts** (Division Bench).

After High Court: -Further challenge only through:

- **Special Leave Petition (SLP)** in Supreme Court.

**Exam Tip** -CAT → High Court → Supreme Court.

## 27. EX-PARTE ORDERS & SETTING THEM ASIDE

If respondent absent:

- CAT may decide ex-parte.

Respondent may apply within **30 days** to set aside if:

- Notice not served, OR
- Sufficient cause prevented appearance.

## 28. SUBSTITUTION OF LEGAL REPRESENTATIVES

If a party dies:

- Legal heirs must apply within **90 days**.

If not:

- Case abates.

Tribunal may revive on sufficient cause.

## 29. ADJOURNMENT OF HEARING

CAT may adjourn if:

- Sufficient cause shown.

May impose: -Costs.

## 30. PRONOUNCEMENT & SIGNING OF ORDERS

Orders:

- Must be in writing.
- Signed by Members.
- Pronounced in open court.

## 31. PUBLICATION OF ORDERS

Selected judgments published in:

**ILR-CAT (Indian Law Reports – Central Administrative Tribunal).**

Others may be released by Chairman.

## 32. COMMUNICATION OF ORDERS

Interim & final orders:

- Sent free to parties or counsel.

Extra copies:

- On payment of fees.

## 33. INSPECTION OF RECORDS

Parties or counsel:

- May inspect with Registrar's permission.

Non-parties:

- Only with written permission.

## 34. REGISTRAR & REGISTRY — HEART OF PROCEDURE

The **Registrar** plays a central administrative role in CAT.

### Custody of Records -Registrar:

- Keeps official records.
- Controls use of Tribunal seal.
- Issues certified copies.

### Delegation of Powers

Registrar may:

- Delegate to Deputy Registrar with approval.

In absence:

- Deputy Registrar or authorised officer acts.

## 35. ADDITIONAL POWERS OF REGISTRAR -Registrar can:

1. Receive applications & documents
2. Decide scrutiny issues
3. Demand amendment
4. Fix first hearing date
5. Order formal record corrections
6. Grant inspection
7. Issue copies
8. Grant time for replies
9. Requisition records
10. Substitute legal representatives
11. Return documents.

📌 **Exam Tip** -Registrar fixes **first hearing date** — very common MCQ.

## 36. REGISTRAR OF PRINCIPAL BENCH — EXTRA POWERS

Has authority to:

- Inspect other Benches.
- Call for records.

## 37. WORKING HOURS OF CAT

Office hours: - **9:30 AM – 6:00 PM**  
(Except Saturdays, Sundays & holidays.)

## 38. SITTING HOURS OF BENCH

Bench normally sits: -**10:30 AM – 1:30 PM & 2:30 PM – 5:00 PM**

Subject to Chairman's orders.

## 39. SEAL & EMBLEM

Seal/emblem:

- Specified by Central Government.
- Kept by Registrar.

#### 40. DRESS CODE

**Members & Staff:** -As prescribed by Chairman.

**Lawyers:** -Professional dress.

If none:

- Male → closed collar coat/loungesuit
- Female → saree or sober dress.

#### 41. REGISTERED CLERKS OF ADVOCATES

Each advocate:

- Can have **maximum two** registered clerks.

Clerk:

- Must be registered in Form-IV.
- Gets identity card.
- Name entered in Register.

When employment ends:

- Name removed.

#### 42. TYPES OF BENCHES

Bench Type	Composition
Normal Bench	Judicial + Administrative
Single Member	Certain cases
Larger Bench	On difference of opinion

#### 43. WHEN CASE GOES TO LARGER BENCH

If two Members differ:

Chairman may:

- Decide himself, OR
- Constitute Larger Bench.

#### 44. DEPARTMENTS & PERSONS OUTSIDE CAT'S JURISDICTION

While CAT has wide jurisdiction, certain categories do **not** ordinarily come under it.

##### Generally Excluded

- Armed Forces personnel  
⇒ Covered by **Armed Forces Tribunal**.
- Certain constitutional posts and judicial services (depending on statutory framework).
- Matters expressly barred by law.

##### High Court Employees

High Court staff service matters usually fall under:  
-Jurisdiction of High Court itself, not CAT.

#### All-India Services (IAS/IPS/IFS)

Though they are Central services, their service matters may involve constitutional jurisdiction; generally handled differently and often litigated before High Courts.

📌 **Exam Tip** -PYQs often ask: **Which Tribunal for Army officers?** → Armed Forces Tribunal.

#### 45. COMPLIANCE WITH CAT ORDERS & CONTEMPT

CAT orders:

- Are final and binding.
- Must be complied within:
  - Time given in order, OR
  - **6 months** if none specified.

Failure: -May lead to **contempt proceedings**.

#### 46. PRELIMINARY STAGE FLOW — FROM FILING TO HEARING

Let us revise the **step-by-step journey**:

1. OA filed → Registrar scrutiny
2. Defects rectified
3. Case registered
4. Listed before Bench
5. Admission
6. Notice issued
7. Replies filed
8. Hearing
9. Order pronounced.

#### 47. SINGLE BENCH VS DIVISION BENCH VS LARGER BENCH

Bench	When
Single Member	Certain notified cases
Two-Member Bench	Normal
Larger Bench	Conflict of opinion

#### 48. SERVICE OF NOTICE TO PRIVATE RESPONDENTS

If respondent is private individual:

- Service via post / dasti.
- Affidavit required if served personally.

Tribunal can direct substituted service.

**49. LIMITATION**

Situation	Time
Final order	1 year
Representation pending	After 6 months
Review	30 days

**50. PYQ FOCUS BOX**

- ✓ Full form: Central Administrative Tribunal
- ✓ Total Benches: 19
- ✓ Principal Bench: Delhi
- ✓ Fee: ₹50
- ✓ OA / TA / RA
- ✓ Limitation: 1 year
- ✓ Review: 30 days
- ✓ Normal Bench: Two Members
- ✓ Orders challenged before: High Court.

**51. DOCUMENTS & INDEX TO BE ATTACHED WITH APPLICATION**

Every OA must be accompanied by:

1. Attested copy of impugned order
2. Copies of relied documents
3. **Index of documents**

**Attestation**

Documents can be attested by:

- Gazetted Officer
- Legal practitioner.

Each annexure must be numbered:

**Annexure A-1, A-2, A-3...**

**When Agent Files**

- Authority letter mandatory.

When advocate files:

- **Vakalatnama is compulsory.**

◆ **Exam Tip** -Annexures always start with A-1.

**52. PLURAL REMEDIES RULE**

One application:

Must be based on **single cause of action**.

Multiple reliefs allowed only if:

- Consequential to each other.

**53. MODES OF SERVICE OF NOTICE**

Notices can be served by:

Mode	Meaning
Party itself	Applicant serves
Dasti	Hand delivery
Registered Post AD	Postal
Head of Office	Govt channel
Standing Counsel	If directed

Tribunal may order substituted service.

**If Respondents > 5**

Extra fee:

- ₹5 per respondent beyond five.

**54. FILING REPLY BY RESPONDENTS**

- Time: 1 month
- Copies: Triplicate
- Annexures: R-1 onwards
- Proof of service mandatory.

**55. ACTION IF APPLICANT DEFAULTS**

If applicant absent :-

- The case may be dismissed.
- Or decided on merits.

Restoration:

- Apply within 30 days with cause.

**56. INTERIM RELIEF**

Interim relief:

- Can be sought in OA itself.
- Or by later misc. application.

Examples:

- Stay of transfer
- Stay of penalty.

**57. INSPECTION & COPIES**

Parties:

- May inspect records.

Non-parties:

- With Registrar permission.

Certified copies:

- On payment.

# CHAPTER:13. RIGHT TO INFORMATION ACT, 2005

(RTI ACT - 2005)

## INTRODUCTION AND OBJECT OF THE ACT

The Right to Information Act, 2005 was enacted to establish a **practical and enforceable regime** enabling citizens of India to obtain information from public authorities. The Act strengthens democratic governance by promoting **transparency, accountability, and informed participation** of citizens in public affairs.

The Preamble clearly highlights four foundational purposes:

1. **Strengthening Democracy** – An informed citizenry is essential for meaningful participation in governance.
2. **Promoting Transparency** – Public authorities must function openly.
3. **Containing Corruption** – Disclosure discourages misuse of power.
4. **Balancing Interests** – The Act harmonises transparency with other public interests such as national security, economic efficiency, and confidentiality of sensitive information.

➤**Example:** A citizen files an RTI seeking details of road construction expenses in his district. The disclosure ensures public funds are not misused and strengthens civic oversight.

## PART I – PRELIMINARY

### 1. Short Title, Extent and Commencement

This legislation is officially known as the **Right to Information Act, 2005**.

It extends to the **whole of India**.

Certain core provisions such as:

- Section 4 (proactive disclosure)
- Section 5 (PIO appointment)
- Sections 12, 13, 15, 16 (Information Commissions)
- Sections 24, 27 and 28

came into force immediately, while the remaining sections commenced **120 days after enactment**.

📌 **Exam Tip:** Remember: 120 days = general commencement period.

### 2. DEFINITIONS – FOUNDATION OF THE ACT

Understanding definitions is crucial for solving MCQs.

#### (a) Appropriate Government

The authority responsible for a public body:

Public Authority	Appropriate Government
Central PSU / Ministry	Central Government
State Body	State Government

#### (b) Central Information Commission

A statutory body created under **Section 12** to adjudicate RTI appeals and complaints at the Central level.

#### (c) Central Public Information Officer (CPIO)

An officer designated under Section 5 to **receive RTI applications** and provide information.

Includes **Assistant Public Information Officers**.

#### (d) Chief Information Commissioner & Information Commissioner

Senior adjudicating authorities heading the CIC.

#### (e) Competent Authority

Authorities empowered to make RTI rules for constitutional bodies:

Institution	Competent Authority
Lok Sabha	Speaker
Rajya Sabha	Chairman
Supreme Court	Chief Justice of India
High Court	Chief Justice
Constitutional Bodies	President / Governor

UT Administration	Administrator
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**PYQ Focus:** *-Who is competent authority for Supreme Court? → CJI*

#### (f) Information

Information includes **any material in any form:**

- Files
- Emails
- Opinions
- Circulars
- Reports
- Data stored electronically
- Information held by private bodies if accessible by law

➤ **Example:** Salary registers in a PSU or email instructions issued to officers are covered.

(g) "prescribed" means prescribed by rules made under this Act by the appropriate Government or the competent authority, as the case may be;

#### (h) Public Authority

Any body:

- Created by Constitution
  - Parliament law
  - State law
  - Government notification
- AND includes:
- Government-controlled bodies
  - NGOs substantially financed by Government.

#### (i) Record

Includes documents, microfilms, computer data, scanned copies.

#### (j) Right to Information

Includes:

1. Inspection of records
2. Taking copies
3. Certified samples
4. Electronic data

#### (k) Third Party

Any person other than the RTI applicant, including public authorities.

## CHAPTER II – RIGHT TO INFORMATION AND OBLIGATIONS

### 3. Statutory Right to Information

Every citizen of India has a legal right to obtain information, subject to exemptions.

📌 **Exam Tip:** *-RTI is available only to Indian citizens, not foreigners.*

### 4. OBLIGATIONS OF PUBLIC AUTHORITIES

Public authorities must proactively disclose information.

#### Mandatory Disclosures (Section 4)

They must publish:

- Organisation structure
- Duties of officers
- Decision-making process
- Rules & manuals
- Budget allocation
- Subsidy details
- Beneficiaries
- Directory of officers
- Salary details
- RTI officers' names

These must be updated **every year**.

#### Suo-Motu Disclosure

Authorities should publish information **voluntarily** to reduce RTI burden.

➤ **Example:** *-Ministry uploads tender details on website—citizens need not file RTI.*

#### Dissemination

Information must be:

- Posted online
- Displayed on notice boards
- Printed in local language
- Free or at minimal cost.

### 5. DESIGNATION OF PUBLIC INFORMATION OFFICERS

Each department must appoint:

- CPIOs
- Assistant PIOs at sub-district level

Assistant PIOs get **5 extra days** for forwarding RTI.

#### Duties of PIO

- Receive applications
- Assist applicants
- Seek help from other officers
- Responsibility remains with PIO.

📌 **Exam Tip:** *Officer assisting PIO is also liable for penalty.*

### 6. REQUEST FOR OBTAINING INFORMATION

Section 6 lays down **how a citizen may apply** for information.

### 6(1) Mode of Application

Any person may submit a request:

- In **writing** or **electronically**
- In **English / Hindi / Official language** of the area
- Along with prescribed **application fee**

It may be addressed to:

- Central or State Public Information Officer
- Assistant Public Information Officer

If the applicant is **unable to write**, the PIO must help reduce it into writing.

**Illustration:** -A villager orally requests land-record details. The PIO writes it down and processes it.

### 6(2) No Need to Give Reasons

Applicants **cannot be compelled** to disclose:

- Purpose of seeking information
- Personal details beyond contact info

📌 **Exam Tip:** -Reason for RTI request is **NOT** required.

### 6(3) Transfer of Application

If information:

- Is held by another authority, OR
  - Is closely connected with another authority,
- Then the PIO must **transfer** the application within **5 days** and inform the applicant.

Situation	Time Limit
Transfer to another authority	5 days

## 7. DISPOSAL OF REQUEST

This section is extremely important for examinations.

### 7(1) Time Limits

PIO must respond within:

- **30 days** normally
- **48 hours** if it concerns *life or liberty*

Case	Time Limit
Ordinary RTI	30 days
Life / liberty	48 hours
Application via APIO	+5 days

➤ **Example:** An RTI about a missing prisoner's medical treatment must be answered within 48 hours.

### 7(2) Deemed Refusal

If no reply is given in time → **Deemed rejection**.

### 7(3) Additional Fee Intimation

If copying charges apply, the PIO must inform:

- Amount
- Calculation
- Appeal rights
- Authority to appeal

The period between notice and payment is **excluded** from 30-day limit.

### 7(4) Assistance to Disabled

Special assistance must be provided for visually or hearing-impaired applicants.

### 7(5) Fee Exemption

Persons **Below Poverty Line (BPL)** pay no fee.

### 7(6) Free Supply for Delay

If authority delays beyond limit → information is **free of cost**.

### 7(7) Third-Party Representation

PIO must consider submissions made by third party (Section 11).

### 7(8) Rejection Communication

When refusing RTI, PIO must mention:

- Reason
- Appeal time limit
- Appellate authority

### 7(9) Form of Information

Normally in form sought unless:

- It diverts excessive resources
- Harms record safety

## 8. EXEMPTIONS FROM DISCLOSURE.

### Main Exempt Categories

Clause	Exempt Information
--------	--------------------

(a)	Sovereignty, security
(b)	Court-barred info
(c)	Parliamentary privilege
(d)	Trade secrets
(e)	Fiduciary relationship
(f)	Foreign Government
(g)	Life / safety threat
(h)	Investigation
(i)	Cabinet papers
(j)	Personal info

◆ **Exam Tip:** Cabinet decision becomes public AFTER decision is taken.

#### Public Interest Override

Even exempt info can be disclosed if **public interest outweighs harm**.

#### 20-Year Rule

Information older than **20 years** must generally be disclosed except:

- National security
- Parliamentary privilege
- Cabinet papers

#### 9. COPYRIGHT GROUND

Information may be refused if it infringes private copyright.

#### 10. SEVERABILITY

If part of document is exempt → non-exempt portion must be given.

PIO must issue written notice stating:

- What was removed
- Why
- Appeal rights
- Fees

► **Example:** Defence contract price may be disclosed but weapon design removed.

#### 11. THIRD PARTY INFORMATION

##### Procedure

PIO must:

- Notify third party within **5 days**
  - Invite objections
  - Give 10 days to respond
  - Decide within **40 days**
- Third party can appeal.

### CHAPTER III – THE CENTRAL INFORMATION COMMISSION

The Central Information Commission (CIC) is the **highest appellate and supervisory authority** under the RTI Act at the Central level. It ensures that citizens actually receive information from public authorities.

#### 12. Constitution of the Central Information Commission

##### 12(1) Establishment

The Central Government shall, by notification in the Official Gazette, establish the **Central Information Commission** to exercise powers and perform functions under the Act.

##### 12(2) Composition

The CIC consists of:

- **Chief Information Commissioner (CIC)**
- **Up to 10 Information Commissioners**

Post	Maximum Number
Chief Information Commissioner	1
Information Commissioners	10

**PYQ Focus:** -Maximum number of Central Information Commissioners = 10.

##### 12(3) Appointment Committee

Appointments are made by the **President** on recommendation of:

- Prime Minister – Chairperson
- Leader of Opposition (Lok Sabha)
- Union Cabinet Minister nominated by PM

If LoP is not recognised → leader of largest opposition group is treated as LoP.

**12(4) Powers & Independence**

The Chief Information Commissioner:

- Controls administration
- Acts autonomously
- Not subject to direction of any authority

**Exam Tip:** *CIC functions independently.*

**12(5) Qualification**

Must be persons of eminence in:

Law, science, technology, social service, journalism, governance, etc.

**12(6) Disqualifications**

Cannot be:

- MP or MLA
- Hold office of profit
- Connected with political party
- Business/profession

**12(7) Headquarters**

CIC HQ: **Delhi**

May establish offices elsewhere with Government approval.

**13. TERM OF OFFICE AND SERVICE CONDITIONS****Tenure**

After 2019 Amendment:

- Term prescribed by Central Government
  - Max age: **65 years**
  - No reappointment
- IC may become CIC — total tenure ≤ 5 years.

**Oath** -Before entering office → oath before President.

**Resignation** -By writing to President.

**Salary & Service Conditions**

Prescribed by Central Government.

Cannot be changed to disadvantage after appointment.

**14. REMOVAL OF CIC / IC****By President after Supreme Court Inquiry**

Only for:

- Proven misbehaviour
- Incapacity

**Suspension Pending Inquiry**

President may suspend during SC inquiry.

**Direct Removal Grounds**

- Insolvent
- Convicted of moral turpitude
- Paid employment
- Mental/physical infirmity
- Financial interest affecting work

**CHAPTER IV – STATE INFORMATION COMMISSION****15. Constitution**

Each State forms a **State Information Commission (SIC)**.

Composition:

- State Chief Information Commissioner
- Up to 10 State ICs

**Appointment Committee (State)**

Governor appoints on recommendation of:

- Chief Minister – Chair
- Leader of Opposition (Assembly)
- Cabinet Minister nominated by CM

**Headquarters**

As notified by State Government.

**16. TERM & SERVICE CONDITIONS (STATE)**

Same pattern as Central:

- Term prescribed
- Age limit: 65 years
- No reappointment
- IC → eligible for SCIC

**17. REMOVAL (STATE)**

Governor removes after Supreme Court inquiry.

Same grounds as Central.

**CHAPTER V – POWERS AND FUNCTIONS OF INFORMATION COMMISSIONS, APPEALS AND PENALTIES**

This Chapter is the **most examination-oriented portion** of the RTI Act. Almost every competitive exam asks questions from:

- Complaint powers
- Appeal hierarchy

- Time limits
- Penalty amounts
- Binding nature of orders

## 18. POWERS AND FUNCTIONS OF INFORMATION COMMISSIONS

### 18(1) Complaint Jurisdiction

The CIC / SIC can receive complaints from a person who:

- (a) Could not submit RTI because:
- No PIO appointed
  - APIO refused to accept application
- (b) Was refused information
- (c) Did not get reply within time
- (d) Was charged unreasonable fee
- (e) Received incomplete / misleading / false info
- (f) Any other RTI-related grievance

► **Illustration:** A department never appoints PIO → citizen may directly complain to CIC/SIC.

### 18(2) Power to Inquire

If reasonable grounds exist → Commission may start inquiry.

### 18(3) Civil Court Powers

During inquiry, CIC/SIC can:

Power	Description
Summon	Call persons
Discovery	Inspect documents
Affidavit	Accept sworn statements
Requisition	Call records
Summons	Examine witnesses

### 18(4) Access to Records

Commission can examine ANY record under RTI. No authority can withhold it.

**Exam Tip:** CIC/SIC have overriding access to records during inquiry.

## 19. APPEAL SYSTEM

RTI follows **two-tier appeal mechanism**.

### First Appeal (19(1))

Filed within **30 days** to:

Senior officer above PIO in same authority.

Delay may be condoned.

### Second Appeal (19(3))

Filed within **90 days** before:

- CIC – Central authorities
- SIC – State authorities

### Third Party Appeal

Third party can appeal within **30 days**.

### Burden of Proof

PIO must prove denial was justified.

### Disposal Time

Appeals must be decided in:

- 30 days normally
- 45 days maximum with reasons

## 19(8) POWERS OF COMMISSION IN DECISION

Commission may:

- Order disclosure
- Direct PIO appointment
- Require training
- Order publication
- Change record practices
- Award compensation
- Impose penalties
- Reject application

## 20. PENALTIES

### Daily Penalty

₹250 per day for:

- Delay
- Refusal
- Wrong info
- Destroying records
- Obstruction

Maximum: **₹25,000**

**Disciplinary Action** -Repeated violations → departmental proceedings.

**PYQ ALERT:** -Daily penalty under RTI = ₹250;  
Max = ₹25,000.

## CHAPTER VI – MISCELLANEOUS

This Chapter contains **high-yield provisions** frequently tested in:

- SSC
- UPSC
- Banking
- State Services
- Law exams

Focus areas:

- ✓ Overriding effect
- ✓ Bar of courts
- ✓ Intelligence agencies
- ✓ Monitoring reports
- ✓ Rule-making powers
- ✓ Repeal clause

### 21. PROTECTION FOR ACTION TAKEN IN GOOD FAITH

Any person acting **honestly** under this Act:

- Cannot be sued
- Cannot be prosecuted
- No legal proceedings lie

**Exam Tip:** -*Good-faith actions under RTI are legally protected.*

- IB
- RAW
- BSF
- CRPF
- NSG
- CISF
- ITBP

### IMPORTANT EXCEPTIONS

RTI WILL apply if information relates to:

- ✓ Corruption
- ✓ Human rights violations

**Human rights case** →

- CIC/SIC approval required
- Information within **45 days**

### State Intelligence Agencies

State Govt may notify exemptions.

Same corruption & human rights exception applies.

### 25. MONITORING & REPORTING

CIC/SIC prepare annual report:

Includes:

### 22. ACT TO HAVE OVERRIDING EFFECT

RTI Act overrides:

- Official Secrets Act, 1923
- Any inconsistent law

**Direct Question:** -Which Act overrides the Official Secrets Act? → **RTI Act, 2005**

### 23. BAR OF COURTS

Civil courts **cannot entertain suits** against RTI orders. Only remedy → Appeal under RTI Act.

### 24. ACT NOT TO APPLY TO CERTAIN ORGANISATIONS

#### Intelligence & Security Organisations

RTI does **not apply** to agencies listed in Second Schedule, e.g.:

- RTI requests
- Denials
- Appeals
- Disciplinary actions
- Fees collected
- Reform suggestions

Government must lay report before:

- Parliament
- State Legislature

### 26. PUBLIC AWARENESS & TRAINING

Appropriate Govt shall:

- Educate citizens
- Train PIOs
- Publish RTI guides
- Promote disclosure

Guides include:

- ✓ How to apply
- ✓ Addresses of PIOs
- ✓ Fees
- ✓ Appeals
- ✓ Voluntary disclosure

### 27–28. RULE-MAKING POWERS

**Section 27 – Appropriate Govt**

Can frame rules on:

- Fees
- Salaries of Commissioners
- Procedure
- Appeals

**Section 28 – Competent Authority**

Courts/Legislatures make rules for themselves.

**29. LAYING OF RULES**

All rules must be placed before:

- Parliament
- State Legislature

**30. POWER TO REMOVE DIFFICULTIES**

Central Govt may issue orders for:

- 2 years from commencement only

**31. REPEAL**

Freedom of Information Act, 2002 repealed

# CHAPTER:14. PROVIDENT FUNDS

(As per GPF (CS) Rules and CPF (India) Rules)

## 1. General Provident Fund (GPF)

The **General Provident Fund (GPF)** is a **compulsory savings scheme for Government employees**, where a portion of salary is **deducted every month and accumulated with interest**.

The amount is **paid back to the employee at the time of retirement or to nominees in case of death**.

It helps employees to **save money for future financial security**.

➤ **Example:** Every month ₹3,000 is deducted from salary and deposited in GPF, which grows with interest and is received at retirement.

📌 **Exam Tip:** *GPF is a compulsory saving scheme for government employees appointed before 1-1-2004.*

### 1. Applicability

The GPF Rules apply to **Central Government employees appointed on or before 31 December 2003**.

Employees appointed after this date are covered under the **National Pension System (NPS)**.

➤ **Example:** An employee appointed in **2002 is covered under GPF**, but one appointed in 2005 is under NPS.

📌 **Exam Tip:** *GPF applies to employees appointed on or before 31-12-2003.*

### 2. Eligibility

The following employees must subscribe to GPF:

1. **Permanent Government servants**
2. **Temporary employees after 1 year of continuous service**
3. **Re-employed pensioners**

Temporary employees can also subscribe **before completion of 1 year** if they wish.

➤ **Example:** A temporary employee completing one year of service must compulsorily join GPF.

📌 **Exam Tip:** *Temporary employees become eligible for GPF after 1 year of service.*

### 3. Amount of Subscription

The employee contributes a **fixed monthly amount** to GPF.

Rules:

- Minimum: **6% of emoluments**
- Maximum: **Up to total emoluments**

The amount must be in **whole rupees**.

➤ **Example:** If salary is ₹30,000, minimum GPF contribution = ₹1,800.

📌 **Exam Tip:** *Minimum GPF subscription = 6% of emoluments.*

## 4. Meaning of Emoluments

**Emoluments include:**

- Basic Pay
- Leave Salary
- Pay in foreign service

**Emoluments do NOT include Dearness Allowance (DA).**

➤ **Example:** If basic pay is ₹25,000 and DA is ₹10,000, only ₹25,000 is considered.

📌 **Exam Tip:** *DA is not included in emoluments for GPF.*

## 5. Minimum and Maximum Subscription

### Minimum

At least **6% of emoluments** (as on 31 March of previous year).

### Maximum

Total subscription in a financial year (including arrears) should not exceed **₹5 lakh**.

➤ **Example:** An employee cannot deposit more than ₹5,00,000 in GPF in one financial year.

📌 **Exam Tip:** *Maximum yearly GPF contribution = ₹5 lakh.*

## 6. Enhancement or Reduction

The subscriber can:

- Increase contribution **twice in a year**
- Decrease contribution **once in a year**

➤ **Example:** An employee increases GPF in April and September, and reduces it in December.

📌 **Exam Tip:** *Increase allowed 2 times, decrease allowed 1 time in a year.*

## 7. Suspension of Subscription

GPF contribution will stop:

- During **suspension**
- Optional during:
  - Half Pay Leave
  - Leave Without Pay
  - Dies Non

➤ **Example:** During suspension, no GPF deduction will be made.

📌 **Exam Tip:** *GPF subscription stops during suspension.*

## 8. No Recovery Before Retirement

No GPF subscription is deducted during the **last 3 months before retirement**.

➤ **Example:** If retirement is in December, no GPF deduction from October.

📌 **Exam Tip:** *No GPF deduction in last 3 months before retirement.*

## 9. Interest on GPF

Interest is provided by the Government.

Example: Around **7.1% per annum** (varies periodically).

➤ **Example:** ₹1,00,000 in GPF earns interest annually at government-declared rate.

📌 **Exam Tip:** *GPF interest rate is declared by Government periodically.*

## 10. Nomination

A subscriber can nominate **one or more persons** to receive GPF amount after death.

### Rules:

- If having family → only family members can be nominated
- If no family → any person/organization can be nominated
- Nomination can be changed anytime

➤ **Example:** An employee nominates spouse and children for GPF benefits.

📌 **Exam Tip:** *Nomination can be changed anytime by the subscriber.*

## 11. Meaning of Family

Family includes:

- Husband / Wife
- Parents
- Children (including adopted)
- Minor brothers and unmarried sisters
- Deceased son's widow and children

Also includes **ward treated as child under legal guardianship**.

➤ **Example:** Adopted child is also considered family for GPF nomination.

📌 **Exam Tip:** *Family includes adopted children and dependent relatives.*

## 2. Advances from GPF

A Government servant can take **advance (loan) from his GPF balance** for specific purposes.

### Purposes of Advance

Advance can be taken for:

1. Illness of self or family
2. Education (all levels)
3. Marriage, funeral, ceremonies
4. Legal expenses
5. Defence expenses
6. Purchase of consumer goods
7. Pilgrimage / tourism

➤ **Example:** Taking advance for child's college fees.

📌 **Exam Tip:** *GPF advance allowed for education, illness, marriage, etc..*

### Amount of Advance

The maximum advance allowed is:

- **12 months pay OR**
- **75% of GPF balance**

(whichever is less)

➤ **Example:** If GPF balance is ₹2,00,000, max advance = ₹1,50,000.

📌 **Exam Tip:** *Advance limit = 12 months pay or 75% of balance.*

### Recovery of Advance

- Recovered in maximum **60 installments**
- Starts from **next month after advance is taken**

➤ **Example:** Advance taken in April → recovery starts from May.

📌 **Exam Tip:** *Recovery begins from next month of drawal.*

### Consolidation of Advances

If a new advance is taken before repayment of old advance:

- Old balance is added to new advance
- Installments are recalculated

➤ **Example:** ₹50,000 old balance + ₹1,00,000 new advance = ₹1,50,000 total.

📌 **Exam Tip:** *New advance + old balance = consolidated advance.*

### Sanctioning Authority

- **Head of Office** can sanction advance
- Head of Department can sanction special cases

➤ **Example:** Department head approves advance for medical emergency.

📌 **Exam Tip:** *Advance sanctioned by Head of Office.*

### Time Limit

- Normal cases → **15 days**
- Emergency → **7 days**

No documents required, only **self-declaration** is sufficient.

➤ **Example:** Medical emergency advance sanctioned within 7 days.

📌 **Exam Tip:** *Emergency advance must be given within 7 days.*

### Suspension of Recovery

Recovery can be stopped:

- During suspension
- During leave (HPL/LWP)
- On employee request

➤ **Example:** Recovery paused during unpaid leave.

📌 **Exam Tip:** *Recovery can be suspended during leave or suspension.*

### 3. Withdrawals from General Provident Fund (GPF)

A **withdrawal from GPF** means taking out **money permanently from the GPF account**, which **does not need to be repaid**.

This is different from **GPF Advance**, which must be repaid in installments.

Thus:

- **Advance** → **Temporary (repayable)**
- **Withdrawal** → **Permanent (non-repayable)**

➤ **Example:** If an employee withdraws ₹2,00,000 from GPF for house construction, he does **not need to repay** it.

📌 **Exam Tip:** *GPF withdrawal is non-refundable, while advance is refundable.*

### Purposes for GPF Withdrawal

GPF withdrawal is allowed only for specific purposes.

#### 1. Education

Includes:

- Primary education
- Secondary education
- Higher education
- All streams and institutions

➤ **Example:** Withdrawal for child's college fees.

📌 **Exam Tip:** *Education includes all levels and streams.*

#### 2. Obligatory Expenses

Includes:

- Betrothal (engagement)
- Marriage
- Funeral
- Other ceremonies

For self, family, or dependents.

➤ **Example:** Withdrawal for daughter's marriage expenses.

📌 **Exam Tip:** *Betrothal and marriage are treated as separate purposes.*

#### 3. Illness

Withdrawal allowed for:

- Self
- Family members
- Dependents

➤ **Example:** Withdrawal for hospitalization expenses.

📌 **Exam Tip:** *Illness withdrawal allowed for self and family.*

#### 4. Purchase of Consumer Durables

Includes purchase of items like:

- Refrigerator
- Furniture
- Electronics

➤ **Example:** Withdrawal for buying a washing machine.

📌 **Exam Tip:** *Consumer durables include household items.*

#### 5. Housing

Includes:

- Buying house
- Constructing house
- Buying flat

➤ **Example:** Withdrawal for purchasing a ready-built flat.

📌 **Exam Tip:** *Housing withdrawal allowed for purchase or construction.*

## 6. Repayment of Housing Loan

Withdrawal can be used to **repay loan taken for house purchase or construction.**

➤ **Example:** Using GPF withdrawal to repay bank home loan.

📌 **Exam Tip:** *GPF withdrawal allowed for home loan repayment.*

## 7. Purchase of House Site

For buying **land to construct a house.**

➤ **Example:** Buying a plot for building a house.

📌 **Exam Tip:** *House site purchase is allowed purpose.*

## 8. Construction of House

Withdrawal allowed for **constructing house on owned land.**

➤ **Example:** Building house on purchased plot.

📌 **Exam Tip:** *Construction on owned land is valid purpose.*

## 9. Reconstruction / Addition

Includes:

- Expanding house
- Adding new rooms

➤ **Example:** Adding a second floor to house.

📌 **Exam Tip:** *Addition or reconstruction allowed.*

## 10. Renovation of Ancestral House

Includes:

- Repair
- Renovation
- Alteration

➤ **Example:** Renovating ancestral house in village.

📌 **Exam Tip:** *Ancestral house renovation allowed.*

## 11. Purchase of Vehicle

Includes:

- Car
- Motorcycle
- Scooter

➤ **Example:** Withdrawal for buying a car.

📌 **Exam Tip:** *Vehicle purchase allowed under GPF withdrawal.*

## 12. Repair of Vehicle

Includes major repairs or overhaul of vehicle.

➤ **Example:** Engine repair of car.

📌 **Exam Tip:** *Vehicle repair also allowed.*

## 13. Booking Vehicle

Includes advance payment or booking amount.

➤ **Example:** Booking a new car with initial deposit.

📌 **Exam Tip:** *Booking amount also allowed.*

## 14. Conversion Charges (Leasehold to Freehold)

Withdrawal allowed for paying charges for:

- Conversion of property from leasehold to freehold

➤ **Example:** Paying DDA conversion charges.

📌 **Exam Tip:** *Leasehold to freehold conversion allowed.*

## 15. Withdrawal Before Retirement

Withdrawal allowed **within 2 years before retirement**, without giving any reason.

➤ **Example:** Employee retiring in 2026 can withdraw in 2024.

📌 **Exam Tip:** *Up to 90% withdrawal allowed within 2 years before retirement.*

## Limits of Withdrawal

### 1. Education, Marriage, Consumer Durables

Limit:

- 12 months pay OR
- 75% of GPF balance

(whichever is less)

➤ **Example:** If balance ₹2 lakh → max ₹1.5 lakh.

📌 **Exam Tip:** *75% rule applies for education and marriage.*

### 2. Illness

Limit:

- Up to 90% of GPF balance

➤ **Example:** Balance ₹3 lakh → withdrawal ₹2.7 lakh allowed.

📌 **Exam Tip:** *Illness allows up to 90% withdrawal.*

### 3. Housing (Items 5–10)

Limit:

- Up to 90% of balance

Also:

- No need to return amount even if house is sold later
- Not linked to HBA rules anymore

- **Example:** ₹5 lakh balance → ₹4.5 lakh withdrawal allowed.
- 📌 **Exam Tip:** *Housing withdrawal up to 90% of balance.*

#### 4. Vehicle (Items 11–13)

Limit:

- 75% of balance OR cost of vehicle (whichever is less)

➤ **Example:** Vehicle cost ₹1 lakh, balance ₹2 lakh → max ₹1 lakh.

📌 **Exam Tip:** *Vehicle withdrawal limited by vehicle cost or 75% balance.*

#### 5. Special Cases (Items 14 & 15)

Limit:

- Up to 90% of balance
- Allowed only once during service

➤ **Example:** Withdrawal for retirement allowed only one time.

📌 **Exam Tip:** *90% withdrawal allowed once for special cases.*

#### Eligibility Conditions After 10 Years Service

Applicable for:

- Education
- Marriage
- Consumer durables
- Vehicle

➤ **Example:** Withdrawal for child education after 10 years service.

📌 **Exam Tip:** *10 years service required for most withdrawals.*

#### Anytime During Service

Applicable for:

- Housing purposes

➤ **Example:** House construction allowed even after 3 years service.

📌 **Exam Tip:** *Housing withdrawal allowed anytime.*

#### Retirement Case

Applicable for:

- Within 2 years before retirement

➤ **Example:** Withdrawal before retirement without reason.

📌 **Exam Tip:** *Retirement withdrawal needs no reason.*

#### Important Notes

##### 1. One Withdrawal per Purpose

Only **one withdrawal allowed for one purpose.**

But different events are treated separately.

➤ **Example:** Marriage of two children → two withdrawals allowed.

📌 **Exam Tip:** *Different events = different purposes.*

##### 2. Advance and Withdrawal Together Not Allowed

You cannot take both **advance and withdrawal for the same purpose** at the same time.

➤ **Example:** Cannot take advance and withdrawal both for same marriage.

📌 **Exam Tip:** *Advance + Withdrawal together NOT allowed.*

##### 3. No Documents Required

Only a **simple declaration form** is sufficient.

➤ **Example:** No need to submit bills for education withdrawal.

📌 **Exam Tip:** *No documentary proof required.*

##### Time Limit for Sanction

- Normal cases → 15 days
- Emergency → 7 days

➤ **Example:** Medical withdrawal approved within 7 days.

📌 **Exam Tip:** *Emergency cases must be processed in 7 days.*

##### Sanctioning Authority

Same authority who can sanction **GPF advance.**

➤ **Example:** Head of Office approves withdrawal.

📌 **Exam Tip:** *Sanctioned by **Head of Office**.*

##### Conversion of Advance into Withdrawal

If an employee has taken **advance earlier**, it can be converted into **withdrawal** if conditions are satisfied.

➤ **Example:** Advance taken for house can later be converted into withdrawal.

📌 **Exam Tip:** *Advance can be converted into withdrawal under Rule 16-A.*

##### 4. Contributory Provident Fund (CPF)

The **Contributory Provident Fund (CPF)** is a **savings scheme in which both the employee and the Government contribute to the fund.**

Unlike GPF, where only the employee contributes, in CPF:

- Employee contributes
- Government also contributes (usually 10%)

The total amount (with interest) is paid at the time of retirement or leaving service.

➤ **Example:** If an employee contributes ₹3,000 per month, the Government also contributes ₹3,000.

📌 **Exam Tip:**  $CPF = \text{Employee contribution} + \text{Government contribution}$ .

### Applicability

CPF applies to non-pensionable Central Government employees appointed on or before 31-12-2003.

➤ **Example:** A non-pensionable employee appointed in 2002 may be covered under CPF.

📌 **Exam Tip:** *CPF applies to non-pensionable employees before 31-12-2003.*

### Key Differences Between GPF and CPF

Although most rules are similar, the following are important differences.

#### 1. Emoluments

In CPF, emoluments include:

- Pay
- Leave salary
- Wages (for employees not paid fixed salary)

➤ **Example:** Daily wage employees' wages are also included in CPF.

📌 **Exam Tip:** *CPF includes wages also, unlike GPF.*

#### 2. Admission to the Fund

All non-pensionable Government employees must compulsorily subscribe to CPF.

➤ **Example:** A non-pensionable employee must join CPF compulsorily.

📌 **Exam Tip:** *CPF subscription is compulsory for non-pensionable employees.*

#### 3. Amount of Subscription

- Minimum: 10% of emoluments
- Maximum: Up to full emoluments

➤ **Example:** If salary is ₹40,000 → minimum CPF = ₹4,000.

📌 **Exam Tip:** *Minimum CPF contribution = 10% of emoluments.*

#### 4. Government Contribution

Government contributes:

- 10% of emoluments annually

Conditions:

- If employee does not contribute → Government also does not contribute
- Rounded to nearest rupee

➤ **Example:** If employee contributes ₹50,000 annually, Government adds ₹50,000.

📌 **Exam Tip:** *Government contributes 10% in CPF, not in GPF.*

### 5. Advances and Withdrawals

#### Normal Advance / Withdrawal

- Limit:
  - 3 months pay OR
  - 50% of balance (whichever is less)

#### Special Advance

- No fixed limit

#### Recovery:

- Up to 24 installments ( $\leq 3$  months pay)
- Up to 36 installments ( $> 3$  months pay)

➤ **Example:** Advance of ₹60,000 recovered in 24 or 36 installments.

📌 **Exam Tip:** *CPF recovery = 24 or 36 installments.*

#### 6. Other Matters

All other provisions are similar to GPF, but governed by CPF Rules.

➤ **Example:** Nomination rules are similar to GPF.

📌 **Exam Tip:** *CPF and GPF rules are mostly similar except key differences.*

### 5. Final Payment of Provident Fund (GPF/CPF)

#### When PF Amount Becomes Payable

The total amount in PF becomes payable when the employee:

1. Leaves service
2. Is dismissed or removed
3. Goes on leave before retirement
4. Retires or is declared unfit

➤ **Example:** On retirement, full PF balance is paid.

📌 **Exam Tip:** *PF is paid on retirement, resignation, dismissal, or unfitness.*

#### Reinstatement After Dismissal

If an employee is dismissed and later reinstated:

- He must **repay PF amount received earlier**
- Along with **interest**

➤ **Example:** An employee dismissed in 2020 and reinstated in 2022 must repay PF.

📌 **Exam Tip:** Reinstated employee must **refund PF amount with interest**.

### Return After Leave Before Retirement

If an employee returns to duty after taking leave before retirement:

- Same rule applies → **PF must be repaid if required**

➤ **Example:** Employee returns after retirement leave → PF adjustment required.

📌 **Exam Tip:** Leave before retirement followed by return requires adjustment.

### Transfer of PF

When an employee is transferred:

- From Central to State Government OR
- Between departments

Then:

- PF balance (with interest) is **transferred to new account**

➤ **Example:** Employee moves from Central Ministry to State Department → PF transferred.

📌 **Exam Tip:** PF is **transferable between departments/governments**.

### Technical Resignation (GPF Transfer)

If an employee resigns to join another government job:

- PF is transferred under **technical resignation rules**

➤ **Example:** Moving from one ministry to another.

📌 **Exam Tip:** Technical resignation allows **GPF transfer**.

### Interest on Delayed Payment

If PF is not paid within:

- **1 month after retirement,**

then interest is payable:

- Up to **6 months (normal)**
- Up to **1 year (by Accounts Officer)**
- Beyond 1 year (higher authority approval)

➤ **Example:** PF delayed for 4 months → interest paid.

📌 **Exam Tip:** Interest is payable if PF payment is delayed beyond 1 month.

### Responsibility for Delay

If delay occurs:

- Action will be taken against responsible officials

➤ **Example:** Department delays PF payment → disciplinary action possible.

📌 **Exam Tip:** Delay in PF payment leads to **accountability of officers**.

### Missing Credits in GPF

If any deposit is missing:

- Employee must be informed yearly
- Full statement provided **2 years before retirement**
- Issue must be resolved within **60 days**

➤ **Example:** Missing ₹10,000 entry must be corrected within 60 days.

📌 **Exam Tip:** Missing GPF entries must be resolved within **60 days**.

### Annual Statement

GPF statement must be issued:

- Every year by **31st July**

➤ **Example:** Annual GPF statement received in July.

📌 **Exam Tip:** GPF statement issued by **31 July every year**.

### Government Dues

Government dues:

- **Cannot be recovered from PF amount of employee**

But:

- Can be recovered from **nominees in certain cases**

➤ **Example:** PF amount cannot be deducted for government dues directly.

📌 **Exam Tip:** Government dues not recoverable from PF of employee

### Payment on Death of Employee

#### Case 1: Employee Has Family

- If nomination exists → paid to nominee
- If no nomination → distributed among family

➤ **Example:** PF paid to spouse and children.

📌 **Exam Tip:** Nomination overrides family distribution.

#### Case 2: No Family

- Paid to nominee

➤ **Example:** Employee nominates friend → payment made to friend.

📌 **Exam Tip:** If no family, nominee receives PF.

### Payment to Minor

If nominee is minor:

- Up to ₹10,000 → paid to guardian without certificate

➤ **Example:** PF paid to mother on behalf of minor child.

📌 **Exam Tip:** Minor payment up to ₹10,000 without guardianship certificate.

### Missing / Disappeared Employee

If employee is missing:

Conditions:

1. Police report required
2. Indemnity bond required

Then PF is paid to family.

➤ **Example:** Missing employee's PF given to family after police report.

📌 **Exam Tip:** Missing case requires **police report + indemnity bond**.

### Interest in Missing Cases

Interest is allowed:

- Up to **6 months after police report**

➤ **Example:** PF interest continues for 6 months after disappearance confirmation.

📌 **Exam Tip:** Interest allowed up to **6 months in missing cases**.

## 6. Deposit-Linked Insurance Scheme (DLIS)

The **Deposit-Linked Insurance Scheme (DLIS)** is a benefit given to the nominee or family of a Government employee who dies while in service.

Under this scheme:

- In addition to the **Provident Fund (GPF/CPF) balance**,
- An **extra insurance amount** is also paid.

This amount depends on the **average balance in the Provident Fund account**.

➤ **Example:** If an employee dies in service, his family will receive PF balance + additional insurance amount under DLIS.

📌 **Exam Tip:** DLIS provides **extra payment along with PF balance on death in service**.

### Eligibility for DLIS

DLIS benefit is given only when:

1. The employee has completed **minimum 5 years of service**

2. The balance in PF account **did not fall below minimum limit during last 3 years before death**

➤ **Example:** If an employee worked for 6 years and maintained required PF balance, DLIS is applicable.

📌 **Exam Tip:** Minimum service required for DLIS = **5 years**.

### Minimum Balance Requirement

The PF balance must **not fall below certain limits during last 3 years**.

#### For GPF Subscribers (VI Pay Commission Scale)

Grade Pay	Minimum Balance Required
₹4800 or more	₹25,000
₹4200 to < ₹4800	₹15,000
₹1400 to < ₹4200	₹10,000
Below ₹1400	₹6,000

➤ **Example:** If employee had Grade Pay ₹4200, balance must not fall below ₹15,000.

📌 **Exam Tip:** Minimum PF balance depends on **Grade Pay**.

#### For CPF Subscribers (IV Pay Commission Scale)

Pay Scale (Max)	Minimum Balance Required
₹4000 or more	₹12,000
₹2900–3999	₹7,500
₹1151–2899	₹4,500
Below ₹1151	₹3,000

➤ **Example:** If CPF employee had scale max ₹3000, minimum balance = ₹7,500.

📌 **Exam Tip:** CPF balance requirement based on **maximum pay scale**.

### Amount Payable Under DLIS

The additional insurance amount is:

- Equal to the **average balance of last 36 months (3 years)**
- Subject to maximum limit:
  - **₹60,000 for GPF**

- ₹30,000 for CPF

➤ **Example:** If average PF balance is ₹70,000 → only ₹60,000 will be paid.

📌 **Exam Tip:** Maximum DLIS benefit = ₹60,000 (GPF) and ₹30,000 (CPF).

### Important Rule for Calculation

The maximum limit is applied **after calculating the average of 36 months**, not before.

➤ **Example:** Average balance = ₹65,000 → final payment = ₹60,000.

📌 **Exam Tip:** Maximum limit applied **after calculating average balance**.

### Inclusion of Interest

- Balance of **March every year** includes interest
- Balance of **last month before death** also includes interest

➤ **Example:** March balance used in calculation includes interest amount.

📌 **Exam Tip:** Interest is included in **balance calculation**.

### Special Rule for CPF

In CPF:

- Only **employee's contribution + interest** is counted
- Government contribution is **not included**

➤ **Example:** CPF average balance excludes Government share.

📌 **Exam Tip:** CPF DLIS includes **only employee contribution**.

### Payment Procedure

- Payment is made by **Accounts Officer**
- No formal sanction required
- Amount is rounded to **nearest rupee**

➤ **Example:** ₹59,999.50 → rounded to ₹60,000.

📌 **Exam Tip:** DLIS payment is made **without formal sanction**.

### Special Cases

## 1. Tenure / Re-employed Employees

Only service from:

- Date of appointment
- Date of re-employment

is counted.

➤ **Example:** Re-employed pensioner's DLIS eligibility starts from re-employment date.

📌 **Exam Tip:** Service counted from **re-employment date**.

## 2. Contract Employees

DLIS is **not applicable** to employees appointed on contract basis.

➤ **Example:** Contract-based employee is not eligible for DLIS.

📌 **Exam Tip:** DLIS not applicable to **contract employees**.

## 3. Death After Office Hours

If employee dies:

- After office hours
- Before midnight

It is treated as **death while in service**.

➤ **Example:** Employee dies at 10 PM → still eligible for DLIS.

📌 **Exam Tip:** Death before midnight = **treated as death in service**.

## 4. Missing Employee Case

If employee is missing:

- Payment is made **after 7 years**
- Requires:
  - Court declaration (presumed dead)
  - Proof under Evidence Act

➤ **Example:** Missing employee declared dead after 7 years → DLIS paid.

📌 **Exam Tip:** Missing case → payment after **7 years with court proof**.

## ABOUT THE AUTHOR

This book has been prepared with the objective of simplifying complex government rules, financial regulations, service matters, and constitutional provisions for aspirants and professionals.

The author has extensively analyzed various official manuals, rules, and examination patterns to present the content in a structured, concise, and exam-oriented manner. The focus has been on clarity, accuracy, and practical applicability to ensure that readers can not only understand the rules but also apply them effectively in examinations as well as in their professional roles.

This work reflects a continuous effort to bridge the gap between theoretical provisions and their practical implementation in government offices and institutions.

This book has been conceptualized and designed under the guidance of **Mr. Sidharth Singh** and **Dr. A.S.S.**, whose expertise and vision have played a crucial role in shaping its structure and presentation.

## ABOUT THIS VOLUME

**Volume I** covers foundational and core aspects of government rules, including financial rules, service matters, administrative procedures, and key legislations relevant for various competitive and departmental examinations.

## NOTE TO READERS

Readers are encouraged to regularly update themselves with the latest government orders, circulars, and amendments, as rules and provisions are subject to change from time to time.

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**Wishing you success in your examinations and professional journey.**

- **Mr. Sidharth Singh**
- **Dr. A.S.S**

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