



DEFENCE FINANCE DEPARTMENT

# **MILITARY AUDIT CODE**

ISSUED BY

AUTHORITY OF THE  
CONTROLLER GENERAL DEFENCE FINANCE  
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# MILITARY AUDIT CODE

## CHAPTER I

### INTRODUCTORY

1. The Military Accountant-General is entrusted with the duty of seeing the accounts of the Defence Services of the Government of Pakistan and of conducting internal audit of those accounts. This code embraces the broad and general principles on which audit by the Pakistan Military Accounts Department is conducted over the Defence Services Expenditure and the special points to be observed in the audit of particular items of such expenditure.

2. In applying the rules in this code, it is to be borne in mind that except in its relation to the audit conducted by the Director of Audit Defence Services and his staff, the word “Audit” as used herein refers solely to the functions exercised by the Military Accountant-General and his staff on behalf of the Financial Adviser (Military Finance) and does not therefore fall within the meaning of the word “Audit” as used in the Audit and Accounts Order 1952 as amended framed under the Government of India Act. (1935), as adapted by Pakistan.

In this connection particular attention is drawn to [Appendix X](#) of this code.

*NOTE.-* The Director of Audit, Defence Services is the officer under the administrative control of the Auditor General, who conducts such examination of accounts of the Defence Service expenditure as may be directed by him or the powers conferred by the Government of India Act. (1935) as adapted by. See rule 19 of the Audit and Accounts Order 1952 as amended given in [Appendix X](#) of this code.

3. No attempt has been made to include in this code the detailed procedure which is to be followed by the several audit sections of a Defence Accounts Office in the conduct of their business. This will be found in the servant office Manual or the Procedure Code of the Pakistan Military Accounts Department.

## CHAPTER 2

### AUDIT PRINCIPLES AND ARRANGEMENTS

#### *Duties and powers with regard to audit of Defence Services Accounts*

4. The Government of India Act as adapted by Pakistan (Provisional Constitution) Order, 1947, requires that the revenues of Pakistan shall be received for and in the name of the Governor-General and shall subject to the provisions of the Act, be applied for the purpose of the Government of Pakistan alone.

#### **Scope of Audit**

5. A Controller of Military Accounts is responsible, through the Military Accountant-General to the Financial Adviser, Military Finance, for the audit of that portion of the receipts and expenditure of the Defence Services that may be entrusted to him. Without the sanction of the Military Accountant-General, he will not take up the audit of any accounts which do not fall within the sphere of his jurisdiction except as provided in Rule 519 *et seq* Regulations for the Army.

#### **Sanctions and orders, their audit and scrutiny**

6. Sanctions and orders of the Government of Pakistan are communicated direct to the Controllers by the Finance Adviser. Sanctions and orders by authorities lower than the Government of Pakistan are communicated direct to the Controllers by such authorities, except in the case of the Commander in chief, whose sanctions and order are communicated by the Adjutant General in Pakistan.

In cases where an order having a financial bearing issued by a branch of the general Headquarters, has not been communicated to the Controllers in the prescribed manner, they should, before taking any action, ask the Financial Adviser, military finance, that a copy of the order be communicated to them.

7. The audit of sanctions and orders of the Government of Pakistan is conducted by the Director of Audit, Defence Services. A regular audit of such sanctions will not, therefore, be carried out by the Controllers.

All Codes, Regulations and Standing Orders issued by the Government of Pakistan are scrutinized by the Military Accountant-General and need no further scrutiny by Military Accountant-General.

8. The audit of all sanction and orders issued by authorities lower than the Government of Pakistan, the Auditor-General or the Military Accountant-General devolves on the Controllers concerned and such audit must be carried out before audit is conducted on the transactions arising from such sanction and orders.

*NOTE.* - No audit is necessary by Controllers on grants sanctioned by the Commander-in-Chief from his grant for unforeseen expenditure. A pre-audit of these sanctions is carried out by the Military Accountant-General.

9. The sanction and orders affecting financial transactions may be broadly divided into three classes: -

- (i) Rules and general orders
- (ii) Grants and appropriations
- (iii) Sanctions to expenditure

10. All such rules and orders should be scrutinized to see:
- (i) that they are consistent with the essential requirements of audit and accounts
  - (ii) that they do not conflict with the orders of any higher authority; and
  - (iii) that, in case they have not been separately approved by competent higher authority, the issuing authority possesses the necessary rule-making power.

11. In applying the first of the checks prescribed in the preceding paragraph the Controller should be guided by any subsidiary instructions which may be issued by the Auditor-General or the Military Accountant-General from time to time.

12. In applying the second of the checks prescribed in [paragraph 10](#) the guiding principles enumerated below should be observed: -

- (i) If the authority framing the rule is granted full powers in respect of a certain class of expenditure an order issued under those power can be challenged by audit only under the canons of financial propriety.
- (ii) If it is granted powers which may be exercised provided due regard is paid to certain criteria which are expressed in a general form, orders issued under these powers can be challenged by audit-
  - (a) if the disregard of the criteria is so serious as to make the order perverse, or
  - (b) if the fact of the case is such as to make the audit authority confident that one or more of the criteria have been disregarded.
- (iii) If it is granted powers which are expressed in precise terms the Audit Officer is bound to ascertain that the orders defining its powers is exactly obeyed in every instance.
- (iv) In all cases, if the Controller has reason to think that undue advantage is taken of the provisions of any orders where under the rule is issued, he should bring the case to the notice of the proper superior authority. Cases of disregard of canons of financial propriety should be dealt with under [paragraph 13](#).

13. When the Controller considers that any rule or order has infringed anyone of the canons of financial propriety, he should report his opinion to the administrative authority concerned for such action as that authority may think fit to take and request it to intimate, in due course, the action taken by it. Thereafter, if he considers it necessary, he may report to the next higher authority, and if this be the Government of Pakistan, the report should be made through the Military Accountant-General.

### **Audit of Sanctions to Expenditure**

14. In the audit of sanctions to expenditure, the guiding principles enumerated below should be observed: -

- (i) The Audit Officer should ascertain that the authority sanctioning the expenditure is competent to sanction it.
- (ii) The principles enumerated in [paragraph 12\(i\), \(ii\) and \(iii\)](#) and [paragraph 13](#) are observed.
- (iii) A group of works which forms one project shall be considered as one work and the necessity for obtaining the sanction of a higher authority to a project is



not avoided by reasons of the fact that the cost of each particular work in the project is within the powers of the lower authority.

*NOTE.* -A preliminary enquiry, survey or experiment, which may precede the preparation of any project or scheme, need not be considered, for the purpose of this rule, as forming part of that project or scheme.

(iv) If any one item of a scheme requires the sanction of a higher authority, that item should not be given effect to before sanction to it is obtained.

15. Except under the orders of the Controller, no order of sanction shall be accepted in audit unless it has been received from or through the sanctioning authority (also see [paragraph 7](#)). When an order sanctioning expenditure contains no indication of the amount or limit of the sanction the Controller should address the authority sanctioning it.

16. All sanction to expenditure should be noted and properly attested in a prescribed audit register or other record against which the audit of the expenditure will be conducted and if it is known that, the charge will entail a recovery from a third party, or such a recovery has been ordered by the sanctioning authority a note of the recovery due should also be made and properly attested in a suitable register so that it may be watched.

17. Sanctions with a long period of currency as well as sanctions of a permanent nature required to be reviewed periodically so that, if there is any reasons to think that the administrative authority concerned should be invited to review the sanction such action may be taken.

### **Audit of Expenditure**

#### *Duty of Audit*

18. In conducting the audit of expenditure, it has to be seen that the administrative authorities comply with the following essential conditions: -

- (i) that there should be provision of funds authorized by competent authority fixing the limits within which expenditure can be incurred;
- (ii) that the expenditure incurred should be in accordance with the financial rules and regulations framed by competent authority;
- (iii) that there should exist sanction either special or general accorded by competent authority, authorizing expenditure;

Expenditure should be incurred with due regard to broad and general principles or financial propriety. Any cases involving a breach of these principles and thus resulting in improper expenditure or waste of public money should be treated in Audit in the same manner as cases of irregular or unauthorized expenditure.

19. The extent and conditions of delegation of financial powers to different authorities in the field or Defence Services Expenditure are laid down in the Financial Regulations for the Army and Air Forces, Financial Regulations for the Navy and Regulations for the Military Engineering Services, etc.

20. Audit by the Pakistan Military Accounts Department is conducted with reference to the rules laid down in those regulations or codes and also other orders issued by competent financial authorities. The canons of financial propriety (See [paragraph 23](#)) are the basic rules on which all audit is conducted as regards propriety of expenditure.

21. The audit of all expenditure debitable to Defence Services Estimates is conducted by the Military Accountant-General either centrally in their own offices or locally through the agency of the Local Audit Officers

The detailed instructions with regard to the local audit and inspection of Store and Public Funds Accounts, etc., by the Local Audit Officers are contained in the "Local Audit Officers- Handbooks". The local audit and inspection carried out by the Local Audit Officers is subject to a periodical review by the Superior Service Officers detailed by Military Accountant-General to visit units, etc. The duties of the Superior Service Officers with regard to such review will be found in Office Manual, Part I.

22. Except where cash assignments have been placed at the disposal of administrative and executive Officers see Rule 111 F. R. Pt. II (1952) edition, ordinarily all payments are made by Controllers on bills and pay lists preferred by the authorities concerned. Such bills are prepared by the authorities themselves except when unit accountants, of the Pakistan Military Accounts Department have been posted to units and formation for this work.

Only the following bills and pay list are subject to post audit. In all other cases pre-audit is conducted.

Pay lists of regimental units; accounts submitted in respect of cash assignments (including temporary labor bills) of Arsenal and Remount Depots, Grass and Dairy Farms paid from such assignments.

*NOTE: 1.* When bills relating to P.A.O.C establishment or Arsenal and Depots. P.A.V.C establishments, Mechanical Transport drivers, Mechanical Transport drivers attached to Hospitals, R.P.A.S.C. establishments of Supply Depots, M.E.S. establishments, establishments of the Remount Depots and establishments of Military Hospitals are so large that the time taken to pre-audit them render payments by the first of the month impossible, Controllers may, at their discretion, other their payment and subsequent post audit. Controllers may, at their discretion, adopt this procedure in other cases where similar conditions prevail.

*NOTE: 2.* Establishment bills of an office of a Military Accountant-General audited by another controller of Military Accounts. The bills are paid by the Military Accountant-General to whose establishment they pertain after preliminary scrutiny and post authority by the C.M.A. to whom the work has been allotted.

### **Audit against Propriety**

23. Controllers in the performance of their audit duties shall apply the following general principles which have for long been recognised as standards of financial propriety: -

- (i) The expenditure should not be prima facie more than the occasion demands. Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.
- (ii) No authority should exercise its power of sanctioning expenditure to pass an order which will directly or indirectly be to its own advantage.
- (iii) Public moneys should not be utilised for the benefit of a particular person or section of the community unless: -
  - (1) the amount of expenditure involved is insignificant, or
  - (2) a claim for the amount could be enforced in a Court of Law, or
  - (3) The expenditure is in pursuance of a recognised policy or custom.

- (iv) The amount of allowances, such as travelling allowances, granted to meet expenditure of a particular type, should be so regulated that the allowances are not on the whole sources of profit to the recipients.

The proper discharge of duties by an Audit Officer in this field is a very delicate matter and requires much discretion and tact. A challenge against expenditure should not be expressed as based on "Canons of Financial Propriety", but as transgressing a universally accepted standard of official conduct or financial administration.

### **Object of Audit of Expenditure**

24. The main objects of audit of expenditure are to ensure: -

- (a) that there is provision of funds for the expenditure duly authorized by the competent authority;
- (b) that the expenditure is in accordance with a sanction properly accorded and is incurred by an officer competent to incur it;
- (c) that the claims are made in accordance with rules and in proper form;
- (d) that all prescribed preliminaries to expenditure are observed such as proper estimates framed and approved by competent authority for works expenditure, a health certificate obtained where necessary, before disbursement of pay to a Government servant, etc.
- (e) that the expenditure sanctioned for a limited period is not admitted in audit beyond that period without further sanction;
- (f) that the rules regulating the method of payment have been duly observed by the disbursing officer;
- (g) that the payment has, as a fact, been made, and has been made to the proper person, and that it has been so acknowledged and recorded that a second claim against Government on the same account is impossible;
- (h) that the charge is correctly classified, and that if a charge is debit to the personal account of a contractor or employee or other individual or is recoverable from him under any rule or order, it is recorded as such in a prescribed account;
- (i) that the rates paid for work done or supplies made are in accordance with any scales or schedules prescribed by competent authority;
- (j) that the payments have been correctly brought to account in the original accounts.
- (k) that in case of purchase of stores, they have been accounted for in the prescribed store accounts and that the rates are the same as contracted for or are certified to as correct by proper authority, and
- (l) that rates entered in the bills for transport for the movement of troops and stores, when such transport is not provided for by the R. P. A. S. C. agree with the contract or tariff rates and that the Warrants, Credit Notes or Passage Orders have been signed by the officer authorized to sign them, and that they have been properly issued under the rules; and
- m) that in case of bills of contractors of the Military Engineering Service that the terms of the contract or other agreement have been adhered to.

25. Recurring charges which are payable on the fulfillment of certain conditions or up till the occurrence of a certain event should be admitted in audit on receipt of a certificate

from the drawing officer to the effect that the necessary conditions have been duly fulfilled or the event has not yet occurred, as the case may be.

26. The audit of rates paid for work done or supplies made should receive special attention, but as objections can be raised only on grounds of financial propriety (See [paragraph 23](#)) this audit will usually present considerable difficulty. It demands the exercise of great intelligence and care. Individual abnormalities in rates should of course be watched, but the institution from time to time, of a comparative examination, through the vouchers and accounts received for audit of the rates paid by various officers in the same or neighboring localities, may indicate cases in which the rates being abnormal, further enquiry may be desirable. The assistance of the Military Finance Department may be invoked in obtaining reliable schedules of rates and other necessary information. In the case of Military Engineering Services, useful work in the direction of making a comparative examination of rates can be done also at local audit inspections.

### **Provisional payments**

27. Provisional Payments will be made only under the personal order of the Controller of Military Accounts, who before authorising such payments will satisfy himself, with a due sense of his own responsibility, that his authorization is justifiable.

28. In no circumstances will a provisional payment be made on an undertaking by the individual concerned that he will refund the amount if required to do so.

### **Audit of Bills and Vouchers**

29. The detailed audit of bills and voucher is conducted to see: -

- (a) that the bills and vouchers are in the prescribed form and in original;
- (b) that they are duly receipted by payees and that a brief abstract is given in English under the signature of the drawing officer on all purely vernacular vouchers and that vernacular signatures are transliterated: also, that the sub-vouchers contain notes of dates of payment;
- (c) that the details work up to the total and the totals are in words as well as in figures;
- (d) that there are no erasures, and that any alterations in the totals are attested by the officer concerned as many times as they are made;
- (e) that no voucher or order has been signed by a subordinate "for" an officer;
- (f) that the bills are signed in ink, no bill or voucher signed with a stamp being accepted;
- (g) that copies of sanctions are certified by the sanctioning officer or by a gazetted officer authorized to sign for him;

*NOTE 1.*- In case of charges for which special sanction is necessary under rule, no separate sanction need be insisted on if the bill or voucher counter signed by the authority competent to sanction the expenditure.

This does not apply to the case of temporary establishments, the sanction of which should always be called for and noted in the Audit Register.

*NOTE 2.* - The term "voucher" should be taken to include "sub voucher" for all purposes of audit.

- (h) that stamps are affixed to all vouchers for sums in excess of Rs 200, if necessary, the stamps being punched or otherwise defaced at the time of audit;

- (i) in all cases in which it is prescribed that agreement should be affected between two different documents, the fact of the agreement should be noted on both the documents and initialled by the auditor who makes the agreement;
- (j) that fund and income-tax deductions have been correctly made;
- (k) that claims preferred after 12 months are not proceeded with without the sanction of the competent authority as prescribed in rule 104, Financial Regulations, Part I (1952 edition);
- (l) necessary entries should be made in the prescribed audit register, and in cases where audit is conducted with reference to previous bills, the bills should be linked together, notes being made in each under the auditor's initials.

30. A register of bills will be maintained in each section to watch the prompt disposal of all bills received for payment.

31. All bills paid must be stamped "paid" and the date of payment must be given; It must be noted on them whether they are paid in cash, by cheque, or by remittance transfer receipt, the number and date of the cheque or remittance transfer receipt being quoted. They must further bear the pay order of the disbursing officer, and the amount paid must agree with the amount passed. Ordinarily no payment will be made in excess of the actual amount claimed on a bill. Arithmetical inaccuracies and obvious mistakes in a pay bill may, however, be corrected. In the case of officers pay bills, where it is quite clear that excess credits have been afforded in a pay bill on account of public claims (*e.g.*, Income-tax Fund Subscriptions, etc.), against an officer or that an officer has inadvertently under claimed an amount clearly authorised and due to him, the necessary amendment may be carried out. Details of amendments should be communicated to the claimant. Before any such alteration in a pay bill can be made the specific orders of the officer in charge of the audit section concerned must be obtained. No change in an officer's bill which has the effect of giving him a larger amount than claimed should, however, be made in respect of any form of pay or allowance which is admissible only in certain specified circumstances and on the fulfillment of certain definite conditions.

32. Whilst it is desirable that auditors and others employed on audit duties should not be at liberty to make any relaxation in audit of their own motion, it is of considerable importance that the prescribed checks should be observed in spirit and not in the letter as opposed to the spirit.

### **Extent of Audit**

33. The extent to which the various classes of bills and accounts will be audited is shown in the [Annexure](#) to this chapter.

### **Specimen Signatures**

34. Before admitting a claim, an audit officer must satisfy himself that the signature it bears is genuine. To enable him to do so, he will obtain a specimen copy or the signature of every officer who is paid by him or who is eligible to render claims to him, and record it in the personal file of the officer or other relevant file register.

In cases where claims to pay and allowances are initially prepared or pre-checked by Military Accounts Department, specimen signatures of the officers preparing the claims need not be obtained and recorded in the audit office as the requisite verification is carried out by the Unit Accountants themselves.

The 'T' and 'S' Sections need not maintain any separate record or specimen signatures. They will carry out the necessary verification by reference in the signatures on the pay bills, etc. (or from the record of specimen signatures) maintained in the pay audit sections concerned.

### **Audit of Receipts**

35. Audit of receipts is of a simple character, it being sufficient to see that all sums receivable are paid to the proper officer and brought to credit by him.

### **Result of Audit**

36. Results of audit should be reported to the disbursing stores and controlling authorities at the earliest possible opportunity. The detailed procedure for the treatment of the result of audit is described in [Appendix XI](#) of this code.

37. The powers of the audit officers of the Pakistan Military Accounts Department to waive audit objections and to write off irrecoverable amount are laid down in Financial Regulations for the Army and Air Forces in Pakistan Part I and Financial Regulations for the Royal Pakistan Navy.

### **Reports on defalcations and other losses**

38. On receipt of a report or defalcation or loss of public money or stores (rule 70 *et seq* Financial Regulations for the Army, Part I) the Controller should call for such further information as he may require on the subject, and will carefully examine the case and ascertain if the defalcation or loss was rendered possible by any defect in the rules or if it was due to neglect of rule or want of supervision on the part of the executive authorities. He will then report the result of such examination to the authority competent to write off the loss. In cases of important financial irregularities procedure described in [Chapter 17](#) will be followed.

### **Amendment and Interpretation of Rules**

39. The following procedure should be observed by a Controller when he is of opinion that an amendment of a rule in an authorized code, is required, or that necessity exists for the authoritative interpretation of a rule: -

- (i) When any defective rule comes to the notice of a Controller in the course of his audit duties, he will first see whether the rule, as it stands admits of a definite audit decision being given in one way or another. If so, he will ordinarily decide the audit point according to the rule as it stands. Then and in all other cases he should refer the matter to the Military Accountant-General.
- (ii) Where, however the expenditure involved is of really material importance, the Controller may consider it desirable to defer an audit ruling until the points of doubt have been settled. Or again, the rule may be so questionable in itself, or with reference to a discrepant instruction elsewhere in the codes or regulations, that the Controller may feel himself unable to give a satisfactory audit ruling one way or the other on the regulations as they stand. In all such cases, the question should be referred to the Military Accountant-General. If the point in doubt has

formed the subject of correspondence between the Controller and a General Officer Commanding or a Head of a Department, a copy of the letter containing the views of the latter should accompany the reference.

*NOTE:* - Any recommendation by an administrative authority for exceptional treatment, outside the rule, should be addressed to the higher administrative authority concerned through the controller, and not to the Controller.

### **Financial Advice**

40. Controllers are *ex-officio* financial advice to divisional Commanders, C-in-C R.B.A.F and C-in-C, R.B.N., in case of expenditure sanctioned by those authorities. In addition, therefore, to the detailed audit which must necessarily be performed by Controllers in accordance with the principles laid down, is the important task of financial advice on matters connected with Defence expenditure.

41. Financial advice can be divided into two portions, namely: -

(i) Responding financial advice which consists of (a) advice on definite points referred to Controllers and (b) advice as the result of investigations into facts which are normally accepted on the statement of Commanding and administrative officers; and (ii) original financial advice, which consists of advising the administration of any method by which equal efficiency can be obtained with less expenditure. Audit will not only see that authority for expenditure is quoted but will also on legitimate occasions investigate the necessity for it. It will ask whether individual items were in furtherance of the scheme for which the budget provided; whether the same results could have been obtained otherwise with greater economy, whether the rate and scale of expenditure were justified in the circumstances; in fact, they will ask every question that might be expected from an intelligent tax payer bent on getting the best value for his money. For this purpose, comparison of expenditure of cash and of certain important kinds of stores selected in each unit will be necessary in respect of (i) the same unit as between different quarters of the year and (ii) units of the same type during a particular period. Investigations for financial advice will cover the whole field of Army expenditure but particular attention will be paid to those items where extravagance is more likely e.g.; the working of hospitals by comparison between the cost of diets, extras, etc; railing or back real railing of stores; use of Government Transports and repairs; working of contracts, both R. P. A. S. C. and M. E. S. The result of a Controller's investigation and the conclusions he has formed thereon will be presented by him to the local military authority concerned if he considers that the results justify such a course. No item of Financial Advice will, however, be pressed without the full knowledge and goodwill of the Command or District Staff with whom the proposition should be fully discussed but if the Controller cannot appreciate the attitude of the staff in any matter, he will report the case to the Military Accountant-General. Audit officers will also watch the manner in which the various executive officers are undertaking their more important financial responsibilities.

42. To ensure that financial advice of the nature mentioned in [paragraph 41](#) (ii) is carried out systematically, a special section called the "Financial Advice Section" exists in each Controller's office (except in the offices of the Controllers, Ordnance Factories, Air Force and Naval Accounts). The Financial Advice Section will ordinarily carry out only original financial advice work, as distinct from what may be termed "responding financial or audit advice", that is, advice on specific questions referred to Controllers by the

administrative authorities. The latter kind of work will be dealt with by the Audit Section concerned, invoking the assistance of the Financial Advice Section when necessary. The Financial Advice Section will be fed by the audit sections and by the Local Audit Officers who will furnish to it such useful points as come to their notice in their day-to-day audit and which merit investigation for financial advice purposes.

43. No objection should ever be issued by the Financial Advice staff nor should they enter into any correspondence with Officers Commanding and others. All necessary inquiries must be made verbally from the audit section concerned. If in any case correspondence should become indispensable, such correspondence should take the form of personal letters written, over the Controller's signature. Controllers will ensure that the visits paid to units and formations for financial advice are not confused in the minds of anyone concerned with the ordinary audit and inspection.

44. The Military Accountant-General should be kept fully informed of the results of and freely consulted in regard to, important investigations in connection with financial advice.

45. Apart from tendering financial advice to the local administrative authorities, the organization of their own offices and the work conducted in the several sections and by the local audit staff should also form the subject of continuous examination and review by Controllers and by the Superior Service Officers under them. Controllers should feel no hesitation in submitting, for the Controller of Military Accountant-General's consideration matured schemes of audit of cash and store expenditure which, they are satisfied will result in the reduction of the cost of audit, in simplification of work or in greater efficiency.



**ANNEXURE TO CHAPTER 2  
EXTENT OF AUDIT OF EXPENDITURE**

The extent to which the various classes of bills and accounts will be audited is shown below. Bills and accounts not enumerated in the following list will be audited in full.

**I. Regiment Accounts:-**

- |  |                             |
|--|-----------------------------|
| (a) pay bill of officers (excluding pay bill of educational establishment, etc., and miscellaneous charges included in the summary of the pay bill) .....  | In full                     |
| <p>(b) Pay lists (excluding Miscellaneous charges entered on the summary of the pay lists)-</p> <p>(i) First month's pay list after a unit comes into a new audit area. The dates of enlistment given in the pay list in an audit area will be verified by the "transferor" Controller in accordance with paragraph 175 (i) ....</p> <p style="text-align: right;">In full</p> <p>(ii) other pay lists ... ..</p> <p style="text-align: right;">The changes affecting individuals who draw more or less pay than in the previous months, with reference to the remarks in the Pay Lists and adjustments made on account of vouchers in Form No.2 of the Pay Lists will be audited in full.</p> |                             |
| (c) Pay bill of educations establishments, etc.  | As at item (b) (i) & above. |
| <p>(d) Miscellaneous charges-</p> <p>(i) Contractors bills ...</p> <p style="text-align: right;">In full.</p> <p>(ii) All periodical (other than monthly) allowances</p> <p style="text-align: right;">In full.</p> <p>(iii) All other charges-</p> <p>(1) of Rs. 100 and over ... ..</p> <p style="text-align: right;">In full.</p> <p>(2) below Rs. 100</p> <p style="text-align: right;">Will in every 5 months within a period of 6 months be passed after a general scrutiny as to correctness. All such charges appearing in the 6th month will be audited in full.</p>  |                             |

**II. OFFICERS BILLS:-**

- |   |               |
|---|---------------|
| (a) Bills other than travelling allowance bills ....  | ..... In full |
| <p>(b) Travelling allowance bills-</p> <p>(i) of Rs. 100 and over ... ..</p> <p style="text-align: right;">In full</p> <p>(ii) below Rs. 100</p> <p>(whether pre-checked by Accountants of the Pakistan Military Accounts Department or not)</p> <p style="text-align: right;">To be generally scrutinised as to correctness.</p> |               |

**III. OTHER BILLS INCLUDING ESTABLISHMENT BILLS, CONTINGENT BILLS CONTRACTORS BILLS ETC, BUT EXCLUDING PENSION BILLS.**

- |  |                                |
|--|--------------------------------|
| (a) Contractors bills .. .. .  | In full (but see Note 1 below) |
| <p>(b) Other bills prepared or pre-checked by Accountants of the Pakistan Military Accounts Department</p> <p>(i) of Rs. 100 and over ... ..</p> <p style="text-align: right;">In full</p> |                                |

(ii) below Rs. 100	... ..	Will in every 5 months within a period of 6 months be passed after a general scrutiny as to correctness. All such charges appearing in 6th month will be audited in full.
(c) Travelling allowance bills		
(i) of Rs. 100 and over	... ..	In full
(ii) below Rs. 100		
(1) prepared or pre-checked by Accountants of the Pakistan Military Account Department		To be generally scrutinised as to correctness.
(2) Not subject to pre-check by Accountants of the Pakistan military Accounts Department.		One month's claim in every period of 6 months to be audited in full and the claim for the remaining 5 months to be passed after general scrutiny.

**IV. PENSION BILLS**

(a) Pension bills of Imperial pensioners		In full
(b) Bills paid by the Pakistan Military Accounts Department		In full
(c) Bills paid by other agencies to pensioners other than Pakistan Military pensioners	.....	16-2/3 percent <i>i.e.</i> one month's payment in every six, the other five months payments not being examined.
(d) Payments of Pakistan Military Pensioners-		
(i) Quarterly payments	.... ..	One quarter's payments in every four quarters or once a year.
(ii) Monthly payment		One month's payment in every 12 months or once a year.
(e) Indian liability pensioners and Burma Pensioners		In full.
(f) Change statements	.....	In full
(g) Claims on account of O.B.I and I.O.M allowances payable to officers and soldiers of late Indian State Forces		In full

V. Railway Warrants and Credit Notes below Rs. 5 in value	.....	Nil
.....		
Railway warrants and credit notes between Rs. 5 and Rs. 25 in value		25 percent
Railway warrants and credit notes of Rs. 25 and upwards in value	.....	In full
...		

**VI. NAVAL STORE ACCOUNTS—**

- (a) Central Store-keeping Accounts of R.P.N. Establishments and self-Accounting Ships:
  - (i) Permanent and consumable Store Accounts of non-self accounting ship, miscellaneous formations, whose accounts are maintained by B.S.O. under the Naval Store Accounting Directive ... ..
  - (b) All store accounts including Naval Armament store Accounts, Medical Accounts, Mess traps accounts, Mess Utensils accounts,

**Period of audit**

**Extent of audit**

- Yearly As given in (b) below.
- Yearly (i) Opening and closing balances of articles will be checked 100% in each accounts. The closing balances will be checked with the authorized proportions, 100%.
  - (ii) Receipt Vouchers—All items of Rs. 500 and over in full and others 16-2/3 % as far as possible, Vouchers containing big and costly articles will be selected for linking.-
  - (iii) Issue Vouchers—A 100% audit of re-payment Issue Vouchers and loss statements will be carried out in case of victualling accounts. The audit of issues will be restricted to 16-2/3% of the items shown in that accounts as issues which are calculated at the ration scale and are not supported by any vouchers.
  - (iv) In case of clothing accounts, the detailed noting of articles of clothing and necessaries on the clothing history sheet will be checked 16-2/3% with reference to the R.P.N. 210 (Free Issues). All other issues will be checked 16-2/3%.

Quarterly	Clothing	Accounts,	P. O. L.	
Accounts	...	...	...	Quarterly
Victualling	Accounts.	...	...	Monthly.

*Note.*—Arithmetical check of calculations in work bills and requisitions will be exercised in respect of only as many items as work up to 10 percent of the gross amounts shown in a bill. In case of final bills on running accounts however, all items will be checked arithmetically. Rates based on any schedules of rates will be checked .50 per cent. and 100 per cent, check will be exercised over special rates.

## CHAPTER 3

### Appropriation Audit

46. The general principles and rules of audit against provision of funds are given in [Chapter 2](#) of this Code. The following paragraphs contain supplementary instructions to be observed in conducting this audit which is technically known as "Appropriation Audit"

47. The procedure relating to the preparation of the budget, to the appropriation and re-appropriation of funds and to budget matters generally, is laid down in Financial Regulations, Defence Services, Part I, Military Account Code and in other financial rules issued by the Finance Department (Military Finance).

48. An appropriation or supplementary appropriation may be made in respect of expenditure under a major head or under one or more sections of a minor head. For purposes of financial control, the provision under a major head of account is divided into units of appropriation each of which may be sub-divided as may be necessary.

49. Audit is responsible for watching firstly that the total expenditure under a Grant or Appropriation does not exceed the amount of that Grant or Appropriation as specified in the sanctioned Budget Estimates and secondly, that the total expenditure on each of the sub-heads fixed as units of appropriation under a Grant of Appropriation does not exceed the allotment thereof as modified by orders of re-appropriation passed by competent authorities from time to time.

50. Separate provisions are made for expenditure in Pakistan and in foreign countries. The provisions for expenditure in foreign countries are intended to cover charges incurred in those countries by diplomatic representatives of the Government of Pakistan on the supply of stores, and other payments made by them which are not chargeable to Debt Heads of Account.

*NOTE:* All charges paid at ports or elsewhere in Pakistan and in connection with stores obtained from abroad should be treated as expenditure in Pakistan.

51. The distribution of an appropriation is usually effected as under: —

- (i) The whole or a part of the provision under a unit of appropriation may be placed at the disposal of a controlling authority or a disbursing officer, or the unit may be broken up into a number of secondary units (to cover a number of items of expenditure or a number of detailed heads of account) and the appropriation or any of these, wholly or in part, may be placed at his disposal.
- (ii) A controlling officer, at whose disposal an appropriation has been placed may, out of it, allot funds for expenditure on a specific item or on a group of items.
- (iii) The sum total of all appropriations made by any controlling authority from a unit should not exceed the amount of the unit or portion thereof, placed at his disposal.
- (iv) The appropriation for a unit can be increased or decreased only by a formal order of re-appropriation by a competent authority authorising a transfer of funds from or to another unit, or by an additional appropriation sanctioned by the Government of Pakistan.

52. A grant or appropriation is intended to cover all the charges including the liabilities of the past year, to be during the year or to be adjusted in the accounts of the year. It is operative until the close of the financial year; any unspent balance lapses and is not available for utilization in the following year.

*NOTE:* The financial year closes on 31<sup>st</sup> March. After that date all actual transactions are treated as pertaining to the following year, but *bonafide* transfer entries pertaining to the accounts of the year closed are permissible for some months after 31<sup>st</sup> March.

53. No appropriation is needed for recoveries of expenditure which are treated as receipts, both initially and finally, and are not required by any rule in an authorized account code to be taken in reduction of charges, against appropriations.

54. Detailed appropriation audit is conducted at two stages:

- (i) Sanction audit, *i.e.*, audit of orders of allotment of funds and re-appropriations which are to be enforced in audit, and
- (ii) the audit of expenditure against allotments.

55. All re-appropriation within the appropriation for the year can be authorized at any time before, but not after, the expiry of the year.

56. The audit of orders of appropriation and re-appropriation consists in seeing: —

- (a) that the order has not the effect of increasing the amount of the appropriation without the sanction of the competent authority;
- (b) that the amount appropriated is available under the unit from which it is allotted; and
- (c) that the order is issued by the competent authority.

*NOTE.* — re-appropriation from one grant or Appropriation to another grant or Appropriation are not permissible, as such re-appropriations will have the effect of reducing and increasing the amount of the grants or appropriations concerned and will thus be *ultra vires* of provision or the Act.

57. The progress of expenditure against the appropriation as a whole and against subdivisions thereof should receive special attention. The booked expenditure should be scrutinized intelligently and whenever the expenditure under any head is progressing at an unusually high rate, or at a rate likely to exhaust the appropriation for that head or heads before the close of the year warnings should be issued to disbursing officers and controlling authorities, indicating, where necessary, any savings under other heads which may be utilized to meet the probable excess.

*NOTE.* —This rule will apply only in the case of those heads the budget estimates for which are prepared or checked by Controllers.

58. The authority administering an appropriation and not the Pakistan Military Accounts Department, is ultimately responsible for keeping the expenditure within the appropriation.

59. The Controllers are required to see on behalf of the Executive that. —

- (a) if under the financial rules of the Defence Services a particular object of expenditure requires a specific allotment, all expenditure on it is audited against such allotment, and
- (b) if a lump sum allotment is made for a group of items of expenditure, the total expenditure thereon is audited against the lump sum placed at the disposal of the disbursing officers for the purpose.

When, however, several officers are authorized to incur charges relating to a unit of appropriation, against a lump sum allotment placed for this purpose at the disposal of a single higher authority, it devolves upon the authority to watch the progress of expenditure in all the offices and to keep the aggregate charges within the allotment. If the Controller is requested by Government to audit the charges against the allotment, he will comply with the request.

### **Watch of Progress of Expenditure**

60. The Pakistan Military Accounts Department shall watch the progress of expenditure against (i) the grant of appropriation as a whole (ii) allotments for sub-heads, and where necessary against subordinate units of appropriation. The booked expenditure should be scrutinized intelligently and warnings issued to disbursing officers, and, if necessary, to controlling authorities also when excesses appear to be likely. But actually, the responsibility for watching the progress of expenditure against a Grant or Appropriation rests with the Executive and the Executive is ultimately responsible for keeping the expenditure within the Grant or Appropriation. Audit shall render all legitimate assistance to the Executive in the matter and see the suitable and adequate arrangements exist in all branches and administration of Defence Services for the control of expenditure.

61. (a) The Controller is responsible for watching that the expenditure does not exceed the allotments as modified by orders of re-appropriation passed by competent authority from time to time. He is also responsible for seeing that re-appropriations of funds to meet any excess expenditure over allotments are duly sanctioned.

(b) If any specific appropriation has been made for a particular object of expenditure, all expenditure on it will be audited against such appropriation.

(c) If a lump sum appropriation is made for a group of items of expenditure, the total expenditure thereon will be audited against the lump sum appropriation

## CHAPTER 4

### **AUDIT OF RECEIPTS AND RECOVERIES (EXCLUDING NAVAL AND PENSIONS)**

#### **General**

62. Unless otherwise provided for, officers in direct account with the Pakistan Military Accounts Department will afford credit for all receipts and recoveries due from them in accounts or bills rendered to the department. Officers not in direct account with the department and officers in direct account when it is so provided for will credit any amounts due by them into the local treasury or into a branch of the National Bank of Pakistan on the authority of a receivable order in P. A. F.A.-507 issued by one of the officers enumerated in Rule 8, Financial Regulations, Part II (1952 edition).

In dealing with credits, it will be seen

- (i) that the amounts are correct and properly vouched,
- (ii) that there has been no delay in crediting the amounts.

63. A record of all sums due to Government will be maintained by means of Demand Register in which will be shown the action taken from time to time towards their recovery. When credit has been afforded for a particular item, a brief note to the effect will be made in the register against the item concerned.

64. The Audit Department will audit receipts to the extent to which the Auditor-General is required by the Governor-General in Council to undertake this duty.

*NOTE.* -It is a general rule that no debt due to Government should be left outstanding on the books without due and sufficient reason. The Audit Office should exercise constant and watchful care over such out standings and should fully review them at least once a year. Whenever any item appears. to be irrecoverable, orders for its adjustment should be demanded. Unless permitted by any rule in an authorized code no sums may be credited to Government by debit to any suspense head; credit must follow and not precede actual realization.

#### **Recoveries of advances made abroad**

65. Intimation of all advances of pay, etc. or recoveries made abroad are received either direct through the Inward Exchange Account as in the case of the High Commissioner for Pakistan in the U. K. or through the A. G. P. R.

66. The clearance of the advances will be watched entirely by the Military Accountant-General responsible for the adjustment of the pay and allowances of the individual concerned and they will take necessary action to ensure that the advances in question are recovered regularly and completely according to the rules on the subject.

67. Where the advance or any portion of it cannot be recovered because of the transfer of the individual concerned to an appointment under the Civil Department the amount involved will be debited to the Civil Accounts Officer concerned by credit to the appropriate service head. When the last pay certificate, on which the outstanding balance is communicated, has been acknowledged by the Civil Accounts Officer concerned, the advance will be treated as finally recovered. The month's exchange accounts in which the amount has been debited against the Civil Department will be noted in the Demand Register.

On this statement as well as in the demand register will be noted the month's Exchange Account in which the amount has been debited against the Civil Department.

68. On receipt of the notification of an advance made out of Pakistan the amount to be recovered will be converted into Pakistan currency at the official rate of exchange and the amount thus arrived at will be dealt with as follows: —

- (a) If the advance was an advance of pay, the amount should be entered at once in the audit or demand register concerned and recovered in authorized installments from pay as it falls due. Such recoveries will be compiled by deduction from the head to which the advance has been charged by the High Commissioner for Pakistan in London as shown in the last pay certificate, irrespective of the head to which the pay and allowances of the officer are charged in the Pakistan accounts on his return to Pakistan. Except advances issued to officers, returning from the staff college, Camberley, in which case, the recoveries will be credited to the head to which their pay and allowances are charged on their return to Pakistan.
- (b) If the advance was given for the purchase of a motor vehicle the amount will be debited to the appropriate head under " Q- Loans and Advances by the Central Government" by *per contra* credit (responding) to the London Account Current. Recoveries either in cash or by deduction from bills will be watched in the same way as for similar advances made in Pakistan.

#### **Recoveries of advances made in Pakistan**

69. Pay and allowances advanced under proper sanction are audited in the same way as pay and allowances issued on due date. Such advances will be adjusted as final charges against the service heads concerned, unless the parties concerned are proceeding to another circle of audit, in which case they will be reported to the audit offices concerned through last pay certificates and adjusted in accordance with the rules in [paragraph 157](#), Military Account code (revised 1950 edition). In the case of advances made by to individuals located in his own audit area, the audit officer will have the items entered in the audit or demand registers. concerned and will watch their recovery therefrom.

70. In the case of advances debited through an exchange account, the audit officer will adjust the amounts in his account for the month in which the advances were made, if that account is open, otherwise in the account for the month then open, debiting the amount to the service head concerned by credit to the exchange account. He will also note the advance in the audit or demand register, as the case may require.

*NOTE.* - Advances of pay outstanding against an individual at the time of his death will be dealt with in accordance with the rule 185 on the subject in Pay and Allowances Regulation Part II (1953 Provisional edition)

71. Advances for house building and for the purchase of conveyance and other interest-bearing advances to individuals or units are adjusted under Q-Loans and Advances by the Central Government" and noted in the audit or demand register for recovery. Such advances will also be entered in a register in P.A.F. (C.M.A.)-51. Voted non-interest-bearing advances and advances for the purchase of Officers' mess equipment are adjusted under. "P-Deposit and Advances- Advances Repayable" and noted in the audit or demand registers for recovery.



72. If an individual or unit to whom such an advance is granted is transferred to another audit circle, a debt will be raised in the exchange account for the unrecovered advance. Full conditions and particulars of the advance will be stated, both in the last pay certificate and the exchange account.

### **Recoveries from officers and others after their departure from Pakistan**

73. Any demand against an individual which it is not possible to adjust at the time of final settlement of his account on transfer or departure from Pakistan and any demand or overpayment coming to light after such transfer or departure will be intimated for recovery to the accounts officer concerned, due regard being paid to the provisions of Rules 120 and 160 *et sec* Financial Regulations Part I (1952 edition).

74. In the case of officers returning to the U. K. on termination of their contractual period, all demands for recovery other than those noted on the last pay certificates will be intimated to the Ministry of Commonwealth Relations in the United Kingdom on P. A. F. A.-641 intimation affecting demands or overpayments over twelve months old being sent through the Government of Pakistan.

75. In the case of demands thus sent through the Government of Pakistan, the information and explanation on P. A. F. A.-641 will be full and clear enough to prevent any further reference should Government desire to enforce recovery of the claim. All such claims should be submitted by the Audit section concerned direct to the Government of Pakistan. The office copy of the form (P. A. F. A.-641) should be posted in the Demand Register (P.A.F.A.-590) in a separate set of pages allotted for the purpose and the eventual settlement of the item watched through that Register.

*NOTE.*- Claims against Officers of less than Rs10 in value will not be reported for recovery but will be written off under the C.M. A's. financial powers.

76. In the case of officers and others on leave *ex*-Pakistan the recovery of any overpayments discovered against them after their departure on leave will not be enforced, in ordinary circumstances, until they return to Pakistan. They will be given details, however, of the impending recovery, as soon as the overpayment is discovered.

### **Recoveries of Income-tax**

77. Recoveries of income-tax are made with reference to the late Government of India Act XI of 1922 as adapted for Pakistan and the orders issued by the Government of Pakistan from time to time.

78. In determining the rate at which income-tax is to be levied it is necessary to ascertain what an individual's total income from salary up to date is, at what rate tax has been deducted, what his total income from salary is likely to amount to by the end of the financial year, and what is the rate of tax appropriate to such total income. When an individual reverts from a higher rate of salary to a lower rate, or where on account of absence on leave *ex*-Pakistan the rate of tax applicable to the total salary likely to be drawn in Pakistan during the whole year is lower than would have been the case had the salary been drawn in Pakistan throughout the year, the tax should be deducted at the rate appropriate to the probable total annual income in Pakistan having regard to the total drawn up to date and the rate at which salary is likely to be

drawn for the rest of the year. Any excess deduction in previous months due to the fall in rate should be adjusted in the first pay bill in which tax is deducted at the lower rate, provided this is done in the same financial year. Similarly if an individual is promoted to a higher salary and the result is that the rate appropriate to his probable total income is increased, not only will tax at the higher rate be deducted in subsequent pay bills but any deficiency in previous deductions due to the rise in rate will also be made good in the first pay bill drawn after his promotion. Any necessary final adjustments may be made in the last month of the financial year. No cash refund of income-tax excess recovered during any year can, however, be made by the Pakistan Military Accounts Department without the authority of the Income-tax Department.

79. A monthly statement showing figures on account of "Income-tax" and "Super-tax" compiled in the accounts of the Defence Services will be forwarded by the Hollerith Sections concerned to the Central Board of Revenue by the 6<sup>th</sup> of the month following that to which it relates.

80. An annual statement showing the names of individuals under the audit control of a Controller of Military Accounts, the salaries, etc., drawn by them during the year and the amount of income-tax recover from them, should also be sent to the income tax authority concerned as soon as possible after the close of the financial year.

*NOTE.* —in some station's income-tax officers are attached to the offices of Military Accountant-General. In such cases annual statements need not be sent, as the necessary information is collected by the income-tax officers from the pay bills. Where, under special arrangements, monthly income tax schedules are forwarded by Military audit officers to the income-tax authorities' yearly statements are not required.

81. When officers are transferred from one audit circle to another, the total salary drawn up to date in that financial year and the total amount of income-tax deducted thereon should be noted in the last pay certificate which should be accompanied by detailed statements of the recoveries made monthly and the rebates allowed.

82. When rebate of income-tax is claimed on account of premium paid to Insurance Companies, the original or duplicate receipts or other accepted proof should be suitably endorsed and returned to the officers concerned. See rule 35 and item 29, Appendix I, Financial Regulation, Part II (1952 edition).

### **Recoveries of value of horses supplied to high officials**

83. Recoveries of the value of horses supplied to the Governor-General, Governors, the Commander-in-Chief, the Secretary, Ministry of Defence *vide* Rule 559, Regulations for the Army (Reprint 1945) will be effected by valuation statements. In the case of horses supplied to the Governor General stables, a statement showing the value of the horses together with the rolls received from the Remount Depots, is sent to the Military Secretary to the Governor-General at the end of each calendar year, and on acceptance of the figures by that officer a receivable order is sent to him to enable him to pay the amount into the Treasury. In the case of other officials' similar statements and receivable orders are sent to them.

### **Recoveries on account of chargers purchased or hired by Officers or boarded out**

84. If chargers are purchased on the installment system from a Remount Depot, the audit officer of the depot, who received a report of the transaction from the Inspector of Remounts, will intimate the fact to the officer who audits the pay accounts of the officer making the purchase, through a descriptive roll of the charger.

If the officer is under the audit control of the same Controller of Military Accounts, the intimation will be sent to the audit section concerned. Necessary entries will then be made in the audit or demand register, as the case may be, to watch the recovery of the installments.

85. If the chargers are selected from the ranks the information will be collected from P. A. F. A.-10 or 10-A furnished by the Officer Commanding the unit and necessary entries will be made in the demand register.

86. All recoveries will be adjusted as *bonafide* receipts under Head V(c) against the detailed head concerned.

87. Similarly, when chargers are hired by officers or are boarded out, necessary information for note in the audit or demand register to watch recovery will be obtained from the audit officer of the Remount Depot concerned or from P. A. F. A.-10 or 10-A furnished by officers commanding the units from the ranks of which the chargers have been hired or boarded out.

88. A claim to the refund of purchase money on account of a charger returned to ranks will be supported by the proceedings of a Station Committee in P. A. F. H. 1108 sanctioned by the Brigade Commander. The charger may be resold to Government under the conditions and rates laid down in Rule 564, Regulations for the Army (1945 reprint). The payment will be noted in the audit or demand register against the entries of recovery made on account of the charger.

### **Contributions towards leave allowance and pensions of officers and others lent to Foreign Service, and passage contribution of such officers**

89. A register in P. A. F. (C. M. A.)-164 of officers and others who have been lent to foreign service from the audit area of a Controller of Military Accounts should be maintained by him to enable a check to be exercised over the recovery of the contributions. This register will be posted on receipt of the orders of competent authority sanctioning the transfer and the entries will be examined as to their correctness and initialled by the Gazetted Officer in charge. A certificate of the date of making over charge and of receiving charge of the new appointment (and in the case of Government servants for whom service books are maintained, the service books) should be called for, necessary notes, in respect of the order sanctioning the transfer, the effect of the transfer in regard to leave admissible during foreign service and any other particulars that may be considered necessary, will be made in the service book under the signature of a gazetted officer, and the service book returned. On receipt of the certificate the facts should be recorded in the register. All orders subsequently received regarding such officers etc., on foreign service should be recorded in the register, as well as orders issued by the Controller of Military Accounts for recovery of interests or of contributions in arrears, also the cause of the contribution ceasing to be realized owing either to re-transfer, death, dismissal or any other cause. In cases of re-transfer to Government service the fact will be

recorded in the service book which should be called for where service books are maintained, and the service book returned to the office to which the individual has been posted.

*NOTE 1.*-In the case of a non-gazetted Government servant of a class for whom P. A. F. A.-461 is obtained, transferred to foreign service, the Superintendent will have the fact of transfer distinctly noted in the latest P. A. F. A.-461 received.

*NOTE 2.* —Claim for passage contributions in respect of officers and others loaned to non-military departments, etc., for whom passage accounts are maintained by the C. M. A. & P. will be preferred by that officer. Claims in respect of those for whom passage accounts are not maintained will be preferred by the Controllers from whose audit area the officers etc., proceed on foreign service or in whose audit area-unit or depot, of the unit to which the officers etc., belong is located. As an exception, claims on account of passage contributions in respect of R. P. N. officers loaned to Non-military Departments, etc., for whom passage accounts are maintained by the C. M. A. & P. will be preferred by the C.N.A. Karachi.

*NOTE 3.* - The case of King's Commissioned officers and other individuals of a complete unit lent to foreign service (including its affiliated Training Company and Headquarters staff of the Training Battalion or Depot of the unit, if any) in respect of whom, contribution is recoverable with reference to the length of service at variable rates, the necessary particulars should be entered in detail for each personnel separately in the register P. A. F. (C. M. A)-164.

In the ease the personnel of the unit, other than those in respect of whom full -details are required to be recorded separately for each in the register P. A. F. (C. M. A)-164 as stated above, (*viz.*, Pakistani officers P.O.Rs. and other enrolled personnel who are eligible for pension under Military Regulations), all particulars should be recorded against the printed headings in the register P. A. F. (C.M. A.)-164 in one entry each for the Active Battalion, its affiliated Training Company and Headquarters staff of the Training Battalion or-Depot of the-unit, as the case may be. For example, in the case of units lent to the F.M.S. one entry will be made for the Active Battalion, one entry for the affiliated Training Company and one entry for the Headquarters of Training Battalion. The lump sum amounts of "contribution assessable pay", contribution due for recovery and "contribution recovered" together with other required particulars should also be recorded in the register month by month. To support the entries in the body of the register, the office copies of the claims on account of contributions towards pension and leave (where recoverable), instead of being recorded separately, be pasted or bound at the end of the register by the Auditing Controller.

90. The following procedure will be observed for the settlement of claim of account of leave, pensions and passage contributions in respect of Military Officers and others lent for Foreign Service. In the case of individual officers and men lent for foreign service, the Controllers will make standing arrangements with the foreign employers with effect from 1st September 1935 to ensure the payment, on due dates, of the correct amount of contributions monthly in each case, without the submission to them by Controllers, of monthly or periodical claims. Under this arrangement, the primary responsibility for communicating to the foreign employers concerned, the correct rates of contribution payable by them monthly and for intimating to them the periodical changes in such rates will rest entirely with the Controller responsible for watching and auditing recoveries. The Controllers will also enter in the register in P. A. F. (C. M. A.)-164, the period for which each standing arrangement with the foreign Government is intended to last and the rate will be operative during that period, and check the credits received monthly with reference to the amounts due, as shown in the register. These credits will be noted in the register which will be inspected regularly every month by the group officer.

(I) Foreign service out of Pakistan. -The first statement of or the periodical changes in contributions will be sent by Controller of Military Accounts concerned direct to the foreign employer with instructions (1) to afford credits for the amounts due in his accounts with the Accountant-General, Pakistan Revenues, (2) to specify in the accounts the particular Controller of Military Accounts in whose books the credits will be adjustable and (3) to state the month's accounts with the Accountant-General, Pakistan Revenues, in which the credits will appear. The credits appearing in the foreign Government's accounts will be passed on by the Accountant general, Pakistan Revenues, to the Controller of Military Accounts concerned and the latter will watch the credits on receipt of information called for by him at (3) above. In case the foreign employer has no account with the Accountant-General, Pakistan Revenues, the Controller of Military Accounts concerned will, while sending the statements of contributions to him, instruct him to pay the amounts into the nearest treasury which renders an account to the Accountant-General, Pakistan Revenues, and state the name of the treasury and the month in which the amounts have been or will be paid into that Treasury. If this method is not possible the foreign employer will be asked to arrange for credits for the amounts being passed on to Pakistan through his accounts with the High Commissioner for Pakistan in London or to remit the amounts by means of bank drafts, whichever is suitable.

(ii) In the case of a complete unit (including its affiliated Training Company and Headquarters staff of the Training Battalion as well as the depot of the unit, if any) lent to foreign service, monthly claims on account of contributions towards pension passage and leave (where recoverable) should be prepared from the entries in the Register P. A. F. (C. M. A.) 164 in respect of King's Commissioned officers and other individuals for whom contribution is recoverable with reference to the length of service at variable rates and in respect of whom full particulars are required to be recorded in the register, *vide* note 3 to para. 89 and from the audited accounts direct in respect of others, namely, Pakistani Officers P. O. Rs. and other enrolled personnel who are eligible for pension under Military Regulations. These claims should be submitted direct to the foreign Government concerned for payment by due dates.

*NOTE:* - Claims which are prepared direct from the audited accounts may be prepared for each company separately on the lump sum account of "contribution assessable pay" drawn.

(iii) The Controller of Military Accounts is responsible for seeing that all contributions due, as shown in the register in P. A. F. (C. M. A.)- 164 are paid on due dates and that officers and others in Foreign Service are given prompt intimation when their contributions fall into arrears, and that they are informed of the penalties to which they become liable owing to non-payment. The Controller will note in the register the date by which the credits for contributions in each case are normally expected in his office from the foreign employers.

(iv) With effect from 1st September 1935 interest will be charged on all overdue pension and leave contributions in accordance with supplementary Rule 307 except as regards the claims against the Government of U.K.

When credit for leave and pension contributions is adjusted through the exchange accounts, the date from which interest on belated payments is chargeable, should be determined as follows: -

It will be assumed that payment has been made on due date if the credit due for a month (say for the month of January) is afforded through the exchange accounts for the third

month, (*i.e.*, March). If not, interest will be charged against the borrowing Government from the 16th of the third month (*i.e.*, from the 16th March in the above instance) to the end of the month preceding that in which the credit is actually received.

(v) If a government servant is transferred to Foreign Service out of Pakistan, the Audit Officer concerned will be responsible for obtaining from him, at the time of transfer, a declaration showing that he has read and understood the rules which are to regulate his leave.

CHAPTER 5  
**Pay and Allowances of Officers**

*Officers not Regimentally employed*

91. In the case of the pay bill of an officer on duty, the duty of the Audit Officer beyond testing the formal completeness of a voucher is: -

(a) to see that the officer is entitled to the pay claimed.

*NOTE.* —No claim can be admitted for service in a post not duly sanctioned or for pay not assigned or provided for the post held by the officer.

(b) to record the payment made as a check on a second claim, and as a guide in calculating the leave allowances admissible in case of future leave, where the leave allowance is based on the salary drawn;

(c) to record the period of duty, suspension, or leave as a check on future claims to leave and pension.

In the case of an officer on leave it is necessary to see that leave has been granted by competent authority, that it has not been exceeded, and that the leave allowances claimed are covered by the rules governing the case.

*NOTE 1.* —For the above purposes the following records are provided: -

(1) Audit Register.

(2) History of services.

(3) Pakistan Army List.

*NOTE 2.* —The detailed rules regarding the maintenance of audit registers will be found in the Office Manual. As regards the history of service and Pakistan Army List see [paragraphs 99 to 102](#) of this Code and rule 263 Financial Regulations, Part I (1952 edition).

92. As pay bills are ordinarily paid after pre-audit, any pay or allowances which may be inadmissible will be disallowed in audit and retrenched. In ordinary circumstances, therefore, it will not be necessary to watch recoveries of disallowances. In some cases, however, pay and allowances may be passed provisionally in audit, *e.g.*, for want of last pay certificate or other cause. In such cases the Officer concerned will be informed of the possibility of retrenchment, and the amount involved will be entered in the proper place in the Audit Register and its final adjustment watched.

93. When an officer has been appointed under a special contract or agreement, a copy of the contract or agreement should be obtained and recorded in the audit office. Pay and allowances or leave will be regulated according to the terms of such contract or agreement.

**Recruitment to Posts and Services**

94. (1) Audit officers are not required to watch the observance of provisions of the following nature relating to recruitment or appointment to posts or services, as these are the concern of the administrative authorities, who should take the necessary steps in the matter: -

(a) Rules relating to the representation of communities, sects, creeds or races or of persons of a particular domicile or both;

(b) Rules relating to the proportion to be observed in recruitment to services between personnel promoted from subordinate ranks and that recruited direct, or

(c) Rules relating to educational or other qualifications.

(2) When, however, an audit officer is of opinion that in accordance with any rule or order a post is reserved for members of a particular service and an outsider is appointed he will call for the sanction of the authority which is competent to remove the reservation.

The fact that the pay of a post has been fixed on the assumption that it will be held by a member of a particular service tends to show that it was intended to reserve the post for that service but by itself is not conclusive evidence.

*N.B.*—This check need not be applied in case of non-gazetted Government servants.

95. The instructions issued by the Auditor-General in connection with leave procedure, as amended to suit the requirements of the Pakistan Military Accounts Department with reference to [paragraph 28](#) of those instructions, and modified with reference to the latest leave rules for Military personnel are reproduced in [Appendix I](#).

96. The rules relating to the scale check to be exercised over the sanctioned complement of the various classes of officers will be found in [Appendix V](#).

97. On or before 1st September each year, Military Accountant-General should submit to Government a list of civilian officers, who, during the next official year, will be due to retire under the operation of the rules in the Civil Service Regulations.

*NOTE 1.*—In the case of an officer whose year or year and month of birth is known, but not the exact date, the 1st July or 16th of the month respectively should be treated as the date of birth for the purpose of determining the date on which he should be held to have attained the age of 55 years or any other age, for the purpose of this rule.

*NOTE 2.* —The list of officers of the Pakistan Military Accounts Department will be submitted to the Military Accountant-General.

98. In the case of military officers, no such lists need be submitted but it should be seen that full pay and allowances are not passed to such officers after the dates on which they are required to retire or vacate their appointments under the rules in Regulations for the Army in Pakistan, or under any other orders of Government.

99. Every Audit Office will maintain a record giving a history of the services of all Civilian gazetted officers (except those of the Cantonment Department and Superior Service Officers of the Pakistan Military Accounts Service) paid by them. The record will be in the form of a register in the case of officers, paid by the C. O. F. A. but in all other cases it will be in the form of loose cards- P.A.F. (C. M. A.) 358

*NOTE 1.* —History of services of Officers of the Cantonment Department and those of the Pakistan Military Accounts Service are prepared by the Army Department and the Military Accountant-General respectively. On receipt of the histories, Controllers will check portions with which they are concerned with the entries in the audit registers.

*NOTE 2.* —In the case of Officers of the Pakistan Military Accounts Service the Auditing Controller will maintain a record of all the events occurring in their official career during the period intervening between the publication of the History of Services. In the case of Deputy Assistant Military Accountant-General the Register of the History of Services should contain a summary of the leave, etc., taken by them during their non-gazetted service or under special leave rules

100. The history is intended to include all important facts in the official career of an officer, including officiating appointments. Officiating appointments should be distinguished from substantive appointments. Leave of all kinds, absence without leave or in excess of leave



or of joining time should be noted across the pages; and if any period be allowed to count as service, which should not ordinarily be allowed by the rules, or if any special privilege or disability affecting pay, pension or leave attaches to an officer, the fact should be similarly noted with quotation of the Government order.

*NOTE 1.* —the date of birth should be recorded at the heading in every case.

*NOTE 2.* —Entries relating to punitive action taken in regard to an officer should not be made without special orders of Government. If an audit officer considers that such an entry is indispensably necessary for audit purposes, he should refer the question to Government through the Military Accountant-General who will decide what form the entry will take.

101. When a Civilian gazetted officer is transferred from the audit of one Controller to that of another Audit Officer, the Controller should ensure that the history of Services P. A. F. (C. M. A) 358 is duly completed for the period for which the officer was paid by him and dispatch it, in original, to the new Audit Officer. No copy of, or extract from the P.A.F. (C.M.A.) 358 needs be retained by the Controller.

*NOTE.* —In the case of a Civilian gazetted officer transferred from the audit of the C. O. F. A., an extract from the register of histories of services will be made out in respect of the officer and forwarded to the new Audit Officer, together with a statement showing the pay earned by the officer during the last 3 years.

### **Records of Pension Service**

102. Information regarding pension service of King's Commissioned Pakistani Officers and Regular Commissioned Officers is available from the gradation pages of the Pakistan Army List, wherever that publication indicates that the entries therein have been audited for purposes of assessment of pension. Records of services will, however, be maintained by the Audit Office for such officers on P.A.F. (C.M.A.) 313, the instructions for the maintenance of which are given [Appendix VI](#). Any additions or corrections affecting pension service, including cases of overstay of leave by officers involving forfeiture of service, should be reported promptly to the M. A. G. by the Controller concerned.

*NOTE.* —On the transfer of a military officer to a Civil Department, necessary particulars regarding leave, etc., to be furnished to the Civil Accounts Officer will be obtained from the salary audit register or pay bills and, if necessary, from the record of service maintained by the administrative authority (Central Officers' Record Office) concerned. In the case of a military officer transferred from a Civil Department, the Controller will obtain all particulars of leave, etc., availed of by him while in Civil employment from the History of Service of Gazetted officers maintained by Civil Accounts Officers.

### **Specimen signatures**

103. Every officer who is eligible to render claims or cash requisitions to the Controller of Accounts or who may be paid by him shall, on making over his duties to another send two or more copies (as required by the C. M. A.) of the specimen of the relieving officer's signature to the Controller in order that the audit officer may satisfy himself before admitting a claim, etc., that the signature it bears is valid.

### **Payment of officers leaving Pakistan**

104. As far as possible an officer should be paid to due date before leaving Pakistan, but where, for any reason, a credit comes to light after his departure, this should be communicated for payment on P. A. F. A. 601 by the C. M. A. who issued the officer's last pay certificate or colonial warrant, in respect of those British Dominion Colonies where a Pakistan Diplomatic

Representative has not been appointed. In the latter case a copy of the P. A. F. A. 601 will be endorsed to the High Commissioner for Pakistan in the U. K.

*Officers Employed Regimentally*

105. The pay bill of officers employed regimentally will be audited by comparison with the previous month's bill and in case of charges which do not arise monthly with reference to the last audited charges preferred. All orders or particulars relevant to the audit of subsequent bills will be noted in the current bill, and where these do not affect the next bill, will be carried forward until they are to be applied.

106. The pay and allowances claimed will be compared with those admitted in the last audited bill and if there are any variations it will be seen that they are supported by the necessary authority and are otherwise in order. Entries in the remark's columns will be closely scrutinized and checked with reference to the supporting orders, certificates or other vouchers.

107. In the case of new names, the first claim to pay and allowances will be supported either by a last pay certificate or by a reference to the order appointing the officer. In the former case the rates of pay and allowances and the date from which drawn will be checked from the details appearing in the last pay certificate. In the latter case the rates of pay and allowances drawn will be checked with those authorized by the order of appointment or by regulations.

108. The complement of officers attached to any unit is checked against the sanctioned scale through the prescribed form attached to the pay bill.

109. In other particulars the rules in [paragraphs 91 to 104](#) will be applied, where relevant, in the case of officers regimentally employed.

## CHAPTER 6

### **Staff and other establishments (other than those employed with units)**

110. On the 1st of April each year, heads of such civilian establishments will forward to the Controller concerned detailed statement in P.A.F.A.-461, of establishment permanent and officiating incumbents of permanent posts, and all temporary posts sanctions to which expired during the currency of the previous year. The statement will be accompanied by detailed statements of new names, etc., in P.A.F.A 462 and abstract scales of establishments in P.A.F.A. 463.

*NOTE.* —In cases where acting allowances count towards pension under Article 486(h) C. S. R., such acting allowances are entered in the annual establishment returns.

111. The pay and allowances claimed will be compared with those admitted in the last audited bill and if there are any variations it will be seen that they are supported by the necessary authority and are otherwise in order. Entries in the remark's columns will be closely scrutinized and checked with reference to the supporting orders, certificates or other vouchers.

112. In the case of new names, the first claim to pay and allowances will be supported either by a last pay certificate or by a reference to the order appointing the individual to Government service. In the former case the rates of pay and allowances and the date from which drawn will be checked from the details appearing in the last pay certificate. In the latter case the rates of pay and allowances drawn will be checked with those authorized by the order of appointment or by regulations and it will be seen that pay is not claimed for any period anterior to the date of appointment.

*NOTE.* —No claim can be admitted for service in a post not duly sanctioned or for pay not assigned or provided for the post held by the individual.

113. On the 1st of April each year, heads of such civilian establishments will forward to the Controller concerned detailed statements in P. A. F. A.-461, of the permanent civilian establishment serving under them as they stand on that date. The statements will be accompanied by detailed statements of new names, etc. in P. A. F. A.-462 and abstract scales of establishments in P. A. F. A.-463.

*NOTE.* —In cases where acting allowances count towards pension under Article 486(h). Civil Service Regulations' such acting allowances are entered in the annual establishment returns:

114. A list will be opened annually in each Controller's office showing the names of establishment for which these statements are due. The dates on which the statements are received and the dates on which their check is completed will be noted in this list. If any statements are not received within a reasonable time, they should be called for.

115. On receipt of the annual detailed statements in P. A. F. A, -461, they will be compared with the corresponding statements of the previous year, and any new orders quoted in support of alterations will be verified; it will be seen that each new name is supported by a health certificate, where necessary, or by a reference to the bill with which it was-furnished or by a reference to a former post held; the words "verified" or "Certificate inspected", as the case may be, being marked in red ink on the statements. If there is any name not so supported,

or if any unknown order is quoted, the necessary details will be obtained from the officer who furnished the statement.

116. The abstract of scale establishment (P.A.F.A.-463) will be checked with the statements that accompany it, and with the sanctioned scale, if a scale for the formation or office or for the district is fixed.

117. In the course of checking the annual statements care will be taken to see that, if the services of any persons who have attained the age of 55 years have been retained, or if any new appointments have been made of persons over 25 years of age (in cases where sanction to first appointment after 25 years of age is necessary), copies of the orders sanctioning such retentions or appointments have been furnished.

118. After the annual statements have been checked in the manner indicated above and steps have been taken to supply any omissions or rectify any defects discovered in them, the statements, together with those for the previous year, will be submitted to a gazetted officer, who will review a sufficient number of pages, chosen at random by him, and initial the pages checked by him. The statements will then be grouped according to the heads of account to which the cost of the establishments shown in them is chargeable, and bound in that order in volumes of convenient size. These registers will be used for the verification of claims to pension.

119. On or before the 1st September of each year, i.e., as soon as possible after the examination of the annual statements, reports, in the case of those who are under the rules in the Civil Service Regulations should be forward to the authorities empowered to grant extensions of service of all non-gazetted government servants, other than ministerial, employed under them, who will attain the age of 55 years, or whose extension of service will expire during the next official year. *See [note 1 to paragraph 97](#).*

120. If the head of a department so desires, a similar list of ministerial Government servants, who will attain the age of 60 years during the next official year, should be submitted to the authorities concerned on the date mentioned above.

#### **Individuals under contract or special agreement**

121. If any individual is appointed under a contract or a special agreement, his pay and allowances and leave, etc., will be regulated under the terms of the contract or agreement. A copy of the contract or agreement should be obtained for record.

#### **Extra artificers and others, temporary labour employed in Arsenals, etc.**

122. The payment of temporary labour employed in Arsenals (including Ordnance Depots, Ordnance Factories, Clothing Depots and Inspection Sections) is made from advances drawn against the Extra Temporary Labour Grant, the advances being adjusted by means of detailed bills submitted as soon as possible after payment has been made.

#### **Labour employed on daily or nerrick rates of pay**

123. Charges preferred on account of payments to labour employed on daily or nerrick rates of pay are required to be supported by certificates to the effect that all payments have been correctly made.

*NOTE.* —Ordinarily payments are to be made in the presence of two Gazetted Officers who will be required to certify as above. Where such officers are not available, however, the certificate is to be signed by the disburser and one witness, who need not necessarily be a member of the staff.

Acquaintances from the payees are not required.

In auditing these charges, it will be seen that authority exists for the employment of the labour, that the period of employment does not extend beyond that sanctioned and that the rates of pay drawn do not exceed those authorized.

### **Leave**

124. For procedure in connection with leave *see* [Appendix I](#). When leave is granted, it should be seen that the period of the leave is not exceeded.

### **Auditor's duties**

125. The chief points to be observed in auditing establishment bills, besides those mentioned in [paragraphs 24](#) and [29](#) are: -

- (1) That the arithmetical calculations are correct.
- (2) That the pay and allowances drawn (including acting allowances) are according to regulations or orders.
- (3) That an increment certificate is attached when an increment is drawn.
- (4) That in cases where the submission of an absentee statement is necessary the statement is filled in or the "no leave" certificate furnished.
- (5) That a last pay certificate is furnished for an individual transferred from another establishment.
- (6) That the dates of making over and receiving charge are stated and joining time checked.
- (7) That, in cases where a scale of appointments is fixed for an establishment or the district, the sanctioned scale is not exceeded; and that for all-Pakistan establishments the required statements are furnished to the officers concerned.

## CHAPTER 7

### TRAVELLING ALLOWANCE

126. The term "travelling allowances" as used in this chapter includes daily allowances while the term "sea passages" excludes leave concessions passages.

127. Claims for travelling allowance for journeys by rail, road, river, sea or air, must be submitted on the prescribed forms in strict accordance with the instructions printed thereon.

128. Bills for the cost of sea passages provided for officers' troops and followers, will be adjusted by the Audit Officer in whose jurisdiction the post of embarkation is situated.

129. In the case of quasi-commercial concerns, however, such as Grass and Dairy Farms, Clothing and Ordnance Factories, etc., the Controller of Military Accounts incurring the expenditure should send to the farm or factory concerned, through the Controller of Military Accounts concerned in whose audit area they are located, a monthly statement showing particulars of the charges compiled by them against the accounts of the concerns during the months.

130. In checking bills received from shipping companies it should be seen that: -

- (i) they are supported by certificates in P. A. F. T. 1724, issued by the competent authority,
- (ii) the individuals are entitled to free passage,
- (iii) where required the certificates given bear an endorsement by the embarkation authorities to the effect that no Government or hired transport was available,
- (iv) the embarkation authorities have certified that the passages requisitioned for have been provided.

*NOTE*--The check over recovery of messing charges, when due from passengers by Government or Hired Transports or by private vessels, will be made with reference to the rules on the subject in the Passage Regulations and with due regard to the particulars required to be recorded in the register of messing charges.

131. All passage allowance claims *viz.*, claims for the allowance in lieu of free passage, will be audited with reference to the rules in Passage Regulations and paid by the Controller who deals with the pay accounts of the individual concerned.

*NOTE*- Authorized charges on account of Medical Attendance on military passengers travelling by private vessels *vide* Para. 41 Passage Regulations (Provisional editions. 1954) will be audited and adjusted by the C. M. A. in whose audit area the port of embarkation is situated.

132. For the audit of travelling allowance claims it will be seen, in addition to the check prescribed [in paragraph 24](#) and [29](#).

- (1) that the duty on which the journey was performed was such as to entitle the individual who performed it to travelling allowance under rules and that the sanction of the competent authority has been accorded where this is necessary;
- (2) that the rates of railway or steamer fares charged agrees with the tariffs of the railways or steamship companies concerned;

(3) that the distances for which Mileage has been claimed are correct where these can be checked from data available in the audit office, as, for example, fare or time tables. Any cases of journeys by road or by river, the distance for which mileage is claimed, if not susceptible for check in the audit office, will be accepted on the responsibility of the counters-signing officer, who is required to ensure that correct distances are charged for. In any cases of doubt as to the correctness of the distances for which the allowance has been drawn the local M. E. S. authorities will be consulted.

(4) that no allowances have been claimed which are not covered by regulations or orders,

(5) that claims are countersigned by controlling officers, where necessary,

(6) that any advance of travelling allowance taken in respect of the particular journey, for which the claim is preferred has been brought to account in the claim,

133. All claims for travelling allowances, sea or river passages or passage money will be recorded in the appropriate Audit Register, or P. A. F. A. 515 or P. A. F. A. 518, as the case may be.

134. All advances of travelling allowance will be entered in a demand register in P.A.F.A. 590. This register will be used to watch the submission and final settlement of adjustment bills required to be submitted in respect of these advances, or where, in the case of transfers, the advances are notified to other audit officers for action towards final adjustment, to record details of the transfer of advances and of their acknowledgment by these officers.

135. Claims for railway fares for Pakistan soldiers and enrolled non-combatants of the Pakistan Army proceeding on furlough will be supported by a certificate from the Commanding Officer to the effect that the men referred to in the claims who proceeded on furlough as distinct from leave or casual leave have had two years' service (except as provided for in R. A. I.) and either (a) have had no furlough during the previous two years or (b) are serving at a station over 800 miles by the main route from their class recruiting center and have had no furlough during the previous year.

### **Railway warrants and Credit Notes**

136. In auditing rail, sea, river and road warrants and credit notes, in addition to the general rules for audit of expenditure (*vide* [paragraph 24](#) and [29](#)) it should be seen: —

- (a) that, vouchers are completed in every respect and all the items 1 to 4 in column 4 of P. A. F. T. 1707 and all the columns in P. A. F. T. 1711 are correctly filled in,
- (b) that correct authority is quoted in the warrants for free passage authorized for families, servants and baggage admissible under regulations,
- (c) that they are duly signed by the officer who is authorized to issue same and not by his subordinate,
- (d) that the class of accommodation provided is authorized by regulations,
- (e) that the accommodation provided by the Railway and accepted by the dispatching officer is necessary with reference to the number travelling on the warrant and that the vehicles are loaded to the full carrying capacity at the authorized scale of accommodation,

- (f) that the cost of baggage in excess of the authorized quantity, if any, conveyed in troops trains be ascertained and recovered from the unit concerned,
- (g) that the stores conveyed on credit notes are *bonafide* Government property and that such stores are always booked on credit notes duly presented at the forwarding station,
- (h) that the sanction of competent financial authority is always furnished to regularize the extra freight charges for stores sent by passenger train instead of by goods train and for the difference between the longer and shorter routes and also between the mail and passenger fares unless specially provided,
- (i) that the rates and amounts claimed by the railway are checked with reference to the contract or tariff rates as the case may be and any excess claim disallowed,
- (j) that the contract rate is claimed for journeys of all individuals under Army Act or Indian Articles of War on duty including movements on medical certificates,
- (k) in the case of parties travelling or animals conveyed on warrants or consignments booked on credit notes sufficient to fill vehicle loads, that the vehicle rate or the individual fare or small consignment rate whichever is cheaper is always allowed,
- (l) that the additional charges in lieu of hire are never passed unless the vehicle is actually reserved and run over foreign railways even though the charges are made at vehicle rates,
- (m) that vehicle rate at public carrying capacity scale is claimed for followers preceding on duty otherwise than on Field Services and that the same at the Military carrying capacity scale is admitted when they proceed on field service only where such accommodation is actually provided,
- (n) that the special train warrants are audited with reference to the composition statement which will always be called for from the railway and that no charge is claimed for empty brake vans and that one loaded brake van is allowed free when the number of vehicles of the special train exceeds 16 four wheelers,
- (o) that the haulage of specially constructed reserved carriages or saloons used by high officials is claimed at the rates specially sanctioned by the Government of Pakistan and that the claims for detention charges are supported by the written orders signed by the official concerned or by one of his staff officers ordering such detention or stoppage.

137. As the railway authorities will not entertain an objection or disallowance raised more than six months after the date of receipt of bills, it is essential that all objections and disallowances should be issued to them within that period and steps should be taken to ensure that this is done.

*NOTE.* —In no circumstances should technical defects in warrants and credit notes, *e.g.*, want of signature of issuing officer, be allowed to retard the issue, within the prescribed period, of objections and disallowances against the railway authorities. In such cases check will be exercised from such information as is available and any objection found will be included in the objection statement issued to those authorities.

### **Tour Grants**

138. The following procedure will be observed in regard to the disbursement and audit of expenditure in connection with the tours of His Excellency the Commander-in-Chief.



I. *Disbursement*, The Private Secretary to His Excellency the Commander-in-Chief, on the first day of each month may draw from the C. C. M. A., Rawalpindi ('M' Section) one-twelfth of the total amount of the annual tour grant, or one fourth of the grant at the beginning of each quarter, whichever may be more convenient. The amount so drawn may be kept in any bank in His Excellency's official title.

All charges debitable to the tour grant will be disbursed by the Private Secretary from advances made as above, and no money for this purpose will be drawn from Government in any other way.

*NOTE*. - Charges relating to provision of Saloon and or other conveyance or passage for His Excellency and his entourage will be accepted by the Cs. M. A. and debited to Head 7-A. Any portion of the annual grant not drawn by the end of the financial year will lapse to Government.

II. *Audit*—A simple balanced account of the expenditure incurred against the tour grant will be submitted by the Private Secretary at the end of each financial year. This account, which will be accompanied by a report showing the liabilities incurring but not actually discharged in the year will show: -

1. the unexpended balance of the funds drawn during the previous year as the opening balance of the account;
2. all advances drawn during the year;
3. all disbursements made during the year under the following heads, the expenditure for each tour being shown separately, as far as possible: -
  - a. actual conveyance charges of His Excellency the Commander-in-Chief His Excellency's staff, tour establishment, camp equipage and vehicles, by road, rail, river and sea, incurred in the course of tours performed by His Excellency,
  - b. pay and allowances of camp and tour establishments, this to include the pay of chauffeurs,
  - c. livery and clothing of tour and camp establishments,
  - d. other miscellaneous charges including the upkeep of motor cars and horses, cart and coolie hire, postage and telegram charges, gratuities and other contingencies not being household charges,
4. the closing balance, *i.e.*, funds drawn to meet outstanding liabilities not discharged during the year.

139. The expenditure will be admitted on a certificate signed by the Private Secretary that all disbursement shown in the account were actually made on account of tours of His Excellency the Commander-in-Chief, and no audit beyond a purely arithmetical check will be applied to the account. It will be seen however that the amount shown in the account does not exceed the annual tour grant.

## CHAPTER 8

### Contingent and Miscellaneous Charges

140. Contingent and miscellaneous charges will be audited in accordance with the general rules for the audit of cash expenditure as given in this Code. In the case of contingent charges, it will further be seen: -

- (a) that the charges are of a kind normally incurred on account of office or other contingencies, and that they are not of an unusual or extraordinary nature,
- (b) that rates and prices are reasonable,
- (c) that vouchers for charges in excess of Rs.200 are furnished,
- (d) that no charges for pay and allowances are included in contingent bills, except the pay of hot weather establishments and the monthly payments made to inferior servants & with reference to paragraph 8, Appendix V, Financial Regulations, Part II (1952 edition).
- (e) that recurring charges, including those in (4) above, have been sanctioned by competent financial authority.
- (f) that charges for non-official publications (including newspapers) conform to the rule in paragraph 295 (d), Regulations for the Army and A. Is. (P)

*NOTE.* - Charges for railway time-tables and Pakistan Postal and Telegraph Guides, when the purchase of such is necessary, may be admitted.

- (7) that printing, binding and stationery charges do not contravene the rules contained in the Rules for the Supply and use of stationery stores and those for Printing and Binding; see in this connection Appendix V, Financial Regulations, Part II (1952 edition).
- (8) that no charge is preferred for section writing, *i.e.*, for copying manuscript by piece work, without the previous sanction of the authority which may sanction the employment of an establishment; and that no such charge is passed to any person in receipt of a salary from Government.
- (9) that charges for liveries and warm clothing for class IV servants are in accordance with the scale and rate laid down in A. Is. (P) 58|50 as amended from time to time,
- (10) that no charge is passed which contravenes the orders relating to Contingent and Miscellaneous expenditure contained in Appendix V, Financial Regulations, Part II (1952 edition),
- (11) that expenditure in respect of charges for which a separate allotment has been sanctioned for the year is not progressing at a rate likely to exhaust the allotment before the end of the year; when this is apprehended the officer submitting the claims will be warned to keep his expenditure within the authorized limit, and advised, if necessary, to take steps to obtain an additional allotment
- (12) that charges for which scales have been laid down are passed in accordance with such scales, and that those for which special sanction of higher authority is necessary have been so sanctioned.

141. Contingent and miscellaneous charges will be audited through a contingent audit register in P.A.F.A.-512 in the remarks column of which notes will be kept of all sanctions and unusual circumstances likely to help in the audit of subsequent charges. When a definite limit is laid down for any class of expenditure, all charges on that account must be recorded in the register in such a manner as to admit of check over the progressive expenditure against that limit.

*NOTE.* - When an amount drawn in a previous month in the current year is refunded in cash, it will be entered in red ink as a minus entry in the contingent audit register and the progressive tools for the month will be corrected accordingly. Recovery in cash by short payment in bills of amounts drawn in a previous year will not be taken to reduce the expenditure for the current year.

142. To avoid double payments, recurring charges included in a bill will be recorded separately in the space provided at the foot of the register, the total amount (and not the amount after deducting the recurring charges) being posted in the upper portion of the register.

143. For the record of special charges, requiring the sanction of superior authority, a register will be kept in P. A. F. A. 514. Separate charges may set apart for unit, formation or office, or the pages may be distributed according to classes of expenditure. Immediately on receipt of an order sanctioning any special expenditure it will be entered in the register in an appropriate place; when the charge comes up for audit it will be audited against the note in the register and the necessary entries made.

*NOTE.1-* The register is also used to record the audit of language rewards and other special non-recurring charges except in the case of such special payments to officers whose pay and allowances are audited through the audit register in P.A.F.A-510, such charges in these cases being audited through the latter register.

*NOTE.2-* In opening a new register order, of which the force has not expired, will be carried forward from the old to the new register.

*NOTE.3-* Special sanctions of refunds, advance and traveling allowances will be recorder in this register in the same way as those for contingent expenditure.

*NOTE.4-* Special contingent and travelling allowance charges audited true papers will be marked off as the charges come up for audit.

Though this register will also be entered in the ordinary contingent and travel allowance and audit register respectively to secure check against allotment.

*NOTE.5-* When an order sanctioning expenditure contains no indication of the amount or limit of the sanction, the C.M.A. will address the issuing authority for this information.

### **Charges for Ground Rent and Land Compensation**

144. Charges for ground rent and for compensation for land taken up for Military purposes will be audited under the general rules laid down for the audit of cash expenditure, and payments on this account will be made with reference to the conditions noted on the lease agreements entered into by the authorities concerned. The lease agreements will be recorded in a separate Guard file, maintained for this purpose.

### **Hot weather establishment**

145. When charges for hot weather establishment are to be met from the allotment sanctioned for each District|Division the progress of expenditure against the amount allotted to each unit from the District|Division allotment will be watched through the contingent audit register

(P. A. F. A.-512), a separate page being allotted in the register to each unit or formation for this class of expenditure. The figures against all the units or formations in the District|Division will be added together for the purpose of watching the expenditure of the District|Division as a whole.

146. When there is a probability of the allotment for a unit or formation or for the District|Division being exceeded, the Controller of Military Accounts will warn the Officer Commanding the Unit or formation or the General Officer Commanding the District|Division in time to enable that officer to obtain an additional allotment to cover expenditure in excess of the original allotment.

147. Amounts claimed on account of hot weather establishments must not be retrenched without previous reference to the Quarter Master General in Pakistan, nor should the payment of further claims be refused on the ground that the allotment of the unit or formation is insufficient.

### **Field Firing Allowance**

148. The annual allowance sanctioned by the Government of Pakistan for the provision of targets, etc., for field firing purposes will be treated as a contract allowance and may be drawn by the General Officer Commanding in one lump sum any time after the 1st April of each year. The General Officer Commanding will have complete control of the allowance and will not be required to render any account for the same.

### **Petty recurring expenditure sanctioned by Divisional Commanders, Sub-Area Commanders, Brigade Commanders, etc.**

149. To see that the limits prescribed in Rule 20 Financial Regulations, Part. I (1952 edition) in regard to the sanctioning of petty recurring expenditure by Divisional Commanders etc., are not exceeded, a register will be maintained in which all such sanctions will be recorded.

## CHAPTER 9

### ACCOUNTS OF REGIMENTAL UNITS INCLUDING TRANSPORT UNITS

#### Officers Pay Bills

150. The audit of the pay bill of officers holding the King's Pakistan Commission will be conducted in accordance with the rules given in [Chapter 5](#).

*NOTE.* - Under the existing arrangement the pay accounts of all such officers are maintained on War System of Accounts on Individual Running Ledgers. The instruction for the maintenance and audit of the accounts are contained in Chapter XIII of the Procedure Code of Military Accounts Department.

#### *Pay lists—Pakistani troops (including pay bills of educational establishments)*

151. A full post audit over the monthly pay list of Pakistani Troops (including those of educational establishments) is conducted only to the extent prescribed in the annexure to paragraph 33.

152. In conducting this audit it will be seen that: -

- (1) Dates of enlistment and of disembarkation in Pakistan in the case of those soldiers who have served overseas from Pakistan, regimental numbers ranks and names of the officers and men concerned, agree with the details given in the last audited pay list or with those in the pay list in which the men were first taken on payment and that authority exists in the intervening pay lists for any change in rank.
- (2) (a) Rates of pay and allowances agree with those in the last audited pay list, or, in the case of variations, with those in the pay list in which the changes in rates first occurred and that they have been correctly drawn with reference to the rates and conditions prescribed by current orders and regulations.  
(b) Variations occurring for the First time in the pay list under audit are supported by quotation of the orders necessitating or authorising the changes and that the new rates of pay or allowances drawn are correct with reference to current orders or regulations.
- (3) In the case of ration money drawn for combatants a certificate is furnished to the effect that rations in kind were not issued and that such ration money is not drawn for more than 20 days casual leave in the calendar year.
- (4) Allowances in respect of the Order of British India or Indian Order of Merit, have been correctly drawn with reference to the last audited pay list or the intervening pay lists in which the allowances were first admitted;
- (5) Jangi Inam charges agree with those drawn in the last audited pay list or with the intervening pay lists in which the initial charges were admitted, or, if first drawn in the pay list under audit, that the Jangi Inam certificates are sent in support.
- (6) Miscellaneous credits are supported by the relevant vouchers or by a copy of the orders authorising them.
- (7) The circumstances in which refunds of pay, etc., if any, are made, are correctly stated and that the amounts refunded are correct.

- (8) By reference to supporting P. A. F. A. 55, necessary hospital stoppages, as required by rule, have been affected, and that pay and allowances have been correctly forfeited for any of the offences detailed in paragraph 198, Pay and Allowances Regulations, Part I (1952).
- (9) Necessary adjustment of clothing allowance is made for periods spent by men in hospital, or, for desertion or unauthorized absence.
- (10) Income-tax as prescribed by the Pakistan, Income-tax Act is recovered from individuals whose total anticipated pay and allowances for the financial year is likely to exceed the minimum limit of Rs. 3,000.
- (11) The recovery of clothing and other stores issued on repayment agrees with the vouchers sent in support and that the recoveries made are correctly compiled.
- (12) Other recoveries are correctly made with reference to supporting orders or vouchers or explanations as given in the remarks column.
- (13) All arithmetical calculations are correct and that the totals of each folio have been correctly transferred to Form No. 2 of the pay list.
- (14) The totals in Form No. 2 of the pay list have been correctly taken to the Abstract of receipts and charges.
- (15) The amounts shown in Form No. 3 of the pay list as having been credited on account of disallowances have actually been recovered through Form No. 1 *ibid*.
- (16) All vouchers detailed in Form No. 4 of the pay list have been submitted.

#### **Audit of Monthly Variations**

153. All variations from the normal monthly pay of the unit as shown in Form No. 1 of the pay list will be audited in full each month and checked with the general summary given on the last page of the pay list.

154. In conducting such audit the rules given in the preceding paragraphs will be applied where these are relevant.

#### **Certificates, etc., P. A. F. A.-10-A**

155. It will be seen that all necessary certificates and data pertaining thereto are furnished and that the pay and allowances drawn by virtue of these certificates are in accord with the regulations governing them.

*NOTE.* -Under the present arrangement the pay accounts of combatants and enrolled non-combatants are maintained on the War System on individual running ledgers under the Mobilization Regulations and Accounts Manual War.

156.

### **Deferred Pay and Gratuity Claims**

157. Claims for deferred pay will be pre-audited with reference to the miles given in Army Instruction Special 33/47 and those for gratuity with reference to the rules in Pension Regulations.

*Note.1-* The documents and information required in support of these claims are given at item 51, Appendix II, Financial Regulations, Part II (1952).

*Note 2.-* The payment of gratuities to all Pakistani ranks will be recorded in a gratuity register to be maintained in P. A. F. A.-514.

### **Territorial Forces**

158. Pay bills of adjutants and other officers temporarily attached to a territorial unit while under training, will be dealt with in the same way as pay bills of officers of regular units.

159. Pay bills of instructional staff and Regulars attached to territorial units will be audited in accordance with the rules in [paragraphs 152-157](#).

160. Travelling allowances and contingent and other miscellaneous charges will be audited with reference to the rules in [Chapters 7](#) and [8](#) of this Code.

161. Pay lists for members of Territorial units (including officer members) will be audited with reference to the last audited pay lists and the nominal rolls and orders affecting the pay and allowances of individuals. It should be seen that the authorised complement for each rank is not exceeded, and that the pay and allowances, etc., claimed for each rank are those prescribed in the regulations.

## CHAPTER 10

### MISCELLANEOUS ACCOUNTS AND PAYMENTS

#### **Remount Depots**

162. In dealing with the monthly cash accounts submitted by Remount Depots in respect of cash assignments granted them with reference to Rule 111, Financial Regulations, Part II, it will be seen that the cash accounts are supported by schedules and documents detailed in Rule 305-307, Financial Regulations, Part II (1952), and by sanctions or orders of competent financial authority where these are necessary.

163. Audit on these cash accounts will be conducted in accordance with the general rules governing the audit of cash expenditure, see [Chapter 2](#).

*NOTE 1.*- Bills for the keep of animals will be supported by a roll of animals, by classes, in which the number of syces employed will be shown. This number should be checked against the number of animals shown on the roll.

*NOTE 2.*- Bills for food expenses of animals sent to units and formations are prepared on P. A. F. A. 78. The charges on this account will be finally compiled against the depot concerned.

#### **Recruiting Officers' Accounts**

164. Payments for advances, subsistence allowance and railway fares of recruits and rewards and railway fares of recruiters are made by Recruiting Officers from imprests granted to them for this purpose, the imprests being recouped on submission of detailed bills of expenditure.

165. On receipt of these bills they should be checked with reference to the orders in Rules 72 and 201, Pay and Allowances Regulation, Part II (1953) and paragraphs 221 Passage Regulations (1954) and with the monthly returns submitted by Recruiting Officers of recruits passed or rejected. It will be seen that the number for whom subsistence allowances, railway fares, advances or rewards are drawn does not exceed the number shown in the returns.

166. Advances paid to accepted recruits will be recovered from them in the accounts of the units to which they are posted. To ensure that this is done, demands will be issued to the units concerned, through the C. M. A. of the District concerned.

#### **Military Treasure Chests**

167. The rules for the guidance of officers in charge of Military Treasure Chests are given in Appendix VI, Financial Regulations, Part II (1952).

168. On receipt in the audit office of the monthly accounts referred to in paragraph 7 of that Appendix, it will be seen that all receipts other than cheques and Remittance Transfer Receipts drawn, are supported by receivable orders or challans signed by competent authority, and that lists of cheques and Remittance Transfer Receipts drawn are furnished. The payments should be supported by vouchers or discharged cheques. All receipts and payments, on account of other districts and departments should be passed on through exchange accounts subject to the provisions of [paragraph 157](#), Military Accounts Code. Other receipts and payments will be provisionally compiled in the Treasure Chest compilation to the credit or



debit, as the case may be, of the head "Advances—Military Treasure Chests", the vouchers then being scheduled in P. A. F. A.-741 to the audit sections concerned. The amounts of the vouchers, after audit and classification by the audit sections, will be included by the compilation section in their detailed compilations concerned under the appropriate heads by contra debit or credit to the head "Advances Military Treasure Chests" to which they are taken in the first instance in the Military Treasure Chest Compilation. The clearance of the transactions compiled to the head "Advances-Military Treasure Chests" will be watched by means of a progress register in P. A. F. A.-7-42.

169. The entries in the monthly accounts should be checked with those in the daily lists of receipts and payments, and it should be seen that the cash balance agrees with that shown in the certificate of verification of cash balance by the Military Treasure Chest Board. If the monthly closing-balance in any month is unduly large the officer in charge of the Military Treasure Chest should be instructed to reduce the balance immediately either by short drawings or by a remittance into the treasury.

### **Hired Land Transport**

170. Claims by transport contractors for carriage of passengers will be supported by road warrants. It should be seen that the warrants have been issued by competent authority, that the individuals to whom the warrants have been issued are entitled to travel on warrants and that the warrants have been signed by the officers and others or by officers in charge of parties in token of the accommodation having been provided. The rates claimed should then be checked with the contract rates in the register of sanctioned tenders and the charges should be adjusted finally by the Controllers incurring the expenditure in their own compilations against the appropriate service heads. In the case of quasi-commercial concerns, however, such as, Grass and Dairy Farms, Clothing and Ordnance Factories, etc., the Controllers incurring the expenditure should send them through Controller of Military Accounts concerned in whose audit area they are located, monthly statements showing the particulars of the charge's com-plied by them against the accounts of the concerns during the month.

171. When Government transport is not available to meet demands, carriage may be hired under the orders of the Station Transport Officer. Bills on P. A. F. A.-68 for carriage of stores should be supported by original requisitions (Transport indent P. A. F. A. 2150) for transport signed by Competent Authority and should be endorsed with a certificate as required by Note 7 to item 7, Appendix I, Financial Regulations, Part II (1952). The Officer to whom the stores are consigned should also record a certificate on the requisition that the transport requisitioned for was actually supplied. The bills of contractors for carriage so hired will be passed by the Station Transport Officer to the Controller, Military Accounts, concerned for payment. The rates should then be checked with the rates in the register of sanctioned tenders and charges adjusted as in the case of passenger warrants.

*NOTE 1.*—In the event of the contractor losing an indent completed for voucher purposes, a fresh indent will be issued, endorsed "Duplicate—Original Indent No., stated to have been lost (Sd) Officer in charge Transport" and passed by the Officer in charge Transport, to the Controller, Military Accounts, who after verification that no previous payment has been made, will endorse it as follows:—

"I certify that payment for the original of this voucher has not previously been made". The verification should invariably be done by consulting the contractor's income tax register referred to in [paragraph 173](#).

*NOTE 2.*- In cases where no contract has been entered into for carriage of stores, the rates should be checked and passed with reference to rate lists, copies of which are received in the audit office.

### **Expenditure on Supplies**

172. In addition to observing the rules prescribed in [paragraphs 24](#) and [29](#) it will be seen in auditing bills for supplies, that: -

- (1) The purchase of the stores has been sanctioned by competent authority.
- (2) The arithmetical calculations are correct.
- (3) The bills are supported by receipt vouchers (properly signed) or receipted inspection notes or supply orders.

*NOTE.* - (a) In the case of articles of provisions, etc., supplied direct to units, P. A. F. S.-1520. should be signed both by the officer receiving the stores and the supplier. The certificate on the reverse of P. A. F. S.-1520 will also be signed by the receiving officer.

- (4) (a) In the case of purchases of stores by units or depots for which no contract has been entered into, the rates agree with those in the rate lists on record in the audit office and with those on the supply orders accompanying the bills and that the rates have been certified as being correct.

It will also be seen that in the case of non-consuming units of formations the particular month's store account in which the stores have been or will be accounted for has been entered on the bill by the accountant of the depot or formation and in the case of consuming units that the particular month and return in which the stores have been accounted for by the unit or formation is shown on the supply order P. A. F. S.-1520.

(b) In the case of units purchasing stores on the authority of an Ordnance Officer in charge of an Arsenal or Ordnance depot, bills counter signed by that officer are supported by such authority in original.

- (5) When contracts have been entered into rates charged agree with those entered in the register of sanctioned tenders.
- (6) In the case of P. A. S. C. Stores purchased locally by supply depots for stock, the supply orders show the particular priced account in which the value of stores has been brought to account.
- (7) Bills for local purchase of stores by Ordnance or Clothing Factories, Arsenal or Clothing, Ordnance or Medical Store Depots bear a certificate given by the accounts section attached to the Factories or Depots to the effect that the rates have been checked with the contract rates, or, where there is no contract, with the rates agreed upon in supply orders and that the stores have been accounted for in the store Ledgers. It will also be seen that the endorsement required by item (4) above has been given.

*NOTE.* -In all other particulars full audit will be exercised in the C. M. A's. Office except that in the case of Ordnance and Clothing Factories to which D. A. Cs. 0. F. A. are attached, local purchase bills will be audited in full by those officers instead of in the Controller's office.

- (8) All purchase of stores is made in accordance with the instructions laid down in paragraph 81, Financial Regulations, Part I (1952) with special reference to the

rule that no purchase which requires the sanction of a superior financial authority shall be sanctioned by an inferior in installments.

- (9) In the case of purchase of remounts, the number purchased agrees with the number brought on charge in the Animals Roll received with the cash account.

*NOTE 1.* --Rates for purchase of animals will be passed on the strength of a certificate from the remount purchasing authority.

*NOTE 2.* For debits received on account of stores purchased by Chief Controller, Defence Services Stores Deptt., Office of the High Commissioner for Pakistan in U. K. no detail checks over rates are required.

173. To guard against double a payment to contractors in respect of belated claim and to ensure that a claim supported by a certificate in terms of para. 75 F. R., Part II (1952) has not already been received and paid the auditors should record in the "Register of payments to local purchase Contractors, etc." the name and station of the unit to which the articles have been supplied and also the serial No. of each supply order after the bill has been audited and passed for payment. This register should invariably be consulted by the auditors when dealing with a belated or duplicate claim. The entries in this register should be checked by the officer-in-charge of the section at the time of passing the bill.

174. In the event of an original supply order being lost the case will be dealt with as indicated in rule 75 (ii) Financial Regulations, part II (1952)

175. If owing to the default of a contractor, an article which he had contracted to supply is procured through departmental agency, it should be ascertained by the audit office how the forfeited earnest money, or the amount of assessed damages, and the difference, if any, has been or will be adjusted. This information should be entered in the contractor's demand register against the name of the defaulting contractor and the recovery watches.

#### **Audit of Debits on Account of Stationery Supplied**

176. The A. G. P. R. passes on to the C. M. A., Lahore debit on account of Stationery supplied to units and formations located both in East and West Pakistan including the Military Accounts Department. The C. M. A., Lahore will forward to the L. A. O. concerned the priced consignee's acknowledgments received by him in support of the debit for any one selected month. The L. A. O. will check the vouchers with the corresponding indents on record in the stationery office in order to see that the amount debited does not exceed the cost of supplies actually receipted.

CHAPTER 11

**IMPORTED STORES  
Invoice and Packing Accounts**

177.

178.

179.

180.

181.

182.

## CHAPTER 12

### NAVAL AUDIT

#### Pay Accounts

183. The pay accounts of R. P. N. officers and ratings are maintained by the R. P. N. Pay Office in accordance with the centralized Pay Accounting Procedure, all ships and establishment hold imprest for the purpose of paying advances against entitlements. These advances of pay are debited in the I. R. L. A's on the authority of Acquittance Rolls.

184. The pay charges of all R. P. N. personnel are booked on I. R. L. A. (Individual Running Ledger Account) system under the technical control of the C. N. A. exercised through the Pay Accounts Officer and the P. M. A. D. staff. The administrative control is that of a service officer.

Under the present system, the individual running ledgers are maintained by the R. P. N. Pay Office which is responsible through the C. N. A. for their correct maintenance and issue of monthly entitlement statements to the Commanding Officers of the ships|establishments and individual concerned. The ships|establishments obtain imprest from the Base Supply Officer (who in turn obtains cash assignment from the C. N. A.) to disburse advances within the limits of the entitlement communicated by the R. P. N. Pay Office and render Acquittance Rolls to that office and Cash Accounts to the C. N. A. for post audit. The R. P. N. Pay office adjusts the Acquittance Rolls in I. R. L. As. and prepares a consolidated abstract of Receipts and charges for incorporation in the Naval Accounts.

185. All officers and ratings including R. N. (Special List) officers will be entitled to make allotments and remittances to the extent of their basic pay (excluding all allowances) through the Agency of the R. P. N. Pay Office provided M. O. Commission is paid by the individuals concerned.

*NOTE 1.*-In the case of R. P. N. officers and ratings serving afloat postal charges on the allotments and remittances will be borne by the Government.

*NOTE 2.*- Allotments to the Secretary, R. P. N. Benevolent Association towards repayment of loan drawn by the R. P. N. personnel from the said association may also be made through the R. P. N. Pay Office.

*NOTE 3.*- Allotments in favour of Insurance Companies through Service Channels is also permissible provided M. O. Commission is paid.

*NOTE 4.*-The amount of an allotment|remittance is to be in the whole rupees only. An allotment made in favour of an Insurance Company may however include annas to present the exact amount of insurance premium payable.

186. Specimen signatures of officers will be received in duplicate and pasted in alphabetical orders in two books, one to be kept with the Gazetted Officer in charge and the other with the Superintendent of the Section. Signature on bills and cash accounts will be compared with the specimen signature at the time of audit.

187. No scale audit register is maintained but on receipt of an order appointing an officer or promoting him (including acting promotion) it will be seen that the vacancy exists in which the appointment or promotion is made. In addition to this check the complement of the various classes of officers will be checked against the sanctioned scale on receipt of quarterly Pakistan Navy List.

*NOTE.* -If any errors are discovered in the Pakistan Navy Lists, they should be reported to the C-in-C, R. P. N. for correction and the current office copy of the publication corrected.

188. All orders, affecting on officer's appointments, promotions transfers, leave, etc., are recorded in a register-Daily List Book- separately for each officer. This register conveniently collates particulars required for auditing the pay and allowances of officers afloat. It is, also, used to post up the register of services which is maintained for all officers (including civilian Gazetted Officers) and warrant officers of the R.P.N.

189. The register of services is intended to include all important facts in the official career of an officer which may affect his pay, pension and leave. All government orders or Daily Lists affecting an officer's pay, pension or leave will be entered in the register immediately on receipt and the entry in the register initialled by the Superintendent. The register should always be kept up-to-date and submitted to the Gazetted Officer monthly for inspection.

190.

### **Establishment**

191. Pay bills of all classes of civilian establishments are audited with reference to the last audited bills, civilian establishment lists and the sanctioned complement. The rules in [paragraphs 110 et seq](#) will be followed so far as they are applicable.

192. To check the complement of the Shore Establishments a register of complements is maintained in which the sanctioned scale of establishment of each Shore Establishment is entered. Any alterations to the scale which may be sanctioned by the complement authority will be noted in this register immediately on receipt of orders.

193. The signatures of the officers drawing the pay bills of establishments will be compared with the signature in the specimen signature book at the time of audit.

### **Workmen and labourers**

194. Pay bills of workmen and labourers employed in the R.P.N. Dockyard are made out by the Controller of Naval Accounts Staff (muster sub-section) from the muster records, checked by the Labour-Record Sub-Section of the C.N.A. and paid by the Wages Sub-Section of his office after pre-audit with reference to the last audited pay bills, civilian establishments lists, sanctioned complements and temporary sanctions accorded by the C- in-C, R.P.N. and the Captain Superintendent of the R.P.N. Dockyard. The powers of these officers are defined in R.I.N.(I)1|S|1947 as amended from time to time. Rules governing pay and allowances are also contained in the Pay and Allowances Regulations for the R.P.N.

### **Last Pay and No Demand Certificate**

195. The procedure to be followed in dealing with last pay and no demand certificates will be found in the Office Manual of the Controller of Naval Accounts.

### **Travelling Allowance and Contingent Charges**

196. Travelling allowances and contingent charges will be audited in accordance with the relevant rules in [Chapter 7](#) & [8](#).

### **Cash Accounts**

197. All C.Os, of ships and establishments (excluding non-self-accounting ships and establishments whose personnel draw advances from the Base Supply Officer, R. P. N.) are granted cash assignments by the C. N. A. in beginning of each year for the purpose of meeting expenditure on advance of pay to officers and ratings and other specifically authorised charges.

Cash accounts are rendered by the C. Os. to the C. N. A. twice a month, *i.e.*, (i) embodying transaction from the 1st to the 10th of the month and (ii) from the 11th to the end of the month. These cash accounts including those of the various public funds paid out of the assignments are received in the "Imprest Section" and initially compiled to the various Code Heads and then scheduled to the various sections of the office for audit and check of the compilations. Detailed audit procedure of the cash accounts is laid down in the P. M. A. D. Procedure Code (Navy Portion).

All assignments lapse on the 31st March of each year. A register of Cash Assignments is maintained by the Imprest Section and it is posted immediately on receipt of Cash Accounts. This register also serves the purpose of watching the progress of drawls against the assignments.

198.

199.

200. Small imprest has been granted for contingent expenditure, etc., to the D. S. T. O. Other Cash requirements are met by the Base Supply Officer.

### **Cash Account- Cash and Ledger Accounts Part I & II**

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203.

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206.



## CHAPTER 13

### STORE ACCOUNTS (NAVY)

#### Store Accounts of R. P. N. Dockyard

207. The Priced Ledgers of stores of the Naval Dockyard are maintained by the Cost Accounting Branch of the Controller's Office (see Appendix V of the Military Account Code). Demands on which stores are issued, other than to the workshops, are however forwarded by the Cost Accounting Branch to Audit Section duly valued for necessary action.

208. On receipt of the issue vouchers it will be seen that authority for issues has been quoted on the vouchers. They will then be posted in the Register of Issue Vouchers with a view to ensuring scheduling or preparation of Abstracts of material and to watch the submission of missing vouchers. The vouchers will then be priced and posted in the respective columns of the priced store ledger and the abstract of material made out for work orders carried out in the Dockyard. Issue vouchers relating to ships and establishments for consumption will be scheduled to store section for check of ship expenditure statement other vouchers, *i.e.*, those relating to permanent stores (and also issue vouchers of consumable stores till the introduction of ship-Expenditure statement) will be scheduled to the Naval Local Audit Officers Repayment Issue Vouchers will be forwarded to the Store Section for effecting recovery. Issues to the Army and Air Force will be scheduled to the respective Local Audit Officers.

209. Recovery claims will be issued for stores supplied to the Royal Navy or other departments, etc., (see [Chapter 16](#)). The number and date of the recovery claims will be noted against the respective items in the Register of Issue Vouchers

210. Stores are also issued on loan to ships of Royal Navy, Military launches and other Departments. If they are returned within six months from the date of issue the amount to be charged against the user will be the cost of putting the stores in a serviceable condition. If not returned within six months from the date of issue the value of stores will be charged against the department concerned. This is watched through the Loan Register maintained by the Naval Store Officer which is audited by the C. N. A. locally every quarter.

211.

212. The value of the issues to the several. H.M.P. Ships will be posted in the register of ship's expenditure. The vouchers pertaining to each vessel will be carefully recorded in separate files in chronological order and when the quarterly and annual store accounts are received from the vessels, the credit for these stores will be traced in these accounts.

### **Chronometer Account**

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### **Accounts rendered by Hired Transports**

219. These accounts are checked with reference to the charter party (contract) and the return of all permanent stores issued will be watched. The deductions on account of consumable stores if issued will be governed by the terms of the charter party. The detailed procedure is laid down in the Regulations for the Sea Transport and the Regulations for the Royal Indian Navy.

### **Audit Progress Register**

220. Audit Progress Register for Store Accounts is maintained by the N.L.A.O. in Form P.A.F.A.-480.

### **Survey Report**

221. Survey Reports containing the disposal orders on stores brought out from stock or returned by vessels and other departments are received from the Naval Store Officer. On receipt, the date of receipt will be marked against the number in a skeleton index register, and a list of wanting survey reports will be sent monthly to the Naval Store Officer. The procedure detailed in [paragraph 2](#) will then be followed.

222. In the case of stores ordered to be taken to stock with reference to supply notes quoted on survey reports, a list of such survey reports will be prepared and sent to the Material Section for verification of credit in the priced ledger and insertion therein of the value of stores as assessed by Professional Officers. On completion of the list by the Material Section, this value is to be credited to H.M.P. Ships and formations concerned by deduction in the ships, etc. Expenditure register or by a transfer entry, to other Departments for stores - returned by them, as the case may be.

223. In the case of stores ordered to be sold, the procedure detailed in paras. 224 to 229 will be followed.

### **Sale Accounts**

224. Declaration of R.P.N. stores and vessels as surplus, obsolete, or waste, issue of free or payment samples and conduct of sale will be dealt with in accordance with the rules given in F.R., R.I.N.

225. These stores are disposed of under orders of the D.G.S. & D. and the amounts realised are adjusted by the C.N.A.

226. On receipt of the sale accounts in the C.N. A's of office the following audit check will be applied: -

- (i) That declaration of stores as surplus, obsolete, or waste has been done by the C-in-C, R.P.N. with the concurrence of the Financial Adviser, Military Finance where necessary (Para 372-A F.R., R.I.N.).
- (ii) That samples, free or on payment, were issued under the order of D. G. S. & D. and necessary recovery of prices for sample issued on payment has been made and credited.
- (iii) That the sale or disposal of stores (by transfer, sale by private treaty, sale by public auction) has been made in accordance with the orders of the D.G. S & D.
- (iv) That the sale account is supported by the Treasury Receipt and other documents prescribed in F.R., R.I.N.
- (v) That the instructions for the preparation of the auction catalogues as laid down in F.R., R.I.N. are complied with.
- (vi) That the money due from the purchasers was correctly realized and promptly credited to Government after deduction of the auctioneer's commission.
- (vii) That no sale has been made to any Dockyard employee.

227. The sale accounts and its supporting documents will be checked arithmetically and inter-linked in the C.N.A's Office, treasury receipts and other realisations (e.g., on account samples and post auction sales) adjusted. Triplicate copy of the sale account will thereafter be sent to the N.L.A.O. A.O for pairing it with the issue vouchers made out for delivery of goods to the purchasers.

228. The Naval Store Officer has a sale ledger (unpriced) wherein the stores set apart for sale are brought to account with reference to the connected survey reports, one page being allotted to each separate lot and heading. Stores are struck off charge on the authority of the sale accounts and the balance struck after each sale. This ledger will be audited locally every month in the manner indicated below: -It will be seen that: -

- (i) The survey reports are approved by the C-in-C, R.P.N. or other officer authorised to do so.
- (ii) (a) The lot No. quantities and weights etc., of stores as per survey report agree with those accounted for in the sale ledger (receipts).  
(b) At the time of linking items of articles brought on charge the Sale Ledger with reference to the relevant survey reports, care should be taken by the audit staff to abstract such of the survey reports as pertain to work orders or other Departments for which credit will, eventually be communicated to the Costing Section or passed on to the other Departments by transfer entry, as the case may be. This abstract will be recorded as an annexure to the office copy of the objection statement.
- (iii) (a) The lot No. quantities and "weights, etc., of stores sold as per sale account agree with those charged off in the sale ledger (issue) and all sale accounts recorded in the ledger etc., have been received in C.N.A's office.  
(b) The Nos. and dates of sale accounts are noted by the audit staff on the survey reports referred to at item (b) above.
- (iv) The balance remaining undisposed of has been correctly struck in the sale ledger.

*NOTE.* -On completion of audit for a month, a line will be drawn against the closing balance of each article and initials and dated by the audit staff, an additional line with dated initials being affixed by them against every alteration in such balances.

- (v) Sanction of the prescribed authority to the acceptance of bills has been obtained. In the case of rates fixed by the D. G. S. & D. for sales other than by auction, the rates agree with his disposal orders.
- (vi) The realisation shown in the duplicate sale account agree with those records in the auction sale list (P. A. F. O. 2468) by the officer conducting the sale and no undue delay has occurred in remitting the proceeds to the treasury. It will, also be seen how these proceeds compare with the realisations for articles at previous sales.
- (vii) Sale accounts are endorsed "Disposal Organization" and with the authority for disposal of stores and a note to the effect that a copy has been sent to the D.G.S. & D.
- (viii) Stores are not sold to the ex-employees of the Dockyard etc., conducting that sale.

- (ix) Separate ledgers are maintained for (i) Surplus and obsolete (2) Unserviceable (Waste) stores and separate sale accounts prepared.
- (x) Issue of samples of R.P.N. articles for the R.P.N. are supported by orders from the D.G.S. & D. or the purchasing department concerned on behalf of the R.P.N.
- (xi) When stores (scrap, etc.) relating to work orders or pertaining to other departments are sold out, a statement of sale proceeds is sent to the Costing Section or the proceeds are adjusted by a transfer entry by the audit staff as the case may be.
- (xii) When change in condition of stores as per survey reports are not due to fair wear and tear, loss statements sanctioned by the competent financial authority are looked for.

229. Sale-proceeds of unserviceable stores or scrap, etc., pertaining to work orders will be communicated to the Cost Accounting Branch in a statement showing the work order number and the amount creditable to each. No adjustment in the accounts will be made on account of such stores, as the necessary credit will be given to the Department, etc. for which the work is being done through the manufacturing accounts of the Cost Accounting Branch.

CHAPTER 14  
**Europe Stores (Navy)**

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## CHAPTER 15

### Recovery Claims

236. Cash outlay on account of the Royal Navy and other departments etc., is recovered in the manner indicated below: -

(i) Royal Navy..... Recovery claims are issued. (See [paragraph 237](#)).

(ii) Other Government Departments.....The amounts are debited through the Exchange Accounts.

(iii) Private parties ..... Amounts are entered in the Demand Register and receivable orders are sent to the parties concerned. Recovery is watched through Demand Register.

Value of stores supplied to Royal Navy and other Departments etc., is recovered as shown below: -

(i) Royal Navy.....Recovery claims are issued. (See [paragraph 237](#)).

(ii) Government Departments ..... Adjusted through Exchange Accounts.

(iii) Private parties..... Recovery claims are issued.

*NOTE.* - No cash expenditure is incurred, nor any stores issued or work done for private parties including local bodies unless the estimated amounts are first deposited in Government Treasuries. As soon as the amount deposited is going to be exceeded, a fresh request for a further deposit will be made. Recovery claims are, therefore, issuable in exceptional circumstances (i.e., on completion of work, etc.), and for small amounts only. Delivery of stores, etc., is not ordinarily made till the full amount due is recovered.

237. Recovery claims will be prepared in duplicate for the Royal Navy and the Military Department, in triplicate for the Civil Departments and in original only for local funds, private individuals, etc. In the case of Telegraph Department, Karachi, the claims will be prepared in quadruplicate and reference to the number and date of their indents will be cited in these claims, to facilitate their acceptance. The recovery claims will be entered in a register of recovery claims and will be numbered serially.

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239. Cash outlay for and value of stores issued to the Royal Navy for which recovery claims are issuable are recovered by forwarding the recovery claims to the High Commissioner for Pakistan in U.K.

In the case of Government Department these charges are debited through the Exchange Accounts supported by accepted completion reports, issue vouchers, etc.

In the case of private parties, the amounts are recovered by forwarding recovery claims supported as stated above and Military Receivable order for the sum due.

As soon as these claims are sent, the Demand Register of Recovery Claims, will be marked accordingly but the items will not be cleared till acknowledgment is received from the High Commissioner, debits are accepted by Government Departments and Treasury Receipts are received from private parties.

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245. A constant watch will be kept over the outstanding claims; every end endeavour will be made to secure prompt and speedy adjustment. The gazetted officer in charge and the superintendent of the section concerned will examine the Register of Recovery Claims at least once a month with a view to see that all necessary action has been taken on the outstanding claims. At the end of a year all outstanding claims will be transferred to the next year's register of recovery claims.



## CHAPTER 16

### APPROPRIATION ACCOUNTS

#### **Preparation and submission of Appropriation Accounts for the Defence Services**

246. The Financial Adviser (Military Finance) is responsible for the preparation of the Appropriation Account of the Defence Services and for their submission to the Auditor General and the Director of Audit Defence Services on the 15th February year following that to which they relate. A proof copy of the accounts will be sent to the Auditor General and Director of Audit, Defence Services on the 15th January.

The object of the Appropriation Account is to present the audited accounts of expenditure from the appropriations for the year with full explanations of all important variations between the original and modified appropriations and expenditure.

247. The Appropriation Accounts deal with-

- (1) A general review of expenditure on Defence Services. This will include explanation for variation between the original modified Appropriation and the actual by Main Heads of Accounts.
- (2) Changes in form of the Accounts or in their classification.
- (3) Miscellaneous observations, and
- (4) Appropriation Accounts (showing the figures for original modified Appropriation and actuals) by Major Heads.

248. The Military Accountant-General (A/E Section), will submit to the Financial Adviser (Military Finance) on the 15th August of each year a report showing all the changes in the form of the accounts or in their classification, sanctioned or effected during the year, whether under his orders or under those of the Government of Pakistan or the Auditor General. The reasons for the change in each case should be mentioned.

249. The Military Accountant-General and Controllers of Military Accounts will prepare Appropriation Accounts for the heads mentioned below and will submit them so as to reach the offices concerned on the dates prescribed.

Serial No.	Major Head	Main Head	By Whom prepared	To Whom submitted	Date of submission	Remarks
1	<u>58</u> XLVII Defence Service Effective.	<u>2</u> II I.M.A.D.	'AN' Section M.A.G, R'pindi	F.A.M.F., Karachi	1 <sup>st</sup> October	
2	<u>59</u> XLVII Defence Service Non-Effective.	<u>1</u> I Army	C.M.A. (P) Lahore.	Min. of Fin. (Mily) Budget Section, Rawalpindi.	Do	
3	<u>58</u> XLVII Defence Service Effective.	<u>10</u> X R.P.A.F.	C.A.A.F. Lahore Cantt.	D.F.A. (A.F.) Karachi.	Do	
4	<u>59</u> XLVII Defence Service Non-Effective.	<u>2</u> II R.P.A.F.	C.M.A.(P)Lahore Cantt.	Min. of Fin. (Mily) Budget Section, Rawalpindi.	Do	See Appx. 4
5	<u>58</u> XLVII Defence Service Effective.	<u>II</u> XI R.P. N	C.N.A. Karachi...	D.F.A. (Navy), Karachi	Do	
6	<u>59</u> XLVII Defence Service Non-Effective.	<u>3</u> III R.P.N.	C.M.A. (P) Lahore Cantt.	Min. of Fin. (Mily) Budget Section, Rawalpindi.	Do	
7	<u>58</u> XLVII Defence Service Effective.	<u>8</u> III M.E.S.	All Controllers of Military Accounts dealing with M.E.S. expenditure.	D.F.A. (Works) Rawalpindi.	Pt.I-On or before 1st June. Pt.II.-Within one month of the close of Sy. Account.	The Appropriation Accounts should be furnished under the units of appropriation shown in the specimen statement below.
8	P-Deposit and Advances  Q-Loans and advances by the Central Government.	P-Deposits and advances not bearing interest.  Advances repayable.  Q-Loans and advances by the Central Govt. Loans to Govt. Servants.	All Controllers ....	F.A.M.F., Karachi	25th August...	Para 260 <i>et seq</i> Military Audit Code.
9	22-Interest on other obligations  83-Commuted value of pension	...	C.M.A. (P) Lahore	Do ...	5th October	Do

(SPECIMEN Form)

M.E.S. Appropriation Accounts for the year

**Part I Modified compared with original Appropriation,**

Part II Actual expenditure Compared with modified Appropriation,  
.....Command\*

	Part I	Original Appropriation	Modified Appropriation	Difference		Explanations
	Part II	Modified Appropriation	Actual Expenditure	Excess	Saving	

Sub-Head A. WORKS

Minor Head Major Works ... ..  
    Minor Works ... ..  
    Losses ... ..  
        Total Sub-Head A.-Works

Sub-Head B.-MAINTENANCE-Buildings, Communications, etc.

C-MAINTENANCE AND OPERATION-Installations  
D-GENERAL CHARGES ... ..  
E-ESTABLISHMENTS ... ..  
F-TOOLS AND PLANT ... ..  
G-STORES (Excluding expenditure in England) ... ..  
H-DEDUCT -English Cost of Stores ... ..  
Q-M.E.S. Advances ... ..  
    Total M.E.S. Expenditure ... ..  
        M.E.S. RECEIPTS ... ..

*NOTE 1.*- All figures should be in thousands of rupees. Full explanation should be given for all variations exceeding Rs. 3,000 each.

Part I should be prepared soon after the close of the financial year. Part II when the accounts are finally closed.

*NOTE 2.*-Substantial variations in minor heads should be taken into account while explaining the variation under the various sub-heads.

\*The statement should be consolidated for the audit area as a whole under a Controller of Military Accounts.

250. In respect of expenditure on Military Engineer Services incurred by Local Governments the Controller by whom such expenditure is finally adjusted should arrange to obtain statements showing the figures under the heads concerned together with explanations for excesses and lapses complete in every detail from Civil Accountants General concerned in time for the incorporation of the figures in his own statement.

Separate Appropriation accounts should be rendered for expenditure on Civil Works under the Military Engineer Services.

251. The figures of actual expenditure to be taken into account in the appropriation accounts prepared by the Military Accountant-General and Controllers should be the final figures as they stand after the accounts of the year to which they pertain have been finally closed. The accounts should show the original appropriation, the modified appropriation, the actual expenditure and the excess or saving in actual expenditure as compared with the original as well as the modified appropriations. Explanations quoting the monetary value of variations between original appropriation and actual expenditure should be given. In cases where the actual expenditure varies from the modified appropriation it should be explained why the variation could not be anticipated in time to allow the excess to be covered by the provision of funds or the surrender of savings as the case may be. All explanations should invariably be furnished by or in consultation with the controlling authorities.

252. In the case of the Military Engineer services, the principal work, etc, and their monetary values, which have contributed towards excesses or lapses should also be mentioned.

253. The Annual Review of M.E.S. expenditure will be prepared by Controller of Military Accounts in the form of statements (A) to (J) in the manner laid down in [Appendix IX](#). The statements will be furnished to the D. F.A.(W), Rawalpindi direct so as to reach there by the 1st September of the following year under advice to the M.A. G's Officer.

An extra copy of statement 'E' will be rendered to the A.D.A./A.A.O, D.S. etc. concerned for test check and transmission of the extra copy of statement 'E' to the D.A., D.S., separately from other statements forming part of the Annual Review of the M.E.S. Expenditure, by the middle of June each year.

The Annual Review of M.E.S. expenditure for R.P.A.F./R.P.N. works debitable to Main Head 10/11 and Major Head 86 Capital Outlay will also be prepared separately by the Cs.M.A. in whose audit area the works for Air Force/ Navy were undertaken and rendered to the D.F.A. (Works) Rawalpindi in the manner laid down above.

254. Controllers will submit annually to the Military Accountant-General as to reach him on the 1st October a certificate to the effect that to the best of their knowledge and belief no part of the expenditure contained in the accounts of the year (the year should be specified) has been incurred without the sanction of the superior authority where such is required by Regulations. From these certificates the Military Accountant-General will prepare a consolidated certificate and submit it to the Financial Adviser (Military Finance) not later than the 15th October.

255. If there are any items included in the accounts in respect of which the audit certificate cannot be given, a statement should be appended to the certificate giving full particulars of all items of and above Rs. 5,000 the head of account in which they are included,

the amount involved, the circumstances in which the expenditure was admitted without proper authority and the action taken to regularize the expenditure. The certificate will be furnished by Controllers after examining all objection statement (including those issued by Local Audit Officers) and other documents containing a record of the charges compiled in the accounts of the year to which the certificate pertains, which has been placed under objection for want of the sanction (fresh or revised as the case may be) of the Government.

*NOTE.* - It should be clearly understood that in fixing the above minimum limit for the value of an item under objection, it is not the intention to relax in any way or depart from the existing method by which Controllers are responsible for watching the final settlement of all objections, of whatever value raised in audit.

Items of objections for Rs. 5,000 and over relating to work expenditure placed under objection for want of "administrative approval " of the Government may be grouped together and the total number as well as total value of items shown in the statement on the prescribed proforma.

In respect of works executed by the Provincial and Central Public Works Department on behalf of the M.E.S. Controllers should obtain from the Civil Accountants General/ Comptroller for inclusion in the audit certificate, a list of items placed under objection by them for want of Government sanction.

Items of expenditure awaiting regularizations under orders of competent financial authorities below the Ministry of Defence, of the Government of Pakistan are not required to be taken into consideration.

To facilitate the submission of the certificate, a register will be maintained in each audit section of a Controller's office and by each Local Audit Officer, showing items of the nature referred to above placed under objection and the subsequent progress of the objections with notes or the final orders issued.

### **Exhibition of losses in the Appropriation Accounts**

(a) In the Appropriation Account of the Defence Services losses of cash, over payments, etc, written off by the Government of Pakistan and other competent financial authorities, and claims abandoned as irrecoverable, etc., are classified under two main categories *viz.* -

- A. Losses overpayments, irrecoverable claims, etc, due to theft fraud, arson or neglect and
- B. Losses due to other causes.

Each of the above categories will be further sub-divided to indicate: -

- (i) separately in detail each item of cash loss, overpayment or irrecoverable claim, etc, in excess of Rs. 2,500;
- (ii) the aggregate amount of all kinds of losses referred to in clause (i) between Rs. 10 and Rs. 2,500 in each case and
- (iii) details of losses etc, to which no precise monetary value can be assigned.

Each sanction for a write-off will be viewed as an individual transaction irrespective of the number of items involved in, and the period covered by the sanction. The individual items shown under category 'A' will mention the disciplinary action taken while those under category 'B' will explain the remedial measures taken, if any.

The consolidated statement of these losses will be prepared by the Military Accountant -General and forwarded to the Director of Audit, Defence Services, every year, on the 15th August for eventual transmission to the Financial Adviser Military Finance.

(b) In respect of losses of cash, overpayments, etc., written off by the Government of Pakistan and the authorities at General Headquarters (excepting C-in-C Air Forces, and C-in-C., R.P.N.) statistics are maintained centrally by the Military Finance Branch. These statistics will be utilized by the M.A.G. in compiling the consolidated statement of losses.

(c) In respect of losses of cash, overpayments, etc., written-off by competent financial authorities from Divisional Headquarters downwards in the case of Army units and formations (including manufacturing establishments and the M.E.S.) and by the C-in-C Air Forces, and the C-in-C. R.P.N. and their sub-ordinate in the case of Air Forces and R.P.N. statistics will be maintained by Controllers in a Register in P.A.F. (C.M.A.)- 182, who will submit an extract there from through the A.D.A. concerned in the following form to reach the M.A.G. by the 15th July following the year to which the transactions relate. The register will be examined monthly by a Gazetted Officer.

Statement of losses of cash, overpayments etc., written off by competent financial authority (other than Government and authorities at G.H.Q.) and claim abandoned as irrecoverable etc., with brief particulars of those exceeding Rs. 2500 in each case and in the aggregate of all such losses exceeding Rs. 10 but below Rs. 2500 in each case.

This statement (Appendix 'A' to the Appropriation Accounts of the Defence Services) will be divided into four separate sections for losses pertaining to the (i) Army (Appendix 'A-1') (ii) M. E. S. (Appendix A-II ') (iii) Air Forces (Appendix 'A-III ') and (iv) R. P. N. (Appendix A-IV ') under the following detailed headings: -

#### **APPENDIX ' A-1'**

Statement of losses of cash. over-payments, etc., pertaining to the Army (excluding M.E.S.) written off by C. F. As. (Other than Government of Pakistan and authorities at G. H. Q.) and claims abandoned as irrecoverable, etc., with brief particulars of those exceeding Rs. 2,500 in each case.

(a) *Losses, over-payments, irrecoverable claims, etc., due to theft, fraud, arson or neglect.*

(i) Details of losses exceeding Rs. 2,500 in each case.

(ii) Aggregate of losses., etc., exceeding Rs. 10 but below Rs. 2,500 in each case.

(iii) Details of losses, etc., to which no precise monetary value can be assigned.

(b) *Losses due to other causes.*

(i), (ii) and (iii) as in A-I (a) above.

## APPENDIX 'A-II'

Statement of losses of cash, overpayments, etc., pertaining to M. E. S. written off by C. F. A. (other than the Government of Pakistan and the authorities at G. H. Q.) and claims abandoned as irrecoverable, etc., with brief particulars of those exceeding Rs. 2,500 in each case.

(a) (i), (ii) and (iii) }  
(b) (i), (ii) and (iii) } As in 'A-I'.

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## Appendix 'A-III'

Statement of losses of cash, over-payments etc., pertaining to Air Forces written off by the C-in-C, Air Forces or his subordinates and claims abandoned as irrecoverable, etc., with brief particulars of those exceeding Rs. 2,500 in each case.

(a) (i), (ii) and (iii) }  
(b) (i), (ii) and (iii) } As in 'A-I'.

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## APPENDIX 'A-IV'

Statement of losses of cash, over-payments, etc., pertaining to the R.P. N. written off by the C-in-C., R. P. N. and his subordinates and claims abandoned as irrecoverable, etc., with brief particulars of those exceeding Rs. 2,500 in each case.

(a) (i), (ii) and (iii) }  
(b) (i); (ii) and (iii) } As in A-I As

*NOTE (i).* - It should be noted that the losses under  $\frac{(a) (ii)}{(b) (ii)}$  are to be limited between Rs.10 and Rs. 2,500.

(ii) Losses of cash due to enemy action should not be shown in the body of the statement but the total amount of such losses should be exhibited as a foot note under the statement.

(iii) the general criterion for determining whether items of unauthorized expenditure which have subsequently been regularized by a competent sanction should be included in the statement or not will be as follows: -

" If the sanction besides regularizing past expenditure originally incurred without adequate or proper sanction, has the effect of making the item of expenditure an authorised charge subsequent to the date of the sanction, the item should not be included in the statement, as in such cases Government recognises the need of the expenditure but failed to provide for it earlier. In the case, however, of a sanction regularising an item of expenditure incurred in the past without regularising it for the future the item should find a place in the statement.

(iv) As write off under the authority of A.I (I) 270/43 are more in the nature of an award for good conduct while undergoing sentence, such cases should not be included in the statement.

### **Exhibiting of ex-gratia payments in the appropriation accounts**

257. All ex-gratia payments in excess of Rs.20,000 should find a place in the Appropriation Accounts of the Defence Services.

Controllers should record all such ex-gratia payment as and when sanctioned in a register under the headings shown below. An extract from the register showing amounts actually paid (in excess of Rs. 20,000)

During the financial year (irrespective of the date of sanction) should be prepared and submitted with a brief explanatory note to the M. A. G through the D./A.D.A. with the statement of cash losses referred to in [para. 254\(c\)](#) above.

Sl No	Brief particulars of the transaction	Amount sanctioned	No. and date of Government orders sanctioning the payment	Initial of the O i/c	Month in which paid
1	2	3	4	5	6

Amount paid	Included in the Appropriation Accounts for the year	Initial of the Officer-in-Charge	Remarks
7	8	9	10

### Infructious Expenditure

258. Infructious expenditure other than the M.E. S. works should not be included in the main statement of losses, over-payments, etc., appended to the Appropriation Accounts, Defence Services, but that a separate statement of such expenditure in excess of Rs. 10,000 on each individual items should be furnished along with the statement of cash losses, for exhibition in the Appropriation Accounts.

To facilitate this, Controllers should record all such items pertaining to their respective areas in a register with suitable headings and forward extracts therefrom to the M. A. G. along with the annual statements of cash losses. The extract should show brief particulars of the transactions, amounts involved and the No. and date of the sanctions accorded in respect of each item.

*NOTE.* - Losses written off under rule 211 of the M.E.S. Regulation should be incorporated by Controllers in the Annual statement of losses of stores etc., in M. E. S. and submitted direct to the D. F. A. (W.).

259. Controller of Military Accounts will also maintain statistics of losses of stores in a register in the form prescribed by the Military Accountant-General for the purpose and furnish extracts from this register to the Military Accountant-General so as to reach him on or before 15th September following the year to which the transactions relate. The Military Accountant-General will furnish consolidated statements to the Financial Adviser, Military Finance,



separately for the following services so as to reach him not later than the 1st week of November-

- (a) Army Supply and Store Depots and Consuming Units.
- (b) Royal Pakistan Air Force
- (c) Royal Pakistan Navy
- (d) Military Engineer Services.

*NOTE.* - Extracts from late M. A. G. (India) letter No. 7262-R, dated 22-4-40 detailing the procedure for the maintenance of statistics of loss of stores are given in [Appendix VII](#).

260. To enable the Financial Adviser to publish in the Appropriation Accounts a proforma account of the expenditure incurred from the Civil grant for the expansion of the Pakistan Territorial Force, Controller of Military Accounts will furnish the Military Accountant-General so as to reach him not later than the 1st July each year a statement showing the cash expenditure as well as the expenditure on (I) Stores (II) Works and (III) Miscellaneous items in such form as may be prescribed by the Military Accountant-General. The Military Accountant-General will furnish a consolidated proforma account to the Adjutant-General in Pakistan not later than the 15th July.

261. The trading and production accounts, etc., of the Army manufacturing concerns, viz., -

Medical Stores Depots and Workshops,  
Bakeries,  
Butcheries,  
Grass Farms,  
Dairy Farms,  
Okara Farm, and  
Ordnance and Clothing Factories,

will be published separately as a "Commercial Appendix to the Appropriation Accounts of the Defence Services" on or before the 30th April of the 2nd year following that to which they relate.

These accounts will be compiled and rendered to the Military Accountant-General by

1. The Controller of Military Accounts, in the case of Medical Store Depots and Workshops, Bakeries and Butcheries, so as to reach the Military Accountant-General by the 15th September of the year following that to which the accounts relate.
2. the Director of Farms in the case of Grass and Dairy Farms and the Okara farm to the Military Accountant-General by the 15th August of the year following that to which the accounts relate.
3. the Controller of Ordnance Factory Accounts in the case of Ordnance and Clothing Factories, as soon as possible after the accounts of the year to which the trading accounts relate are closed, but not later than the 30th November.

The detailed instructions for the preparation and submission of the various accounts by the Military Accounts Department are contained in the Store Accounting Instructions, Chapter III--Section XXI to XXVII and the pamphlet styled "Rules for the maintenance of Store and Cost accounts in Pakistan Ordnance Factories". These accounts will be checked on receipt in the Military Accountant-General's office, consolidated where necessary and sent to the

administrative authorities in the final form in which they are to be published, for acceptance and for furnishing the necessary administrative reviews of the working of the concerns. The accounts together with the reviews referred to above should be sent to the F.A.M.F., Karachi through (i) the Director of Ordnance Factories and (ii) the Ministry of Finance (Military) ' F' Section Rawalpindi by the 15th December.

262. The Financial Adviser (Military Finance) is also responsible for furnishing the Accountant-General, Pakistan Revenues, with Appropriation Accounts for the following heads in such form and manner as may be prescribed for the purpose from time to time so as to reach them on the 25th August and 5th October respectively each year-

<u>P- Deposits and Advances not bearing interest- Advances Repayable</u>	} 25th August
Q- Loans and Advances by the Central Government- Loans to Government servants	
<u>22- Interest on other obligations</u>	} 5th October
83- Commuted value of pensions	

The Controller of Military Accounts will prepare Appropriation Accounts for the above named heads so far as they are concerned and submit them to the Deputy Financial Adviser, Military Finance (Budget) as laid down in paragraphs 391, 396, 398 & 385 Military Account Code (1950).

263. The following instructions will be observed in the preparation of the Appropriation Accounts referred to above.

- (i) The actuals for the year under "Loans and Advances" should represent only cash transactions and not book-keeping adjustments. The debits raised by the High Commissioner should be included in the actuals and the amounts shown in the remarks column.
- (ii) The authority for the original and supplementary grant should be quoted.
- (iii) The figures shown in the column "actuals for the year" should represent the final figures for the year as shown in the March Supplementary compilation. Any variations between the compiled figures and those shown in the column "actuals for the year " should be fully explained.

264. The balance of Loans and Advances outstanding on the 31st March should be analyzed and reviewed by sub-heads, special attention being directed to writes off, delays in repayment, acknowledgment of balances, suspensions, doubtful assets in balances, etc. Any peculiar features, viz., irregular recovery of interest, remission of interest, grant of loans without necessary safeguard for recovery, unusually large loans to an individual or corporate body, etc., should be commented upon. The statement of the review should be submitted by Controllers to the Deputy Financial Adviser, Military Finance (Budget), on 1st August each year as held down in paragraph 368, Military Accounts Code (1950).

265. A certificate in the following form will be furnished by the Military Accountant-General to the Financial Adviser (Military Finance) by the 1st of January on receipt of certificates from Controllers on the 15th November—

"I declare to the best of my knowledge and belief that no part of

the expenditure under Head "22— Interest on other obligations"  
advances under debt "83— Commuted value of pensions"  
has been incurred and adjusted in the accounts for the year without authority superior to that  
have been made "Deposits heads P and Q"  
of the Department or the office in cases where such authority is required by the Regulations".

### **Audit Report**

266. The responsibility for the preparation of the Report on the Appropriation Accounts of Defence Services is vested in the Director of Audit, Defence Services.

## CHAPTER 17

### Financial Irregularities

267. In dealing with cases of loss due to fraud or negligence, over-payments or other financial irregularities, it is to be borne in mind that promptitude of action is of paramount importance.

268. Irregularities detected by audit in the first instance should be brought immediately to the notice of the administrative authority concerned, while, where an irregularity is discovered by an administrative authority and it is one which should be reported to his audit officer in the terms of paragraph 161, (ii), (e), Financial Regulations, Part I, it is incumbent on that authority to make this report without delay.

In either case, the irregularity, if serious, should be brought to the notice of superior authority as soon possible, *i e.*, the administrative authority should report to his superior and the audit officer to his superior.

269. Any vouchers or other documents in possession of the audit office which the administrative authority concerned considers should be made available for the pursuit at of the necessary investigation should be furnished by the audit officer without undue delay and, further where the circumstances of an irregularity are complex and a special audit to investigate them has been authorized, such audit should be conducted as expeditiously as possible.

270. In the case of overpayments which should be placed under objection as soon as possible after their detection, the procedure indicated in paragraphs 120 and 161 Financial Regulations, Part I, should be observed.

271. In all cases, whether they pertain to over payments or to losses or other irregularities, it is incumbent on the audit officer, besides taking action as above to examine the circumstances which led to the irregularity, and if the examination discloses a defect in the rules or a situation which makes it possible for the irregularity to be occurring in other units or formations, to order an immediate investigation of the accounts of the other units and formations in his audit area and simultaneously to bring the facts of the case to the notice of the Military Accountant-General for the issue of orders by him for investigation of the accounts of units and formations in other audit areas and for action towards the amendment of the defective rules.

272. Further it is incumbent on the audit officer to scrutinize the disciplinary action taken by the administrative authority concerned on any case of financial irregularity, including that of personal over-payment.

If, as a result of this scrutiny, the Controller of Military Accounts concerned considers that the disciplinary action taken is inadequate he should discuss the issue personally with the responsible administrative authority, or, if personal discussion is not possible, should deal with the matter by demi-official correspondence with that authority.

If after such discussion he is still dissatisfied he should bring the case to the notice of the Military Accountant-General, at the same time notifying the administrative authority

concerned that he is doing so. Thereafter the Military Accountant-General will take all further action to obtain a decision and will inform the Controller of Military Accounts of the result.

*NOTE 1.-* Although there is no objection to the responsible administrative authority allowing the Military Accountant-General access to the relevant papers. It is not incumbent on him to do so, nor can an audit authority insist on such action.

*NOTE 2.-* A write off of loss of stores or public money due to theft fraud, or neglect will not be admitted in audit until a decision has been reached on the question of disciplinary action.

273. In those cases where, in conformity with the rules in rule 161, Financial Regulations, Part I (1952) a Controller of Military Accounts has to report to Government an over-payment made through an incorrect audit interpretation of regulations, the following particulars should always be given in the report: -

- (a) As complete an explanation as possible of the whole case, stating the period for which the over-payment was made and the amount involved.
- (b) The circumstances in which the charges were admitted, giving reference to the rules, if any, under which the charges were considered admissible.
- (c) The circumstances and regulations under which the charges were placed under objection and the agency through which the over-payment was discovered.
- (d) The circumstances in which the over-payment could not be detected earlier.
- (e) The date of discovery of the over-payment.
- (f) The causes of delay, if any, between the date of discovery and subsequent action in referring the case to Government.
- (g) Definite views of the Controller of Military Accounts in regard to the responsibility of the individual or individuals concerned.
- (h) The action taken or proposed to be taken by the Controller of Military Accounts against such individual.
- (i) The action taken or recommended to be taken to obviate a recurrence of the failure in audit in question.

All such reports should be submitted to Government through the Military Accountant-General.

## APPENDIX I

### **Instructions regarding leave procedure referred to in para. 95.**

#### **Procedure relating to level**

Para. 1. In case of Military Officers, applications for furlough or leave are not sent to the Controller of Military Accounts, unless the period of leave applied for includes privilege leave in excess of two months, whether combined with other leave or taken by itself. In such cases the C. M. A. should certify to the eligibility of the officer to privilege leave on P. A. F. L. 1170. In the case of applications for three month's privilege leave from concessional areas, no pre-audit-check will be exercised by the C. M.A. and the leave application will not be sent through them; duplicate copies of sanctioned leave applications will be supplied to the C. M. A. for verification of the correctness of the grant of such leave.

2. In the case of civilian gazetted officers subject to the leave rules in the Civil Service Regulations or those specified in their agreements, the Controller of Military Accounts should certify to the admissibility of the leave.

3. In the case of warrant officers and other subordinate and clerical establishment no certificates of admissibility from the Controller of Military Accounts are necessary, but the authority sanctioning the leave should satisfy himself that the leave is admissible.

4. In the cases of officers and others on foreign service, the Controller of Military Accounts of the district from which the individual went on foreign service should report on the admissibility of any leave applied for.

In case where Audit Officers are required to certify to the admissibility of the leave, no leave should be sanctioned until such certificates have been granted.

5. When a Military Officer becomes subject to the Civil Leave Rules, the Controller from whose payment the officer was transferred Civil Dept. will, on application and on being furnished with information as to the date of the officer becoming subject to those rules, forward to the Civil Audit Officer in whose audit area he may be, a certificate in P. A. F. L. 1177, showing the furlough earned, the different kinds of leave taken (distinguishing those which should be deducted from the maximum furlough admissible) and the balance of furlough due under Military Rules.

6. When a Military Officer in Civil employ, but subject to the Military Leave Rules, applies for leave, the Controller of Military Accounts from whose payment the officer was transferred to the Civil Department will, on application, furnish the Civil Audit Officer concerned with information regarding the amount of leave to which the officer is entitled under Military rules and the rate of leave pay and allowance admissible during such leave period.

7. If in dealing with applications for leave from a Military Officer in civil employ, whether subject to the Military or Civil Leave Rules, the Civil Audit Officer considers it necessary to consult the Controller of Military Accounts referred to in paragraph 6 above, the Controller of Military Accounts will render all help and advice required in the matter.

#### **Payment of leave allowances in Pakistan**

8. No officer can draw his leave allowances in Pakistan except from the Audit Officer who audited his pay before he proceeded on leave.

9. In the case of officers employed regimentally, the leave allowances should be drawn through the regular pay bill of the unit. Cheques in payment of the leave allowances may be sent direct to the officers concerned or they may be paid to their bankers or agents provided the officer has furnished the Officer Commanding the unit with a written request to that effect, and the banker or agent has complied with the requirements of Rule 142, Financial Regulations for the Army in Pakistan, Part I.

10. If a civilian gazetted officer, when proceeding on leave, signs his bill himself, he must furnish a life-certificate signed by a responsible officer of Government or some other well-known or trustworthy person, unless he appears in person before the Audit Officer making the payment.

11. If he draws his leave salary through an authorised agent or banker, the agent or banker, whether he has or has not a power of attorney must furnish a life certificate, or execute a bond to refund over-payments. A life-certificate may be given periodically, a Bond being executed to cover intermediate payments not supported by life-certificates.

12. In the case of Military officers no life-certificates are necessary, but payments to bankers and agents can only be made if they have executed a bond of indemnity to cover over payments.

13. The leave allowance of a subordinate on leave in Pakistan, or on leave out of Pakistan, cannot be drawn in Pakistan except under the signature of the officer who drew his pay before the subordinate Proceeded on leave. The officer drawing the leave allowance is responsible for any over charge.

14. The provision of [paragraphs 8 to 13](#) apply to officers and others who spend their leave out of Pakistan but reside in Asia and who draw their leave allowances in rupees in Pakistan.

### **Leave out of Pakistan**

15. A copy of "Memorandum of information issued for the guidance of Military Officers and others proceeding out of Pakistan" should be supplied to each officer proceeding on leave out of Pakistan by the Audit Officer who audits his pay, as soon as the grant of the leave is gazetted or otherwise notified to him.

16. In the case of Military Officers, Nursing Officers, the Officer who granted the leave, or the Officer Commanding the unit to which the officer is attached will furnish the audit office with P. A. F. A. 449 and P. A. F. Z.-2053 duly completed in all respect.

17. In the case of regimental other ranks the necessary information will be furnished by the Officer Commanding in P. A. F. A.-27 to the Audit Office.

18. If the necessary forms are not received within a reasonable time the Audit Office will call for them.

*Note 1.* —When an officer proceeding on leave *ex*-Pakistan is likely to become eligible to a higher rate of pay in respect of length of service during the period of such leave, the zeal and ability certificates should be sent to the Audit officer with P. A. F. Z.2053 and A.449.

*Note 2.* —Officers are responsible for forwarding with their applications for last pay certificate from the Garrison Engineers concerned showing the amounts due from them up to the date of leaving their stations on account of rent of quarters, hire of M. E. S. furniture and cost of electricity consumed by them.

In cases where officers are not occupying Government quarters or have not wanted M. E. S. furniture or been in receipt of electric current generated by a M. E. S power plant, a certificate to this effect from the Garrison Engineer concerned will be enclosed with the application for a last pay certificate.

*NOTE 3.*-For the rules regarding the adjustment of all advances of privilege leave pay taken by officers proceeding on leave to the United Kingdom or on leave to the United Kingdom pending retirement or unemployment, see rule 157. Financial Regulations, Part I (1940 edition) and the instructions given in P. A. F. Z.-2053.

19. On receipt of P. A. F. A.-449 and Z-2053 the Audit Officer will settle the accounts up-to-date and prepare the necessary last pay certificate or Colonial Pay Warrant.

*NOTE.* - For detailed instructions regarding the preparation of and date to be shown on L. P. C. see the P. M. A. D. Procedure Code.

20. Officers and others who are under the leave rules in the Civil Service Regulations will, after embarkation from Pakistan on leave out of Pakistan, post from the first port, F. R. Form 7 duly completed to the Audit Officer who audited his pay in last post. If any readjustment of leave allowances is necessary it will be made on the individual's return to Pakistan or earlier if necessary.

*Note.* - A blank F. R. Form 7 will be supplied by the Audit Officer along with the last pay certificate or Colonial Pay Warrant to officers and others before their proceeding on leave *ex*-Pakistan.

21. Officers under the Military Leave Rules will submit their arrival and departure reports to the Audit Officer concerned in the forms appended to I. A. O. No. 72 of 1929, immediately on arrival at their Headquarters Station and on embarkation.

22. Whenever the leave of officers or others on leave out of Pakistan, elsewhere than in Europe, North Africa, America or the West Indies is extended or commuted by the authority in Pakistan which granted the leave, the fact should forthwith be notified by the Audit Officer to the High Commissioner for Pakistan in U. K. to enable him to check the payment by Colonial Treasurers or Staff Officers.

23. When no space for entry of endorsements of payments remains upon the back of a Colonial Warrant (P. A. F. A.-440) or when a warrant is lost or destroyed, a fresh warrant should be issued by the Audit Officer who issued the original warrant on the application of the Officer, etc., concerned, through the Colonial Disbursing Officer.

24. Officers and others who were on leave in Europe must, on return to Pakistan, deliver to the Audit Officer the last pay certificate obtained by them from the High Commissioner before they can obtain payment of any arrears of leave allowance or pay due to them. Those who have drawn their leave allowances on warrant must deliver their copies of the warrant which will serve as last pay certificate.



## APPENDIX II

### **Financial and Audit Powers of Military Accountant-General**

#### **PART I**

The Military Accountant-General may sanction expenditure or advances of public money in those cases only in which he is authorised to do so by: -

- (a) any codes or regulations issued by or with the approval of the Governor-General, or,
- (b) any order of the Governor-General laying down a scale or maximum scale of expenditure; or
- (c) these rules.

2. The Military Accountant-General is empowered to sanction expenditure on contingent charges subject to the provision in Codes and Regulations governing such charges and in other orders issued from time to time.

He is also empowered to sanction the Purchase of articles for the public service locally up to a limit of Rs.500 in respect of any one article or any number of similar articles purchased at one time, subject to the "Rules for the supply of articles required for the Public Service" as reproduced in Appendix 4, Civil Account Code, Vol. I.

3. The Military Accountant-General may sanction the writing-off of losses of cash due to robbery, accident, embezzlement and similar causes up to a limit of Rs. 500 in each case.

4. The Military Accountant-General may increase or reduce the pay and allowances of an Inferior servant serving in the Military Accounts Department subject to the following reservations: -

- (a) that his powers do not extend to the creation or abolition of permanent posts,
- (b) that the rates of pay and allowances do not exceed those sanctioned by the Local Government for Inferior servant establishments employed in local Civil Department Offices, and
- (c) that an addition to the pay and allowances does not have the effect of raising the total pay and allowances of a post or of a Government servant to an amount in excess of Rs. 50 a month.

5. The Military Accountant-General is the administrative officer under the Financial Adviser (Military Finance) responsible for the control or expenditure under the grant made in the sanctioned Defence Budget Estimates under Head II-I Military Accounts Officer including the offices of Controllers Ordnance Factory, Royal Pakistan Air Force, Naval and Military Pension Accounts and his own office, and for obtaining additional funds either in the shape of an additional grant or by means of re-appropriation sanctioned by the Ministry of Finance (Military) if the total provision under that Head is likely to be exceeded. The grant made under Head II-I, for temporary establishments in the Military Accounts Department may be allotted or reallocated by him between the several Military Accounts Offices including his own office as required. He may also re-appropriate funds from one detailed head of Head II-I to meet authorised expenditure under the same or another detailed head or from one minor head to another within the Sub-head.

## PART II

**NOTE.** - The word "audit" as used in the Rules in this part refers to the audit functions exercised by the Military Accountant-General and his staff. These functions, however, do not fall within the meaning of the word 'audit' as used in the Audit and Accounts Order, 1952 as amended from time to time.

The maintenance of the accounts of the Army, Military Engineer Services and the Naval Department is transferred to the Financial Adviser (Military Finance). The duty and responsibility of the Auditor-General in regard to these accounts is defined in Rule 11 of the Audit & Accounts Order, 1952 as amended. The following rules define the duties and powers as regards audit of the Military Accountant-General and he is vested with these powers by the Financial Adviser (Military Finance) on whose behalf he will exercise them-

- (1) The Military Accountant-General shall, if so required by the Ministry of Finance (Military),
  - (i) arrange for the audit of the accounts of receipts and expenditure of any public or *quasi*-public Department under the control of the Ministry of Defence Department although they may not related directly to the receipt and expenditure of Government money; and
  - (ii) arrange for the audit of stores or stock in the possession of an officer or a Department under the Ministry of Defence, Government of Pakistan.
- (2) If the Military Accountant-General considers It desirable that the whole or any part of the audit applied to Government accounts or to any other accounts, which he is required to audit under rule shall be conducted in the offices in which those account originate, he may require that these accounts, together with all books, papers and writings having relation thereto shall, at all convenient times, be made available in those offices for inspection by his audit officers.
- (3) When an objection taken in the course of audit cannot be adjusted by a Controller of Military Accounts in consultation with the authorities concerned, the Military Accountant General may either instruct the Controller Military Accounts to withdraw the objection, or require the administrative authorities concerned to obtain the requisite sanction or, in default, to recover the amount under objection provided that: -
  - (i) if the objection to any expenditure is based solely on the ground that such expenditure contravenes one of the canon set out in [para. 23](#) of this code, the Military Accountant-General or Controller of Military Accounts shall withdraw such objection at the request of the Ministry of Defence if the latter Department states that the breach of the canon and the action taken there by Government will be reported as soon as possible to the Director of Audit, Defence Services;
  - (ii) If the Ministry of Defence orders in writing that recovery of the amount under objection shall be foregone, the Military Accountant-General or Controller Military Accounts shall withdraw such objection, but the Military Accountant-General may report the action taken to the Director of Audit, Defence Services.

- (4) The Military Accountant-General may, on his own motion, and shall, on reference being made to him by the Ministry of Defence, Army or Pakistan Air Force Headquarters review a decision of any Military Accounts Officer serving under his administrative control and if he thinks fit, over rule it.
- (5) The Military Accountant-General shall have power to require that any books, papers or writing relating to the accounts audited by the Military Accounts Department should be sent for inspection by him or by any other officer of the Military Accounts Department provided that: -
  - (i) if the Ministry of Defence certifies that the documents in question are secret the Military Accountant-General or other Military Accounts Officer, as the case may be, shall accept in lieu of all such documents, and as a correct account of the facts stated therein, the statement certified by the Ministry of Defence and
  - (ii) if the documents are confidential, the officer to whom they are made over, shall be made responsible for the preventing of disclosure of their contents.
- (6) The Military Accountant-General in consultation with Ministry of Defence and with the approval of the Financial Adviser (Military) shall prescribe the forms in which accounts shall be kept in Military Accounts Offices provided that no change which will effect the form of the Finance and Revenue Accounts shall be made without the previous sanction of the Auditor General.

**APPENDIX III**  
**Instructions for the Audit of M. E. S. Expenditure**

**PART I**

The following are the more important points to be observed in the audit conducted by M.E.S. Accounts Sections over M.E.S. expenditure: —

**Imprest Accounts and Cash Books**

- (a) See that the imprest accounts and Cash Books are maintained in accordance with paras. 491 to 495 and 530 to 539 of Regulations for the M. E. S. Check all cash accounts in accordance with general principles, e.g., see that the opening balance has been correctly brought forward from the previous account and that the account is fully supported by vouchers.
- (b) See that the transactions booked in the cash book agree with the counter foils of cheques drawn by the G. E.C. | M. E. S. from his Cash Assignments.
- (c) See that imprest are kept within the sanctioned limits.
- (d) See that receipts have been given in all cases. where cash is received.
- (e) See that the cash books are closed and balanced on the prescribed dates.
- (f) See that the rules regarding permission to accept cash receipts prescribed in para. 491 of Regulations for the M. E. S. are complied with.
- (g) See that vouchers in support of cheques on demand are promptly submitted by Accounting Officers.

**Bills and Vouchers**

See that the general rules regarding the submission and audit of vouchers enumerated in para. 71, Financial Regulations, Part II. and [para. 29](#) of this Code, are observed.

In the case of Contractors' bills (P. A. Fs. W.-2262 & 2263) and Hand Receipts (P. A. F. W.-2250): -

- (a) Check the rates with the accepted contract and the District Schedules of rates.
- (b) See that sanction of the competent financial authority exists for all special rates.
- (c) See that the items of work billed for in accordance with the abstract of detailed estimate as modified by the Technical Deviation Sheets sanctioned by Competent Financial Authority.
- (d) In the case of running certificates, check previous payments and note the cross references in the previous payment voucher and current voucher under audit and payment.
- (e) See that the allocation is clearly given on bills by Accounting Officers.
- (f) See that the arrangements in force in regard to "Advance payments" and "Secured Advances" are such as not to involve risk of loss to Government or as not to permit unauthorised aid to contractors.

In the case of Muster Rolls (P. A. F. W.-2255): -

- (a) Check arithmetically all muster rolls.
- (b) See that the provisions of paras. 551 to 553 of the M. E. S. Regulations are complied with.

- (c) Check the unpaid wages with the extract furnished by the Accounting Officer.
- (d) See that the cost of labour is not so largely in excess of the value (at current rates) of the work done as to indicate either loss to Government or need for closer financial control.
- (e) See that muster rolls are kept for daily labour only employed for the *bonafide* purposes of the execution of the work and do not include charges for supervision, etc., not directly and wholly chargeable to the work concerned.
- (f) See that the rates for items or work executed by departmental labour compare favourably with the rates provided for labour in the analysis of rates or data sheets for items of work in the District Schedule of rates excluding the margin of contractors' profit, *viz.*, 10 per cent.
- (g) Check the allocation given in the back of the muster rolls.

In the case of Casual Personnel Bills (P. A. F. W.-2258):-

- (a) Check completely all casual personnel bills.
- (b) See that the provisions of paras. 129, 133 to 135 of the Regulations for the M. E.S. are complied with.
- (c) See that the total cost of work charged establishment does not exceed 2 percent of the total cost of work.
- (d) See that the approval of the Engineer-in-Chief exists to the debit of pay and allowances of clerical or drawing establishment to a work.
- (e) See that the allocation to works is properly made in each C. P. Bill.
- (f) See that the number of chowkidars employed for vacant buildings is justified with regard to the location of each building or the area.

In the case of Bills for Rent of Buildings hired or leased see that, in addition to the general scrutiny, the sanction of the competent financial authority to the hiring or leasing of the building exist and that the payment of rent and the lessor's commission, if any, is covered by the terms of the leases or agreements on record.

In the case of any public military building let or loaned to private companies or individuals for use as cinemas, etc., see that the building has been insured against fire and that the policy has been assigned to the military authorities.

In the case of Bills for inferior accommodation, see that the provisions of Government of Pakistan, Ministry of Defence (Army Branch) O.M. No. 5651|1| Q3 (Qtg), dated 27-4-48 under which the claims may be preferred are complied with. Also verify the claims with the list of vacant buildings submitted by the Unit Accountant, G.E's. Office, or with the rent ledgers maintained by him.

In the case of bills for supply of stores: -

- (a) See that the general rules laid down in [para 172](#) of this Code, are applied *installs mutatis mutandis* to all purchases of stores for the M. E. S.

- (b) See that such of the articles as are obtainable from other Departments (P.A. S. C. and Ordnance and Pakistan Stores Department) are not purchased locally without sufficient reasons.

In the case of bills for supply of water, electrical energy by Municipalities or Cantonment Authorities, Rates and Taxes: -

- (a) See that the charges are correctly debitable to M. E. S. Estimates.
- (b) See that wherever possible an agreement has been entered into with the Municipality, Local Board or other Supplying Agency, with the approval of G.H. Q. and that rates charged by the local bodies, etc., for supply are in accordance with the agreements in force.
- (c) See that allocation is correctly made and that amounts recoverable, if any, from non-entitled persons are noted prominently in the allocation.

In regard to Contingent Bills: —

- (a) See that the provisions of para. 167 of the Regulations for M. E. S. and Financial Regulations, Part II, para. 107 and Appendix V, (except in cases where special rules exist in the Regulations for the M. E. S.) are complied with.
- (b) See that the provisions of [Chapter 8](#) of this Code are followed in the audit of contingent charges except in cases where special rules exist in the Regulations for the M. E. S.

## **PART II**

The following are the more important points to be observed in the audit conducted locally on initial accounts and records at the spot where the M.E.S. formation is located:-

In the case of Contractors' bills (P. A. Fs. W.-2262 and 2263), Hand Receipts (P. A. F. W.-2250) :-

- (a) Check the contents in Measurement Books (P. A. F. W.-2261) and the abstract of detailed Measurement on P. A. F. W.-2264.
- (b) Compare the quantities billed for in the bill with the abstract.
- (c) In the case of secured advances see that agreement in P. A. F. W.-1833A are on record.

In the case of Muster Rolls (P. A. F. W.-2255)-

- (a) See that there is evidence that the record of attendance is checked by responsible officers.
- (b) See that the quantity of work done by the labour employed is entered in sufficient detail either in measurement books or in separate progress reports.
- (c) See that cost of labour is not so largely in excess of the value (at current rates) of the work done as to indicate either loss to Government or need for closer financial control.

In the case of Stock Accounts :-

- (a) See that the accounts of stock are maintained in accordance with the rules in Chapter X of Regulations for the M. E. S. and completely check all the postings in the account and registers mentioned therein.
- (b) See that the numerical limit of stock is not exceeded.
- (c) See that the issue rate is fixed by G. E. at the beginning of the year and does not appreciably differ from the local market rate.
- (d) See that issues to contractors are made at market rates whenever the issue rate as fixed by the G. E. is appreciably lower than the market rate.
- (e) See that adequate action is being taken with regard to the disposal of surplus stores.
- (f) Check all receipts and transfer vouchers.
- (g) See that transfer vouchers "relating to transfer of stock from one M.E.S. store to another within the Division" are not entered in the stock expense ledger.
- (h) See that losses of stock are dealt with in accordance with paras. 205 to 210 of the Regulations for the M. E. S.
- (i) See that stock is verified during the year and the certificate recorded, *vide* para. 675 of the Regulations for the M. E. S.
- (j) See that sales of stock are made in accordance with paras. 680 to 684 of the Regulations for the M. E. S.

*Note.* —With reference to sales made through the Central Disposals Organisation, see M. A. G's. No. 1032A|C, dated 27th February 1929.

- (k) See that issue of stores to contractors is regulated under para. 664 of the Regulations for the M. E. S.

In the case of Manufactures:-

- (a) See that the accounts of Manufacturing Operations are maintained in accordance with para. 792 of the Regulations for the M. E. S.
- (b) See that losses on manufacture are also dealt with according to para. 655 of the Regulations for the M. E. S. closing of the Material Account.

In the case of Workshop Accounts see that the accounts of a Workshop are maintained in accordance with section 63 of the Regulations of the M.E.S.

In the case of Accounts of Tools and Plant, Barrack and Hospital Furniture:-

- (a) See that the accounts of Tools and Plant and Barrack and Hospital furniture are maintained in accordance with paras. 604 to 609 of the Regulations for the M.E.S.
- (b) Check the station Register of Authorised Furniture (P.A.F.W.- 1811) and Station Furniture Register (P. A. F. W.-2279), Annual Tools and Plant Return (P. A. F. W.-2193) and Register of Articles on charge (P. A. F. W.-2279). See that the opening and the closing balances are correct.
- (c) Review the rates in the Furniture and Tools and Plant rate list and see that they are not in excess of the local market rates for similar types of articles.
- (d) See where possible that the rules in paras. 181 to 196 and the scales in the Barrack and Hospital Schedules are observed.

- (e) See that no issues of furniture or of articles of Tools and Plant are made to individuals without authority on temporary receipts, or on loan.
- (f) See that Tools and Plant issued to Contractors on loan are dealt with in accordance with para. 669 of the Regulations for the M. E. S.

In the case of Materials at site accounts:-

- (a) See that materials at site accounts are maintained in accordance with paras. 646 to 655 of the Regulations for the M. E. S.
- (b) Check the balance of the materials at site accounts Construction Account with the summary of materials at site (P. A. F. W.-2226) and see that the issue rates are altered wherever necessary.
- (c) See that adequate action is being taken with regard to the disposal of surplus materials on charge in materials at site accounts.
- (d) See that the stock of materials at site was verified during the year and a certificate recorded.
- (e) See that the materials at site accounts are cleared when works are completed.
- (f) Check all the accounts and registers maintained under para. 1649 of the Regulations for the M. E. S.

In the case of stores in hand:-

- (a) See that the accounts of stores in hand are maintained in accordance with para. 679 of the Regulations for the M. E. S.
- (b) See that the sanction of the Garrison Engineer exists in all cases when the value of the stores in hand exceeds Rs. 200.
- (c) Check the accounts and registers maintained in respect of stores in hand under para. 679 of the Regulations for the M. E. S.

In the case of Accounts of Works, Establishment, Tools and Plant: -

- (a) See that accounts of works, establishment charges, Tools and Plant and Deposit Works are maintained in accordance with the rules prescribed in paras. 231 to 234, 511 to 514 and 592 and Appendix ' L ' of the Regulations for the M. E. S., P. A. F. W. 2242 Construction Account.
- (b) See that the entries in columns No. 12 to 16 "Liabilities and Expected credits" of Construction Account, P.A.F.W.-2242, are correctly posted.
- (c) See that the balances under "Contractors' Account" columns 18 and 19 agree with the balances in the contractors' ledger (P. A. F. A.-785).
- (d) See that Construction Account in respect of work for which History Sheets are required to be maintained contain a note to that effect in red ink.
- (e) See that action is being taken regularly to call for completion reports and that the verification and transmission of completion reports is recorded in the Construction Accounts.
- (f) See that the Construction Account Abstract P. A. F. W.-2242-C is correctly compiled from the Construction Account.



- (g) See that in the case of Major Works comprising more than one item, and that all excesses are dealt with in accordance with para. 65 of the Regulations for the M.E.S.
- (h) Review the Construction Accounts so as to see that there is no delay in closing the accounts of a work as soon as possible after the work is completed.
- (i) See that transfer vouchers are sanctioned by the C. M. E. S in respect of renewals affecting the capital cost of the structure or installation.
- (j) See that in respect of installations, the accounts prescribed in Section 60 of the Regulations for the M. E. S. are maintained.
- (k) See that in respect of general charges, the Construction Accounts and the Register of sanction, P. A. F. W.-2252 are properly maintained in accordance with paras. 165, 515 and 585 of the Regulations for the M. E. S.
- (l) See that outlay on account of establishment, contingencies and tools and plant is properly booked in accordance with paras. 166 to 171, 174 and 175 of the Regulations for the M. E. S.
- (m) See that accounts of Deposit Works, Cantonment Works are maintained in accordance with paras. 231 to 234, 243 of the Regulations for the M. E. S. and that departmental charges are levied in accordance with para. 248 of the Regulations for the M. E. S. as shown in Table G and that excess expenditure is promptly brought to the notice of the Executive Authorities with a view to regularisation.
- (n) See that the rules prescribed in paras. 235, 237 to 242 of the Regulations for the M. E. S. are complied with in respect of works for services or departments carried out by the M. E. S.
- (o) Check postings\* and totals in all Construction Accounts and trace the totals in the Construction Accounts Abstract and agree with the Classified Abstract of Receipts and Expenditure.
- (p) Check that all incomplete works at the end of the year have been brought forward in the following year's Construction Accounts.
- (q) See that action is being taken to revise the assessment of rent of buildings in all cases of construction or purchase of new buildings or an increase of Capital outlay in the case of existing building.
- (r) See that the charges on account of acquisition of land by Land Acquisition Officers are dealt with in accordance with Appendix 7 of the Civil Account Code, Vol. I, and 215 of the Regulations for the M. E. S.

In the case of Contracts and Security Deposits:-

\*The following is meant by check of postings. etc.: -

- (i) The entries should agree with muster rolls, pre-audit and post-audit vouchers and Transfer vouchers.
- (ii) Particulars of sanctioned estimates and the amounts of appropriation should be entered and corrected when the estimate is revised or appropriation modified.

- (iii) The appropriations should agree with those entered in the Register of Appropriation (P. A. F. W.2244).
- (a) See that rules in Chapter VII of the Regulations for the M. E. S. with regard to acceptance and amendment of contracts and security deposits of contractors are complied with.
- (b) See that accepted contracts are forwarded to the C.M.A.
- (c) See that lists of contracts are maintained in accordance with para. 370 of the Regulations for the M. E. S.
- (d) See that earnest money received with tenders is promptly accounted for.
- (e) See that the rules regarding security deposits in Section 32 of the Regulations for the M. E. S. are complied with in respect of all contracts and that refunds of security deposits are made in accordance with the principles laid down in paras. 430 to 433 of the Regulations for the M. E. S.
- (f) Check the Register of securities (P. A. F. W.-2286) and see that it is maintained in accordance with para. 621 of the Regulations for the M. E. S.

In the case of Security Deposits, Establishments, see that the rules in paras 125 to 127 of the Regulations for the M. E. S. are complied with.

In the case of Contractors' Ledgers :-

- (a) See that the Contractors' Ledger (P. A. F. A.-785) is properly maintained in accordance with paras. 418 to 420 of the Regulations for the M. E. S. is being particularly watched that payments on running contract bills are treated as "charges against the contractor" and entered in columns 6 and 18 of the Construction Accounts.
- (b) See that the balances "due to" and "due from" agree with the balances in the Construction Account.
- (c) See that adequate action is being taken in respect of all balances with a view to speedy clearance.
- (d) See that debits are raised against contractor on account of issue of stores where the contract is both for labour and materials and are always supported by unstamped but dated acknowledgments in P. A. F. W.-1826.
- (e) See that charges for departmental labour recoverable from a contractor are accepted by him and posted to the debit of his ledger account.
- (f) See that the rules in para. 668 of the Regulations for the M. E. S. are complied with in regard to surplus materials returned by Contractors.
- (g) See that the Contractors' ledger for the Division includes the contractors with independent Accounting S. D. O's.

In the case of audit of receipts:-

- (1) See that the rules in A. R. Quarters and Rent and Government of Pakistan, Ministry of Defence (Army Branch) OM No. 5651|1| Q3| (Qtg.), dated 27-4-48 as amended from time to time regarding quarters and rents, water and electrical installations and furniture are complied with and that all accounts are properly maintained under the above rules.

- (2) See that the capital cost of buildings, furniture, electric installations, etc., agrees with the annual return of Public Military Buildings, Construction Accounts, etc., before the standard rent is calculated.
- (3) See that the assessed rent is calculated in accordance, with the prescribed rules in para. 9 of A. R. Quarters and Rent.
- (4) See that quarters are allotted in such a way that there is no loss to the State by way of payment of lodging allowance for want of quarters or compensation of inferior quarters and hiring of quarters.
- (5) See that rent is charged front private persons in accordance with the rule in para. 13 of A. R. Quarters and Rents.
- (6) See that rent bills incorporating all dues to Government are promptly issued.
- (7) See that in case of pensioners and private persons rent is recovered in advance.
- (8) Review the Revenue Ledger (P. A. F. W.-2240) and see that adequate action is being taken to watch the recovery of all outstanding bills. See that all outstanding items are entered in the statement of items under objection separately, viz.
  - (a) Recoveries for which the P. M. A. Dept. is responsible.
  - (b) Recoveries for which the M. E. S. is responsible.
 See that rent for Officers Messes is charged at  $\frac{1}{3}$  of the Mess Allowance or the assessed rent whichever is less.
- (9) See that the procedure prescribed in para. 462 of the Regulations for the M. E. S., in respect of manufacturing and quasi-commercial concerns and other Arms of Service is complied with.
- (10) See that the rules with regard to recoveries of expenditure referred to in para. 447 of the Regulations for the M. E. S. are complied with.
- (11) See that the procedure prescribed in para. 54(e) is followed in respect of refunds of revenues.
- (12) Check the Return of recoveries (P. A. F. W.-2218) (P. A. F. F.-2298) and see that it is correctly made out from the Consumer's Ledgers and Meter Reader's Book (P. A. F. W.- 2184, P. A. F. W.-2170 and P. A. F. W.-2299).
- (13) Check the Revenue Ledger P. A. F. W.-2240 with the Occupation Returns and change statements.
- (14) Audit the Revenue Ledger (P. A. F. W.-2240).
- (15) Audit the Assessment Ledger (P. A. F. W.-2239) and verify the capital cost with the A. R. P. M. B. every year.
- (16) Check the consumption of water and electric energy by entitled consumers and see that administrative action is being taken towards the prescribed scales being adhered to.
- (17) See that there is no disregard of rules or defects of procedure likely to lead to loss of revenue.

- (18) See that a separate page is set apart in the ledger for the "Miscellaneous" items of Revenue receipts other than regular revenue, if any, peculiar to local conditions and that realisations of amounts due are effected on due dates.
- (19) Check the Register of buildings and lands under M. E. S. charge and see that it is kept corrected up-to-date.
- (20) See that credits for sale proceeds of buildings and lands and of materials received from demolition of buildings are properly adjusted.
- (21) Check the Capital and Revenue of Imperial Civil Buildings and see that they are compiled in accordance with [chapter 16](#) of the Account Code.

In the case of Transfer Entries:-

- (1) See that transfer entries are generally made for the purposes intended in para. 592 of the Regulations for the M. E. S.
- (2) See that the rules in para. 592 of the Regulations for the M. E. S. are complied with and that all transfer entries are posted in the Abstract of Receipts and Charges, the relevant Construction Accounts and other accounts affected and that they are supported by the necessary transfer vouchers (P. A. F. W.-2253).
- (3) See that transfer vouchers do not contain transactions of the following nature:-
  - (i) Debiting to a work of the cost of materials not required or in excess of actual requirements.
  - (ii) Debiting to another work for which funds are available of the value of materials utilised on another work for which funds are not available.
  - (iii) Writing back the value of materials to avoid excess outlay over allotment.
- (4) See that transfer entries in rectification of errors or incorrect allocation clearly set forth the circumstances of the original wrong allocation (the incorrectness of which must be verified)

In the case of Accounts of Suspense :—

- (1) See that the accounts of suspense are maintained in accordance with the rules prescribed in paras. 610 to 620 of the Regulations for the M. E. S.
- (2) See that adequate action is being taken with regard to the adjustment of all outstanding items in the Registers of M. E. S. advances and deposits.
- (3) See that adjustment of all lapsed deposits is effected in the accounts for March every year.
- (4) See that the monthly totals agree with the classified abstract of receipts and charges.
- (5) See that the procedure prescribed in paras. 47(f), 54(e), 43(i) and 620 of the Regulations for the M. E. S. is complied with before any refund of deposit is authorised.
- (6) Review the annual review of suspense balances and check the balances and the report with original records.
- (7) See that there are no minus balances.

In the case of Monthly and Annual compilation of Accounts-

- (1) See that the monthly and annual accounts are compiled in accordance with paras. 74, 79 and 80 of the M. E. S. Account Code.
- (2) See that the totals under all heads of accounts as determined in the various schedules of debits and credits and Construction Accounts and all other accounts registers agree with the classified abstract of Receipts and Charges and that the monthly figures are correctly posted in the P. M. of the Division.
- (3) See that I. D. Schedules are promptly adjusted and incorporated in the monthly compilation.
- (4) See that abstract accounts prepared in respect of 48-Army, Ordnance Factories, R. R.P. A. F., 41-C. W. and 49-Naval, agree with the compiled figures.
- (5) See that the annual return of History Sheets is correctly compiled.

### **Registers**

In the case of Register of Appropriations (P. A. F. W.-2244):-

- (1) See that it is kept up-to-date.
- (2) See that the re-appropriations are sanctioned by C. F. A. in accordance with paras. 39 to 61 of the Regulations for the M. E. S.
- (3) See that the allotments noted in the Construction Accounts and Construction Accounts Abstract (P. A. F. W.-2242 and P. A. F. W.-2242C) agree with the figures in the register of the Appropriation.

In the case of Register of Sanctions (P. A. F. W.-2252) :-

- (1) See that it is posted up-to-date.
- (2) See that sanction of C. F. A. exists in respect of every sanction.

In the case of Register of Approvals to works (P. A. F. W.-1816) :-

- (1) See that it is posted up-to-date.
- (2) See that sanction of C. F. A. exists in respect of every sanction.

In the case of Register of Unpaid Wages (P. A. F. W.-2259):-

- (1) See that it is properly maintained in accordance with para. 556 of the Regulations for the M. E. S.
- (2) See that adequate action is being taken with regard to the clearance of outstanding items.

In the case of Register of Barrack Damages (P. A. F. W.-2269):-

- (1) See that it is properly maintained in accordance with para. 159 of the Regulations for the M. E. S.
- (2) See that adequate action is being taken with regard to the recovery of outstanding items.

In the case of Register of Measurement Books:-

- (1) See that it is kept in accordance with para. 334 of the Regulations for the M. E. S.
- (2) See that books over 10 years old from date of completion of works have been destroyed.
- (3) See that sanction of C. F. A. exists in respect of any missing books.
- (4) See that a census is taken of all the measurement books, in use by G. E's. and S. D. Os. and check it with the register once a year.
- (5) Notice causes of delay in settling contracts claims between the dates of measurement and submission of bills.

In the case of register of Receipt Books:-

- (1) See that it is maintained in accordance with para. 493 of the Regulations for the M. E. S.
- (2) See that the counterfoils of used books are returned for record.

In the case of register of Incumbents and Register of Specimen signatures see that they are maintained in accordance with para. 72 (a) and 78(a) of the M. E. S. Account Code.

In the case of Register of securities see para. 621 of the Regulations for the M. E. S.

In the case of Measurement Books:-

- (1) See that these are maintained in accordance with para. 334 of the Regulations for the M. E. S.
- (2) See that the procedure regarding record of measurements and test check thereof is in accordance with paras. 330 and 331 of the Regulations for the M. E. S. and does not indicate laxity of financial control.
- (3) See that entries in measurement books are properly made so that their authenticity may not be disputed in a Court of Law.

In the case of Standard Measurement Books:-

- (1) See that these are maintained in accordance with para. 72(e) of the Regulations for the M. E. S.
- (2) Check all calculations once a year and modifications from time to time and record a certificate every year.

In the case of schedule of rates:-

- (1) See that a schedule of rates is maintained in accordance with para. 336 of the Regulations for the M. E. S. with analysis of rates in respect of the various items of work.
- (2) Carry out a comparative study of rates for similar classes of work carried out in the P. W. D. and other Engineering bodies in the localities concerned and note whether the rates are reasonable.
- (3) Scrutinise all special rates and see, if they recur, that they are incorporated in the District Schedule of Rates.

- (4) See that the rates are revised to agree with local market conditions as evidenced by tenders received for execution of works.

Results of Audit:-

- (1) Check the statement of items placed under objection P. A. F. (C. M. A.) 262 and see that all irregular expenditure is brought to the notice of the executive authorities.
- (2) See that the items placed under objection are promptly cleared.

**APPENDIX IV**

**Appropriation Account under 49-Defence Service- Non Effective Head 1/1- Army for \_\_\_\_\_**

Heads  <b>1</b>	Actual for (Preceding year)  <b>2</b>	Controller's proposed budget including corrections  <b>3</b>	Controller's proposed revised estimate including corrections  <b>4</b>	Actual for  <b>5</b>	Variations in actual for from		Explanations for variations in columns 6 and 7 together with the monetary value of each cause of variation  <b>8</b>
					Controller's proposed budget  <b>6</b>	Controller's proposed revised estimate  <b>7</b>	
Sub-Head A.- Rewards for Military Services  Detailed heads- (1) Payments in connection with Victoria Cross, Military Cross, Order of British India, Indian Order of Merit, etc.  (2) Annuities and gratuities, (3) Jangi-Inams. (4) Decorations and Medals.  Total Sub-Head A.							



Heads  1	Actual for (Preceding year)  2	Controller's proposed budget including corrections  3	Controller's proposed revised estimate including corrections  4	Actual for  5	Variations in actual for from		Explanations for variations in columns 6 and 7 together with the monetary value of each cause of variation  8
					Controller's proposed budget  6	Controller's proposed revised estimate  7	
Sub-Head B.- PENSIONS.  Detailed heads- (1) Pensions and Gratuities to Europeans and their families. (2) Pensions and Gratuities to Pakistanis and their families. (3) Miscellaneous. (4) Equated payments of Commuted or Capitalised value of pension under Civil Service Regulations. (5) Commutation or Capitalised value of pensions under civil rules financed from revenue. (6) Equated payments of Commuted or Capitalised value of pensions under Military Regulations. (7) Commutation or Capitalised value of pension under Military rules financed from revenue.  Total Sub-Head B. Total A & B. Receipts.							

## **APPENDIX V**

(Referred to in [para. 96](#))

### **Scale Audit**

The following rules indicate the position of the several Military Audit Officers in regard to the scale audit of the strength of the various classes of officers and establishments paid from Defence Services Estimates.

#### **Civilians both Gazetted & Non-Gazetted**

The scale audit check of the civilians and others employed in various branches of G. H. Q. (Pak) including those employed in lower formations will be done by the C. C.M. A., Rawalpindi. The C. A. A. F., C. N. A. & C. O. F. A. will likewise exercise the necessary scale audit check of civilian officers and others employed in Air Forces, Navy and Ordnance Factory organisation.

Pay bills of civilian gazetted officers paid from Defence Services on P. A. F.-35 will be audited in detail with reference to Audit Register (P. A. F. A.-510) to be maintained for the purpose.

The figures in respect of authorised establishment received through monthly strength return on A. F. W.-3008 of units and formations will be checked with the actual paid strength and the result recorded in the register maintained for the purpose. Excesses will be reported to the G. H. Q. (Pak) |Air H. Qrs. (Pak)|Naval H. Qrs. (Pak) for regularisation.

2. The responsibility for seeing that the sanctioned complement of the following establishments are not exceeded will rest with the Controllers named below:-

#### **On all Pakistan basis**

- (a) All Commissioned Officers of the C. M. A. (O), Rawalpindi. Pakistan Army,
- (b) All V.C.Os. Warrant Officers F. C. M. A. Lahore and O. Rs.

For the purpose of scale audit check necessary statistics will be maintained in Broad Sheets (on the proforma given below). The units|formations render monthly strength returns to the A. G.'s Branch, G. H. Q. and other authorities in the printed form A. Fs. W.-3008 and 3009, copies of A. F. W.-3008 and 3009 are also supplied to C. M. A. (O) and to the officer G. D. A. i|c F. P. O. concerned respectively. The authorised strength along with the authority will be noted in the appropriate column of the broad sheet from such returns|Government orders issued in each case from time to time, whereas the effective strength on the first of each month will be that given in the monthly returns and as checked and compared with the total number of I. R. L. As. maintained for each category of personnel as furnished by the respective F. P. Os. The authorised and effective strength will then be compared with a view to detecting excesses, etc., which will be placed under objection and reported to the controlling authorities at G. H. Q. for regularisation.

3. The scale check of M. E. S. civilian establishment on all Pakistan basis is carried out centrally in the office of the C. C. M. A., Rawalpindi.

4. The Controller of Accounts, Air Forces checks the complement of Air Force personnel.

**BOARD SHEET**

*Owing the authorised and effective strength of \_\_\_\_\_  
on \_\_\_\_\_ 195*

<b>Sl. No.</b>	<b>Particulars regarding ranks, etc.</b>	<b>No. Authorised</b>	<b>Authority</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	General Lt. Generals Maj. etc., etc.		

EFFECTIVE STRENGTH ON \_\_\_\_\_

---

<b>1/1</b>	<b>1/2</b>	<b>1/3</b>	<b>1/4</b>	<b>1/5</b>	<b>1/6</b>	<b>etc.</b>
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## APPENDIX VI

(Referred to in [Para. 102](#))

*Instructions for the maintenance of records of service of King Commissioned Pakistan Officers, Pakistan Commissioned Officers and Nursing Officers by Controller of Military Accounts and Civil Accounts Officers paying military officers in Civil employ.*

1. In addition to the records of service maintained by the Regimental and Administrative authorities on P.A.F.Z.-2041 and other prescribed forms, records of service will be maintained on cards [P.A.F. (C.M.A.) 313] by C.M.A. (O), Rawalpindi and Civil Accounts Officers paying Military Officers in Civil employ in respect of each K.C.P.O., Pakistan Commissioned Officer and Nursing Officer.

2. Service under the Military Department, Central Civil Department or Provincial Governments, service in ranks counting towards pension, and foreign service, with particulars of such service and periods of leave chargeable to Civil Departments should be shown separately. Special care should be taken to see that period of leave for which leave pay was charged to departments other than military are entered in the records of service.

3. When an officer or Nursing Officer passes from the payment of C.M.A. (O) to Civil and *vice versa* the former will forward the card duly completed up-to-date of transfer, to the later with the officer's Last Pay Certificate in a Registered Cover and the further maintenance of the card will then devolve on the latter.

*Note.*-The card when received in the new office should be checked to see that the entries made therein date back to the officers first commission or appointment as the case may be and that it is complete and up-to date in all respects.

4. (a) When an officer or Nursing Officer proceeds on deputation out of Pakistan and passed into the payment of the Pakistan Embassy or High Commissioner's office concerned, the accounts officer in Pakistan who issues the Last Pay Certificate or Leave Salary Certificate will continue to maintain the card for the period of deputation. The necessary particulars for the completion of the card will be obtained from the Last Pay Certificate received front the above authorities when the officer or Nursing Officer returns to Pakistan.

(b) If an officer or nursing officer proceeds on leave out of Pakistan preparatory to retirement, particulars for the completion of the card will be obtained from the authorities issuing his or her leave Pay.

(c) In the event of an officer or nursing officer returning into the payment of an accounts officer in Pakistan other than the one who was responsible for the issue of his or her pay before furlough, the latter will promptly transmit the card, duly completed, to the former.

5. When an officer is lent for foreign service in or out of Pakistan, the card will be maintained by the accounts officer who is responsible for the recovery of foreign service contributions. The foreign employer under whom the officer is serving should be asked in a letter, to be sent with the officer's Last Pay Certificate, to communicate any change in the officer's service and any leave granted to him.

6. (a) When an officer or nursing officer retires or when a grant of pension is made to his or her family if he or she dies on the active list, the Controller of Military Accounts (O) will complete the summary on the reverse of the card.

(b) In the case of art officer on Civil employ, whether temporarily or permanently, who retires or dies on the active list or who proceeds on leave out of Pakistan preparatory to retirement, the card duly completed will be forwarded by the Civil Accounts Officer concerned to the C.M.A. (O), Rawalpindi.

7. Whenever an officer or nursing officer retires, the Military Accountant-General (O) will complete the original service card (including the summary) in his possession and forward it to the CM A. (P), Lahore to enable the latter to allocate the pension charges of the officer between the different Governments in Pakistan.

### Summary

	Military Department		From	To	Year	Months	Days	Ratio
Total service Y.M. D. for pension.	Foreign Service in respect of which pension contribution has been recovered.							
	Foreign service in respect of which pension contribution has not been charged.							
	Provincial Government.							
	Central Civil Government.							
	_____							
Total Service ...								
	_____							

## APPENDIX VII

(Referred to in [Para 259](#))

Extracts from late M.A.G. (I.) letter No. 7262-R, dated 22nd April 1940, as amended from time to time detailing the procedure for the maintenance of statistics of losses of stores.

1. The general procedure dealing with losses is described in Rules 70 to 80, F. R., Part I, Chapter VIII of F. R., Part II and Instructions 915 *et seq.* of the R. A. I. Instructions and the supplementary Instructions in the various departmental regulations, etc. Cases in which loss statements are not required are described in para. 5, Section VIII, Store Accounting instructions as amended from time to time.

2. Losses of stores will be classified under the following heads:-

*Head I- Actual losses of stores in transit-*

- (a) From Store Depots to consuming units and *vice versa*.
- (b) Between Store Depots.
- (c) From manufacturing establishments to Store Depots and *vice versa*.

*Head II-Actual losses of adores due to-*

- (a) Theft or fraud.
- (b) Deficiencies in actual balances not caused by theft or fraud.
- (c) Deterioration.
- (d) Defective storage.
- (e) Fire.
- (f) Miscellaneous causes.

For the purpose of this statement, each sanction by a competent financial authority should be viewed as an individual transaction irrespective of the number of transactions involved in, and the period covered by the transaction.

3. Statistics in respect of losses of store are maintained by the L.A.0s. in a register on P.A.F. (C.M.A.) 341. Only those losses which have actually been written off should be entered in the register. Losses relating to thefts and frauds, etc., should also be shown in this register irrespective of the fact that they are shown in the register of financial irregularities, as well.

The losses occasioned directly by active operations and enemy action as well as those relating to surplus and obsolete stores are not required to be included in the statement of losses and need not be entered in this register.

4. The losses arising in Grass and Dairy Farms and other manufacturing establishments were not hitherto entered in the above register and were not included by Controllers in the annual statement of losses rendered to this office, because the existing orders on the subject do not provide for their inclusion and also because losses arising in such establishments are shown separately in the Production and Trading and Profit and Loss Accounts in the Commercial Appendix. It has now been decided that appendices to the main appropriation accounts should contain full statement of all losses occurring in the Defence Services. The

losses of stores in the *quasi*-commercial concerns and other manufacturing establishments should also, therefore, in future, be entered by the L. A. Os. in their registers and included in the annual statement of losses, even though these losses are separately exhibited as well in the Commercial Appendix.

5. From the entries in registers of losses P.A.F. (C.M.A.) 341 L.A.Os. will compile a statement annually and render it to their Controllers by the middle of June each year. Losses actually written-off during a financial year will be included in that year's statement. Controllers will test check the correctness of these statements and submit a consolidated statement for their respective audit areas to this office through

the \_\_\_\_\_ Assistant Director of Audit, Defence Services  
Assistant Audit Officer, Defence Services so as to reach here by  
the 15th September each year.

6. The forms in which the statements are published in the Appropriation Accounts in respect of losses of stores in Army, Air Forces and R. P. N. are appended as ANNEXURE 'A', 'B', and 'C' respectively, to this Appendix. L. A. Os. and Controllers should adopt the lay-out of these forms for the purpose of these annual statements. Any additional columns found necessary in actual practice should be provided before the columns for "Totals".

7. The annual statement rendered to this office should contain notes of all important losses as well as of other items of losses the value of which amounts to Rs. 2,500 or over in each case. The particulars should be given in a separate sheet (to be attached to the annual statement), detailing the following information:-

- (i) Nature of loss and circumstances in which it occurred.
- (ii) Particular C. F. A. by whom written-off and reasons for write-off.
- (iii) Remedial action (if any) taken to avoid recurrences and disciplinary action (if any) taken against persons responsible.

8. The figures on account of casualties of animals for inclusion in the Appropriation Accounts will be obtained by this office from the administrative authorities at Army Headquarters and included in the all Pakistan statement of losses by this office. These figures need not, therefore, be shown by Controllers in their statements. Local Audit Officers should, however, verify at their periodical visits to units, etc., following the 31st March, from the office copies of returns showing casualties of animals rendered by units, etc., to Divisional Headquarters that the figures shown therein agree with those shown in the register of animals of the unit concerned. Controllers should report the result of this check in respect of all units in their area to this office not later than the 31st July of the year following that to which the figures relate. If the accounts of any outstation unit are not audited by the local audit staff by the 15th July, the Unit Accountant of the unit or the Military Accounts Department representative in the station should be instructed to carry out the above check on behalf of the local audit staff.

The figures (Numbers only) in respect of the castings and casualties, etc., of various classes of animals in farms will, however, be shown by Controllers as a foot-note in their annual statements.

9. In the case of losses of air-crafts, losses on account of crashes and accidents due to incidence of service will not be included in the statement. A note to the effect that such losses

have not been included, should however, be inserted at the foot of the statement. The number of complete engines and air frames struck off charge in Air Forces units due to the above causes, should be shown as a foot-note in the statement.

*Statement showing details of "Losses in Stores" in Army Supply establishments and of Rs. 500/- and over in consuming*

Details of Losses	Provision	Forage	Fodder	P.O.L	Coal and wood	Oil for fuel and light
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
I. Actual losses of stores in transit.- (a) From Store Depots to consuming units and <i>vice versa</i> .  (b) Between Store Depots.  (c) From Manufacturing establishments to store depots and <i>vice versa</i> .						
Total of head I.						
II. Actual losses of stores due to:- (a) Theft of fraud. (b) Deficiencies in actual balances not caused by theft or fraud. (c) Deterioration. (d) Defective storage (e) Fire (f) Miscellaneous causes						
Total of Head II.						
Grand Total of Heads I & II.						



*and Store Depots including quasi commercial and manufacturing units written off during the year.....*

<b>Other R.P.A.S.S.C Stores</b>	<b>M.T. Stores</b>	<b>M.T. Vehicles</b>	<b>Ordnance</b>	<b>Clothing</b>	<b>Medical stores</b>	<b>Dairy produce</b>	<b>Total for 19</b>	<b>Total for 19</b>
8	9	10	11	12	13	14	15	16
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

*Statement showing details of "Losses in Stores" held on charge*

Details of losses	Aviation Stores	M.T. Stores	Provision	Fuel and light	P.S. & L aviation
1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.
I. Actual losses of stores in transit. (a) From store depots to consuming units and vice versa.  (b) Between Store Depots  (c) From manufacturing establishment to Store Depots and vice versa.					
Total of Head I.					
II. Actual losses of stores due to:- (a) Theft of fraud. (b) Deficiencies in actual balances not caused by theft or fraud. (c) Deterioration. (d) Defective storage (e) Fire (f) Miscellaneous causes.					
Total of Head II.					
Grand Total of Heads I & II.					

by the Air force in Pakistan written off during the year 19\_\_\_\_\_ 19\_\_\_\_\_

<b>P. &amp; L. M.T.</b>	<b>Misc. stores</b>	<b>Medical stores</b>	<b>Clothing stores</b>	<b>Ordnance stores</b>	<b>Total for 19</b>	<b>Total for 19</b>
8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.

*Statement showing details of "Losses in Stores" held on charge by the Royal Pakistan Navy written off during the year.....*

Details of losses	R.P.N. stores	Total for	Total for
1	2	3	4
	Rs.	Rs.	Rs.
I. Actual losses of stores in transit.			
(a) From store depots to consuming units and vice versa.			
(b) Between Store Depots			
(c) From manufacturing establishment to Store Depots and <i>vice versa</i> .			
Total of Head I			
II. Actual losses of stores due to:-			
(a) Theft of fraud.			
(b) Deficiencies in actual balances not caused by theft or fraud.			
(c) Deterioration.			
(d) Defective storage			
(e) Fire			
(f) Miscellaneous causes.			
Total of Head II.			
Grand Total of Heads I & II.			

**APPENDIX VIII**

*Tabular statement showing the several Military Accountant-General responsible for bringing to notice, half yearly on the 15th : May and the 15th : November, instances where Army and Equipment Regulations, etc., have not been corrected within six months from the date of issue of orders necessitating corrections.*

Controller	Books for which responsible	To whom instances should be reported
C.C.M.A., Rawalpindi	Accounts Manual (War) ... .. War Manuals (Various) ... .. Field Service Manual, all units ... .. Field Service Regulations, Volumes I & II War Establishment, Volumes I, II & III. <b>REGULATIONS FOR THE EQUIPMENT OF THE                      ARMY PART 2.</b>  Equipment Tables, Irregular - Frontier Constabulary ... .. Civil Police and jails ... .. Chitral Scouts ... .. Mohmad Frontier Constabulary ... .. North-West Frontier Militia ... ..  <b>REGULATIONS FOR THE EQUIPMENT OF THE                      ARMY PART 2.</b>  Section VIA. Central M.T. Stores Depot. Section VIB. A. Light M.T. Coy ... .. Section VIC. A.M.T. Coy. attached to M.A. Convoy. Section VI. I.M.T. Depot ... .. Section XI. A.R.H.A. Brigade, Q.F. 13 Pr. Battery. Section XI. B.R.A. Field Q.F. 18-Pr. Section XI. O.R.A. Field Q.F. 4-5 inch. Section XII. B. Frontier Bde. R.A. ... .. Recruiting Regulations, I.A. ... .. Regulations for the Army (Rules and Instructions).  Military Leave Rules ... ..  Store Accounting Instructions ... ..	G.S. Branch Do. Do. Do. Do.  Q.M.G's Branch Do. Do. Do. Do.  Do. Do. Do. Do. M.G.O. Branch. Do. Do. Do. A.G's Branch. Ministry of Defence (Revision) A.F.A. Military Finance Regulation Section. Military Accountant General .

Controller	Books for which responsible	To whom instances should be reported
<p>C.M.A. Lahore ...</p> <p>C.C.M.A., Rawalpindi</p> <p>Controller of Navel Accounts, Karachi</p>	<p>Supply and Transport Regulations ...</p> <p><b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY PART 2</b></p> <p>Section III, P.A.S.C. ...</p> <p>Section XII. A, Heavy Battery, R.A. ...</p> <p>Section XII. C.R.A. Medium B.L. 6-in. 26 cwt. (T.D.)</p> <p>Section XII. D.R.A. Medium B.L. 6-in. 26 cwt. (H.D.)</p> <p>Section XII. E.R.A. Medium B.L. 60 Pr. (H.D.)</p> <p>Section XII. F.R.A.-Medium B.L. 60 Pr. (T.D.)</p> <p>Section XII. F.A. Bde. Headquarters, Medium Artillery.</p> <p>Regulations for the P.A.O.C. ...</p> <p>Regulations for the Medical Services of the Army.</p> <p>Veterinary Regulations ...</p> <p><b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY PART 2</b></p> <p>Section IV. A.P.A.V.C. ...</p> <p>Section V.A. British Station Hospitals</p> <p>V.B. Pakistan Station Hospitals ...</p> <p>Section V.C. Station Family Hospitals</p> <p>Section V.D. Miscellaneous Medical Services.</p> <p>Section XII. G(a) Forts and Defences. Fixed Armaments.</p> <p>Section XII. G(b) Forts and Defence Moveable Armaments.</p> <p><b>EQUIPMENT TABLES, IRREGULAR :—</b></p> <p>Eastern Frontier Rifles ...</p> <p>Regulations for the Royal Pakistan Navy, Volume I.</p> <p>Regulations for the Royal Pakistan Navy, Volume II.</p> <p>Finance Regulations for the Pakistan Navy.</p>	<p>G.S. Branch</p> <p>Do.</p> <p>M.G.O. Branch.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Q.M.G's Branch</p> <p>Do.</p> <p>Do.</p> <p>Medical Directorate.</p> <p>Q.M.G's Branch</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>M.G.O. Branch.</p> <p>Do.</p> <p>Q.M.G's Branch.</p> <p>A.F.A. Military Finance Regulation Section.</p> <p>Ministry of Defence (Navy Branch)</p> <p>A.F.A. Military Finance Regulation Section.</p>

Controller	Books for which responsible	To whom instances should be reported
Controller of Navel Accounts, Karachi.- <i>contd.</i>	Regulations for the Sea Transport Service.	Ministry of Defence (Navy Branch)
C.C.M.A., Rawalpindi	Naval Store Accounting Directive ... R.P.N. Victualling Directive.	Do A.F.A. Military Finance Regulation Section.
C.M.A. (Pensions) Lahore	Pay and Allowance Regulations, Volumes I & II. Regulations for the Territorial Forces <b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY PART 2</b> Territorial Force, Infantry ... .. Pension Regulations for the Army ... ..	A.G's Branch  Q.M.G's Branch A.F.A. Military Finance Regulation Section. A.F.A. Military Finance Regulation Section.
C.C.M.A., Rawalpindi	Pension portion of the Financial Regulations, Part I and II. Pension portion of the Military Audit Code.  Remount Regulations ... .. Regulations for the Auxiliary Forces Peace Establishments, Volumes I, II and III. <b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY PART 2</b>  Section II-B & C. Bodyguard and Pakistan Cavalry. Section IX. Military Detention Corps. Section X. A. Divisional Headquarters Company, R.P.E. Section X. B. Field Troops, R.P.E. ... Section X. G. Fortress Coy. R.P.E. ... Section X. I. Headquarters Coy and Depot. R.P.E. Section X.K. Field Coy. R.P.E. ... Section X.L. Army Troops Coy., R.P.E. Section X.M. Railway Coy., R.P.E. Section X.N. Bridging Train, R.P.E. Section X.O. Chitral Section, R.P.E. ... Section X.P. Printing Section, R.P.E. Section X.Q. Photo Litho Section, R.P.E.	Military Accountant General  Q.M.G's Branch A.G's Branch. Do  Q.M.G's Branch Do. M.G.O. Branch Do. Do. Do. Do. M.G.O. Branch Do Do Do Do Do

Controller	Books for which responsible	To whom instances should be reported	
C.C.M.A., Rawalpindi - contd.	Section X.K. Instructional equipment, R .P.E.	M.G.O. Branch	
	Section XI. D.R.A. Training Centre ...	Do	
	Section XI.F. Pack Artillery Training Centre.	Do	
	Section XL G.R.H.A. Battery Ammunition Column.	Do	
	Section XLI Field Ammunition Column, R.A.	Do	
	Section XII.L. Divisional Ammunition Column, R.A.	Do	
	<b>EQUIPMENT REGULATIONS FOR THE AUXILIARY FORCE</b>		
	Section I. Infantry ... ..	Q.M.G's Branch	
	Section II Cavalry ... ..	Do	
	Section III. Artillery ... ..	M.G.O. Branch	
	Section IV. Engineering ... ..	Do	
	Section V. Machine Gun Corps ... ..	Q.M.G's Branch	
	Section VI. R.A.S.C. (Aux. Force) ...	Do	
	Military Account Code, except Pension portion.	Military Accountant General	
	Military Audit Code ... ..	Do.	
	Financial Regulations for the Army in Pakistan, Parts I and II, except Pension portions.	A.F.A. Military Finance, Regulation Section	
	Passage Regulations ... ..	Do.	
	<b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY PART 2</b>		
	Section II.D, Aden Troops ... ..	Q.M.G's Branch	
	Section VI. Indian Army Ordnance Corps.	Do	
	Section VIIIA. Army Signal School	M.G.O. Branch	
	Section VIII.B. Machine Gun School	Q.M.G's. Branch	
	Section X.C. Divisional Signals ...	M.G.O. Branch	
	Section X.D. Cavalry Bde. Signal Troops.	Do	
	Section X.E. No. I (Line) Coy. Corps Signals and Headquarters.	Do	
	Section X.F. No. 2 Corps Signals, Wireless Company.	Do	



Controller	Books for which responsible	To whom instances should be reported
C.C.M.A., Rawalpindi - contd.	Section X H. Wireless Workshop Section. Section X.T. Signal Training Centre and Depot. Section X. S Defence Light Section Section X.T. Experimental Wireless Section. Section XIV. Equitation School ... Section XI I.C. Small Arms School ... Dress Regulations ... .. Staff College Regulations, Quetta ... Mobilization Regulations ... .. Regulation, for the Army in Pakistan Reserve of Officers.  <b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY, PART 2</b>  Section II. A. British Cavalry ... Section VI. F.A. Mobile Repair Unit Section VI. C. Medium Repair Shop Section VI. H. Heavy Repair Shop ... Section VII. Staff Colleges ... .. Section XI. E.R.A. Pack, Q.F. 3-7-in Section XI. J.R.A. Pack, B.L. 2-75 in. Section XIII. Headquarters Units ... Equipment Tables, Irregular, Zhob Militia. Clothing Regulations ... .. Equipment Regulations, Part I ... ..	M.G.O. Branch Do  Do Do Q.M.G's Branch Do Do G.S. Branch. A.G's Branch Do  Q.M.G's Branch Do Do Do. Do. M.G.O. Branch Do Q.M.G's Branch Do Do Q.M.G's Branch
C.M.A. Lahore	Regulations for the M.E.S. ... .. Mobilization Regulations ... ..	E-in-C's Branch Ministry of Defence (Navy)
	<b>REGULATIONS FOR THE EQUIPMENT OF THE ARMY. PART 2</b>	
C.C.M.A., Rawalpindi	Section I.A. British Infantry ... .. Section I.B. Pakistan Infantry (except Pioneers active). Section I.D. Pakistan Infantry (except Pioneers T.B.)	Q.M.G's Branch Do  Do

<b>Controller</b>	<b>Books for which responsible</b>	<b>To whom instances should be reported</b>
<p>C.C.M.A. Rawalpindi- <i>contd.</i></p> <p>C.A.A.F., Lahore ...</p> <p>C.N.A., Karachi ...</p>	<p>Barrack Synopsis ... ..</p> <p>Barrack and Hospital Schedules ...</p> <p>Pay and Allowances Regulations rot the Air Force in Pakistan.</p> <p>Equipment Regulations for the R.P.A. F. A. P. 830 India/Pakistan.</p> <p>B.R. 4Z (I) Instructions relating to the Naval Stores including Naval Stores Accounting.</p> <p>B.R. 93 (Instructions relating to supply of victualling, clothing and M.E.S.S. traps to H.M.P. Ship, etc)</p> <p>Pay and Allowances Regulations (Navy).</p>	<p>E-in-C's Branch</p> <p>Army Department (Central Revision Section)</p> <p>A.F.A. Military Finance, Regulation Section</p> <p>Ministry of Defence (Navy)</p> <p>Do</p> <p>Do</p>

## **APPENDIX IX**

(Referred to in [Para. 253](#))

### **Annual Review of M. E. S. Expenditure**

The Controller of Military Accounts will submit to the D.F.A. (W.) so as to reach him not later than 1st September each year the following statements (specimen forms of statements are shown as an Annexure to this Appendix.

Statement 'A' showing original Appropriation, modified appropriation and actual expenditure, etc., on all Major Works carried out during the year and explanations for variations between the modified appropriation and the actual expenditure.

All major works that is those costing more than Rs. 20,000 each on which expenditure was incurred during the year will be shown but detailed explanation in Columns 8-11 will be given only in those cases where the variations between the modified appropriation and the actual expenditure is more than 10%. If the variation is due to more than one cause, shown in the note, the note below the amount assignable to each cause should be shown separately in the last column of the statement.

Variation may be due to any one or more of the following causes:—

- Under|over estimation;
- Unforeseen causes;
- Economy measures adopted;
- Engineering reasons;
- Fall in prices;
- Lack of settled programme;
- Change in policy|design|specification, etc., etc.

Cases in which the variation is below the 10% limit stated above, but were serious irregularities or breaches of principles are involved or which for sufficiently important reasons merit attention in the opinion of the Controller will, however, be explained in detail in the statement.

In respect of works (a) in which the whole amount originally granted was withdrawn owing to postponement/abandonment of the work on grounds of military policy and/or (b) for which no provision existed in the sanctioned budget estimates but which are carried out on grounds of urgent military necessity, the variation will also be suitably explained irrespective of the 10% limits explained above.

Statement 'B' showing major works, etc. completed during the year and explanations for the variations between the sanctioned estimates and actual expenditure.

Total of the major works, *i.e.*, those costing over Rs. 20,000 each completed during the year will be shown on the top of the form for each M. E. S. Division separately. Detailed explanation in Columns 7-10 will be given only in those cases where the variation between the sanctioned estimates and the completion cost of a major work is more than 10%. Cases in which the variation is less than 10% but which need to be brought to notice as in statements 'A' (sub-para. 2 of Para. 1 above' refers) will also be suitably explained. Variation may be due to anyone or more of the causes shown against statement 'A' above. If the variation is due to more than one cause, the amount due to each cause will be shown separately in the remarks columns of the statement.

Apart from major works, such of the minor works where there is considerable variation between the sanctioned estimates and completion cost of which indicate breaches of principles or some other serious fault or irregularity, will also be included in this statement after all the major works have been shown.

Statement 'C' showing expenditure placed under objection. The amounts placed under objection should be classified under the different headings of the statement.

The amount of objections shown in the Cols. for want of Administrative Approval/Technical sanction to/appropriation for, works for which expenditure approval of competent authority has been accorded should be classified under the following categories:—

- (a) Objections other than those over lapping.
- (b) Objections over lapping (*i.e.*, those repeated under more than one head).

The following information relating to amounts placed under objection will also be furnished with the statement.

(1) List of important items of work, *i.e.*, items of Rs. 20,000 and over comprising the expenditure placed under objection showing:—

- (a) Name of Division.
- (b) Name of work.

Nature of objection, *i.e.*, want of administrative approval, want of technical sanction, want of appropriation, excess over administrative approval, excess over technical sanction, excess over appropriation;

Remarks of executive authority concerned and of audit authority.

(2) Abstract showing expenditure placed under objection:—

Total amount of objections raised during the year, including previous year/years; amount of objections cleared during the year; Net amount of objections outstanding at the close of the year.

A covering note showing as far as possible the various reasons responsible for the amounts placed under objection, *e.g.*, laxity of central defect in system, lack of co-operation between the M.E.S. executive and the Unit Accountants together with the amount assignable to each cause and the special steps, if any, taken to accelerate clearance of the objections should be attached to the statement. Rules considered defective or incapable of being carried out and/or defects in the existing procedure should also be brought to notice in this note.

4.Statement 'D' showing irregularities in connection with contracts, acceptance of tenders, etc., and excess expenditure owing to rates for works not having been kept down to the minimum.

Information in connection with the above statement should be furnished in respect of the following particulars (after obtaining the explanation of the local M. E. S. authorities). Only those cases in which the explanation furnished by the local executive authorities are not considered satisfactory by Controllers should be included in this statement. The views held by executive should also be explained separately and the degree of breach of rule or the extent of financial loss clearly stated:-

- (1) Cases of acceptance of tenders other than the lowest;
- (2) Cases of defective drafting of tenders.
- (3) Cases in which works were started or carried out without concluding any contract;

- (4) Cases in which the amount of contract was unduly enhanced or the period thereof increased;
- (5) Cases of long term contracts which were not considered financially sound,
- (6) Miscellaneous cases.

Cases which have already been reported to G. H. Q. and/or Government of Pakistan will also be included but will not be dealt with in detail. A brief summary of such cases citing reference to the relevant correspondence will be sufficient. All other cases will be dealt with in full detail.

Irregularities which indicate a general tendency as against an individual error should be clearly specified as such and suggestions for remedial action should also be made where possible.

Statement 'E' showing rush of expenditure in March. Cash expenditure incurred during each month of the year under 'reports should be separately shown in the statement. If expenditure incurred during March does not compare favourably with that incurred in other months, the variation will be suitably explained. It may also be stated how for the executive authorities have failed to carry out the instructions, in regard to avoiding rush of expenditure at the end of the year, laid down in Section 3 of the M. E. S. Regulations.

Figures under head 8-M. E. S. and other heads will be reported in this statement.

The following certificate will be appended to the statement:—

“ Certified that audit of bills was not relaxed in any case during, the month of March—as a direct or indirect result of the submission of abnormally large number of claims for payment in that month”.

*N.B.*—If payment of certain bills to be deferred till the following year for want of time the Controllers concerned should report the fact in this statement.

Statement 'F'—Miscellaneous irregularities of an important nature, such as losses, non-recovery of rent, etc. Brief particulars of each case, with its monetary value, will be shown. Cases in which sanction of the competent authority has been obtained will be listed separately from those where sanction is awaited. In the latter case, action taken to obtain the requisite sanction will be stated.

Statement 'G' showing actual working of the Standard Schedule of Rates—This statement will be submitted into two parts as under:—

*Part I.*— Showing variations between estimates based on the standard Schedule of Rates and the actual expenditure.

*Part II.*— Showing variations between the schedule of rates and tenders submitted by contractors.

The various causes of variation in each case together with the degree of variation assignable to each cause will be stated.

The statement will depict variations in respect of important works only, *i.e.*, those costing over a lakh.

*Note.*— Criterion for judging whether a work should find a place in the Statement 'C' should be its estimated cost and not the actual expenditure incurred. Further In the case of [Part I](#) statement, the basis for incorporation of the Works is the difference between the estimated cost and the actual expenditure. [Part II](#) Statement shows the variations between the schedule of rates and tenders submitted by

Contractors. It therefore follows that any work which fulfills the latter condition should be included in [Part II](#) irrespective of the fact, whether it may have been shown in [part I](#) of the statements.

Statement 'H'—showing how the actual cost of M. E. S. Establishment compares with the amount worked out with reference to the fixed rate sanctioned by the Government of Pakistan.

In this statement the expenditure actually compiled under head 'E' Establishment should be compared with the figures arrived at by calculating the prescribed percentage of Establishment charges (fixed by Government of Pakistan at 18<sup>1</sup>/<sub>2</sub>%) on the works outlay under subheads A, B, C and D of Main Head 8 M. E. S. including the value of works under Major Head 86-Capital Outlay and Navy and Air Forces works which executed by or through the agency of the M. E. S.

Sub-Head 'D' of Main Head 8-M.E.S. is now partly operated upon by the D.M.L & C and the M.E.S. is not concerned with the disposal of that portion of works outlay under this Sub-Head, which will not be included in the statement.

Statement 'I'—showing the capital value of Military Buildings, Mileage of Military roads, capital value of Barracks and Hospital furniture and the maintenance charges authorised actually incurred thereon:—

This statement is divided into 4 sections as under:-

*Section I.*—Permanent Buildings, including internal water supply but excluding internal electrical installations;

*Section II.*—Temporary hutted buildings including internal water supply but excluding internal electrical installations;

*Section III.*—Miscellaneous temporary buildings including internal water supply but excluding internal electrical installations;

*Section IV.*—Internal Electrical Installations, separately for Section I, II and III above;

Capital values of Military Buildings and Internal Electrical Installations to be shown in this statement will be those entered in the Register of Military Buildings.

The authorised expenditure will be based on the sanctioned percentages shown in Appendix 'B' of the M. E. S. Regulations and will be compared with the actual expenditure incurred.

Charges incurred in connection with the Abnormal Repairs costing Rs. 20,000 and over will be shown separately from those on normal maintenance.

Variations will be suitably explained.

(ii) Statement of Military Roads.

This statement will show the existing mileage of roads (a) in Cantonment (b) *Ex-cantt.* and actual expenditure incurred thereon separately as compared with the authorised expenditure based on the sanctioned percentages in Appendix 'B' of the M. E. S. Regulations. Variations will be suitably explained.

(iii) Statement of Barrack and Hospital Furniture showing Capital Value and maintenance charges incurred thereon.

Expenditure actually incurred on maintenance and renewal of furniture should be shown separately for each M. E. S. Division. Where there is variation between the authorised and actual expenditure it must be suitably explained.

*N. B.*—Existing sanctioned percentage of repairs and renewal is 7<sup>1</sup>/<sub>2</sub>% and 2<sup>1</sup>/<sub>2</sub>% respectively.

Statement 'J' showing Electrical and Mechanical Installations financed from Main Head- 8 M. E. S which are maintained and operated by M.E.S.

Separate statements will be furnished in respect of the following installation:-

1. Water supply;
2. Electrical;
3. Ice;
4. Workshops.

The statement will show the total amount of sanctioned estimates for all installations in the area and the actual expenditure incurred thereon. Expenditure incurred on renewals costing Rs. 20,000 and over will be shown separately from that on normal maintenance and operation.

Variations will be suitably explained.

The Annual Reviews of M. E. S. Expenditure will be prepared C. M. E. S. wise and C. M. A. concerned will get them checked and countersigned by the local C. M. E. S. before submission to D. F. A. (W).

The 'Annual Review' should be prepared on a uniform basis to the extent of embodying all information in the statement prescribed above rather than in a covering letter in a narrative form, that is to say, the reports should consist of a series of statements with a letter forwarding those statements. It should, of course, bring any further information to notice which Controllers may think of value and which cannot appropriately be included under the headings of the various statements. In fact, these statements are not to be held as covering each case on which information is required. Cases may occur or tendencies may appear in various areas which Controllers would be well advised to mention in their reports. There may, in some cases, be interesting information to bring forward regarding the tendency of prices. It is also necessary that the statements themselves should be fully informative. Statistics without comment where useful comment can be made are of little use. In addition to the notes in the columns of each statement, Controllers may give a covering note to any statement emphasizing the points which they consider most important.

It is essential that the various points brought out should be discussed by Controllers with local M. E. S. authorities and Chief Engineers of Commands particularly those which are debatable and the views of the Command Staff should also be obtained on the point on which the local engineer authorities and the C. M. A. disagree. The reports should be furnished after full consultation with such authorities and any points of difference brought out after attempts have been made by personal discussion to reconcile the different points of view. Mention should also be made as regards cases in which the authorities concerned have, by their policy or procedure, protected or advanced the financial interests of Government. It is, desirable that cases instancing improvement and all improving tendencies should be brought to light equally with those involving the reverse.

The annual review should not contain controversial suggestions as regards altering the procedure or system. On the other hand, actual cases brought to light may, of course, be

controversial and should definitely be included after discussion with the administrative authorities and an agreed opinion on each such case should be recorded or the differences of opinion should be clearly stated.



**STATEMENT 'A'**

*Showing original appropriations, modified appropriation and actual expenditure, etc., on all Major Works carried out during the year and explanations for the variations between the modified appropriation and the actual expenditure for the year.*

Sr. No.	Name of work	Original appropriation	Modified appropriation	Actual Expenditure during the year	Saving	Excess	Remarks explaining variation				General remarks
							C.M.A	C.M.E.S	E-in-C	Final comments by CMA	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1											
2											
3											
4											

*Showing Major Works, etc., completed during .....  
actual expenditure*

1.....

2.....

3.....

Total number of Major Works completed during the year.

Sr. No.	Name of work	Amount of sanctioned estimate	Total expenditure	Saving	Excess	Remarks explaining variation by				General remarks
						C.M.A	C.M.E.S	E-in-C	Final comments by CMA	
1	2	3	4	5	6	7	8	9	10	11

**STATEMENTS 'C'**  
**Expenditure placed under objection**  
(1) Real objections

Sl. No.	Name of Area	Want of Administrative approval		Want of Technical sanction		Want of appropriation		Excess over Administrative approval	Excess over Technical sanction	Excess over Appropriation
		to works for which expenditure approval of C.A. has been accorded	to works for which expenditure approval of C.A. has not been accorded	to works for which expenditure approval of C.A. has been accorded	to works for which expenditure approval of C.A. has not been accorded	to works for which expenditure approval of C.A. has been accorded	to works for which expenditure approval of C.A. has not been accorded			
1	2	3 (i)	3 (ii)	4 (i)	4 (ii)	5 (i)	5 (ii)	6	7	8

**STATEMENTS 'C'**  
**Expenditure placed under objection-contd.**  
(1) Real objections-contd.

<b>Outstanding against contractors</b>	<b>Over payments to other individuals</b>	<b>Outstanding on account of rent, electricity, water, etc.</b>	<b>Outstanding in suspense accounts</b>	<b>Non-recovery of departmental charges</b>	<b>Errors in calculations</b>	<b>Other miscellaneous objections</b>	<b>Vouchers awaited</b>	<b>Hiring of unauthorised accommodation</b>
9	10	11	12	13	14	15	16	17

(2) Formal objections

<b>Sl. No.</b>	<b>Vouchers awaited</b>	<b>Outstanding against contractors</b>	<b>Discrepancies in rate of stores</b>	<b>Failure to count for stores received or charged of</b>	<b>non-clearance of outstanding liabilities</b>	<b>Temporary excess over sanctioned limits in materials accounts</b>	<b>Other miscellaneous objections</b>	<b>Outstanding in suspense accounts</b>	<b>incorrect calculations</b>
	1	2	3	4	5	6	7	8	9
1									
2									
3									

**STATEMENTS 'D'**

**Irregularities in connection with Contractors where tenders other than the lowest have been accepted**

<b>Sl. No</b>	<b>C.A. No and date</b>	<b>Particulars of contract</b>	<b>Accepting Officer</b>	<b>Lowest tendered rate</b>	<b>Accepted tendered rate</b>	<b>Difference between accepted and the lowest tender</b>	<b>Reasons recorded for not accepting the lowest tender</b>	<b>Reasons for which explanation furnished is not considered adequate</b>	<b>Remarks of the executive authority concerned</b>	<b>Final audit remarks</b>
1	2	3	4	5	6	7	8	9	10	11

**STATEMENTS 'E'**

Rush of Expenditure during the month of March

Sl. No.	Name of Div	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Average	Reasons for variation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

Certified that audit of bills was not relaxed in any case during the month of March ..... as a direct or indirect result of the submission of abnormally large number of claims for payment.

**STATEMENTS 'F'**

**Miscellaneous irregularities of an important nature such as losses, non-recovery of rent. etc. etc.**

<b>Sl. No</b>	<b>Name of Division</b>	<b>Brief particulars of irregularity</b>	<b>Amount involved</b>	<b>Remarks of the Executive authority concerned.</b>	<b>Audit remarks</b>
1	2	3	4	5	6



**STATEMENTS 'G'**  
**Actual working of the Standard Schedule of Rates**

**PART I**

<b>Sl. No.</b>	<b>Name of Division</b>	<b>Description of work</b>	<b>Approved Estimate</b>	<b>Actual Expenditure</b>	<b>Excess</b>	<b>Saving</b>	<b>Reasons for variation</b>
1	2	3	4	5	6	7	8

**PART II**

<b>Sl. No.</b>	<b>Name of Division</b>	<b>Description of work</b>	<b>Estimated cost of work at M.E.S. Schedule of Rates</b>	<b>Rate tendered by contractor</b>		<b>C.A. No. and date</b>	<b>Excess</b>	<b>Saving</b>	<b>Reasons for variation</b>
				<b>Percentage above/ below M.E.S. Schedule of Rates</b>	<b>Contract sum</b>				
1	2	3	4	5	6	7	8	9	10

**STATEMENTS 'H'**

**Actual cost of M.E.S. Establishment compared with the amount worked out with reference to the fixed rate of Establishment charges sanctioned by the Government of Pakistan**

<b>Sl. No.</b>	<b>Name of Division</b>	<b>Actual cost of M.E.S. Establishment for the year under review</b>	<b>Works</b>	<b>Outlay</b>	<b>Amount arrived at the fixed rate of Establishment charges</b>	<b>Excess</b>	<b>Saving</b>	<b>Remarks by C.M.A. and C.M.E.S. concerned as to whether or not the rate already fixed should be changed. (If change is recommended, detailed reasons for the change should be given)</b>
1	2	3	4	5	6	7	8	9
1								
2								
3								
4								

**STATEMENTS 'I'**

**(i) Statement showing capital value of Military Building and maintenance charge incurred thereon**

Section I. - Permanent Building, including Internal Water Supply, but excluding internal Electrical Installations.

Section II. - Temporary hutted Buildings.

Section III. - Miscellaneous Temporary Buildings

Section IV. - Internal Electrical Installations.

<b>Sl. No.</b>	<b>Name of Division</b>	<b>Classification of building</b>	<b>Capital value</b>	<b>Sanctioned percentage</b>	<b>Authorised expenditure</b>	<b>Actual expenditure</b>	<b>Excess</b>	<b>Saving</b>	<b>Remarks</b>
1	2	3	4	5	6	7	8	9	10
1									
2									
3									
4									

(ii) Statement of Military Roads

Sl. No	Name of Division	Classification of Heads		Existing mileage	Sanctioned percentage	Authorised expenditure	Actual expenditure	Excess	Saving	Remarks
		Inside Cantt.	Es Cantt.							
1	2	3	4	5	6	7	8	9	10	11
1										
2										
3										
4										

**(iii) Statement of Barrack and Hospital Furniture showing capital value and maintenance charges incurred thereon**

Sl. No.	Name of Division	Book value	Sanctioned percentage		Authorized expenditure		Actual expenditure		Excess	Saving percentage which the actual expenditure bears to the authorised expenditure		Remarks
			Maintce.	Renewal	Maintce.	Renewal	Maintce.	Renewal		Maintce.	Renewal	
1	2	3	4	5	6	7	8	9	10	11	12	13
1												
2												
3												
4												

**STATEMENT 'J'**

**Electrical and Mechanical Installations financed from Main Head 8 M.E.S. which are maintained and operated by M.E.S.**

<b>Sl. No.</b>	<b>Name of Division</b>	<b>Name of Installation</b>	<b>Sanctioned Estimate</b>	<b>Actual Expenditure</b>	<b>Excess</b>	<b>Saving</b>	<b>Remarks</b>
1	2	3	4	5	6	7	8
1							
2							
3							
4							

## APPENDIX X

Extract from the Government of Pakistan (Audit and Accounts) Order, 1952, issued under Section 166 of the Government of India Act, 1935.

### **Definitions**

2. (1) In this order the following expressions have the meanings hereby assigned to them, that is to say—

'Accounts' includes, in relation to a Commercial undertaking of a Government, subsidiary accounts; 'Appropriation Accounts' means Accounts relating to expenditure brought into account during a financial year to the several items specified in the schedules of authorised expenditure authenticated under Section 35 of Section 80 of the Act.

'Auditor-General' means the Auditor-General of Pakistan.

\*            \*            \*            \*            \*  
\*            \*            \*            \*            \*

'Rules' in relation to leave, pension and other conditions of service, includes regulations and orders,

'The Act' means the Government of India Act, 1935, as adapted by the Pakistan (Provisional Constitution) Order, 1947.

\*            \*            \*            \*            \*  
\*            \*            \*            \*            \*  
\*            \*            \*            \*            \*

### **Duties and powers of Auditor-General**

II. (1) Subject to the provision of this paragraph, the Auditor-General shall be responsible for the keeping of the accounts of the Federation and of each Province, other than the accounts of the Federation relating to Defence or Railways and accounts relating to transactions in the United Kingdom;\*provided that the Governor-General may, by any special or special order, require the Auditor-General to keep the accounts of the Federation relating to Defence or Railways or accounts relating to transactions in the United Kingdom for such periods as may be laid down in the order.

(2) As respects account of the Federation, the Governor-General, and as respects accounts of a Province, the Governor may, after consultation with the Auditor-General, make provision by rules for relieving the Auditor-General from responsibility for the keeping of the account of any particular service or department.

(3) The Governor-General may, after consultation with the Auditor-General, make provision by rules relieving the Auditor-General from responsibility for keeping accounts of any particular class or character.

(4) The Auditor-General shall, from the accounts kept by him and by the other persons responsible for keeping public accounts, prepare in each year accounts (including, in the case of accounts kept by him, appropriation accounts) showing the annual receipts and disbursements for the purposes of the Federation and of each Province, distinguished under

the respective heads thereof, and shall submit those accounts to the Federal Government or, as the case may be, to the Government of the Province on such dates as he may, with the concurrence of the Government concerned, determine.

(v) Notwithstanding anything in this paragraph, the Auditor-General shall comply with any general or special orders of the Governor-General or, as the case may be, a Governor as to the head of account under which any specified transactions or transactions of any specified class is, or are, to be included.

Before issuing any such order as aforesaid the Governor-General or Governor shall first consult the Auditor-General.

12. It shall be the duty of the Auditor-General to prepare annually, in such form as he with the concurrence of the Governor-General may determine, and to submit to the Governor-General a General Financial Statement incorporating a summary of the accounts of the Federation and of all the Provinces for the last preceding year and particulars of their balances and outstanding liabilities, and containing such other information as to their financial position as the Governor-General may direct to be included in the statement

13. (1) It shall be the duty of the Auditor-General :—

(i) to audit all expenditure from the revenue of the Federation and of the Provinces and to ascertain whether money shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it;

(ii) to audit all transactions of the Federation and of the Provinces relating to debt, deposits, sinking funds, advances, suspense accounts and remittance business;

(iii) to audit all trading, manufacturing and profit and loss accounts and balance sheet kept by order of the Governor-General or of the Governor of a Province in any department of the Federal Government or of the Province ; and in each case to report to the Governor-General or as the case may be to the Governor on the expenditure, transactions or accounts so audited by him.

(2) The Auditor-General may with the approval of, and shall if so required by the Governor-General or the Governor of any Province audit and report on—

(i) the receipts of any department of the Federal Government or, as the case may be, of the Province;

(ii) the accounts of stores and stock kept in any office or department of the Federal Government or, as the case may be, of the Province.

The Governor-General or the Governor of a Province may after consultation with the Auditor-General make regulations with respect to the conduct of audits under this sub-paragraph.

\* \* \* \* \*

14. If the Governor-General appoints an independent officer to audit sanctions to expenditure accorded by the Auditor-General, the Auditor-General shall produce for inspection by that officer all books and other documents relating thereto and give him such information as he may require for the purposes of audit.



15. It shall be the duty of the Auditor-General, so far as the accounts for the keeping of which he is responsible to enable him so to do, to give to the Federal Government and to the Government of every Province such information as they may from time to time require, and such assistance in the preparation of their annual financial statements as they may reasonably ask for.

16. Federal Government and the Government of every Province shall

- (i) supply to the Auditor-General free of charge the annual Budget estimates of the Federation or of the Province and any other publications issued by a department of the Federal Government or of the Province which he may require for purposes connected with his audit functions, and
- (ii) give to him such information as he may require for the preparation of any account or report which it is his duty to prepare.

17. The Auditor-General shall have authority to inspect Government treasuries and such offices responsible for the keeping of initial or subsidiary accounts as submit accounts to him.

18. The Auditor-General shall have authority to require that any books and other document relating to transactions to which his duties in respect of audit extend, shall be send such place as he may appoint for inspection by him. Provided that, if the Governor-General or the Governor of a Province certifies that any such book or document is a secret book or document, the Auditor-General shall accept as a correct statement of the facts stated in that book or document a statement certified as correct by the Governor-General or, as the case may be, by the Governor.

- 1. Any thing which under this order is directed to be done by the Auditor-General may be done by an officer authorised by him, either generally or specially.

Provided that except during the absence of the Auditor-General on leave or otherwise, an officer shall not be authorised to submit on his behalf any report which the Auditor-General is required by the Act to submit to the Governor-General or the Governor of a Province.

\*                    \*                    \*                    \*                    \*  
\*                    \*                    \*                    \*                    \*  
\*                    \*                    \*                    \*                    \*

## **APPENDIX XI**

(Referred to in [para. 36](#))

### **Result of Audit**

Audit depends for its effective value in its sight and duty to report results to the proper authority so that appropriate action may be taken to rectify the irregularity or impropriety, where possible, or to prevent a recurrence of it. To achieve this end, the following detailed procedure should be followed in raising and pursuance of objections.

#### **General**

2. Objections and observations arising out of audit should be communicated at the earliest opportunity but objections should first be registered in detail in the prescribed records maintained in the audit office.

*NOTE 1.*—The rules in this appendix apply generally to all objections arising out of audit which conducted centrally or locally. Objections on Local Audit should however, be settled, as much as possible, on the spot, only such objections as cannot be settled locally should be communicated through objection statements and recorded in the prescribed records.

*NOTE 2.*—If the pursuance of all objections indicates the need of prescribing a new procedure for general observance, such procedure should be communicated by a general letter and not by any form or statement intended solely for the communication of objections.

*NOTE 3.*— For objections on the score of infringement of any canon of financial propriety, [see para. 58](#) of this Code.

3. All observations and objections must be conveyed in courteous and impersonal terms and must be legible and intelligible.

It is of the utmost importance that any statement of criticism or of irregularity in an audit report should be accurate, fair, moderately worded and dispassionate. Innuendo is forbidden; if a charge cannot be substantiated there should not be even any hint of it.

4.

5. For an efficient review of objections and of the progress of their clearance, it is desirable to keep the objections of each official year separate even though their clearance may be effected in a subsequent year.

*Note:* In the case of progressive expenditure, an objection to excessive expenditure should be held to relate to the year in which it was first raised in audit, even though further expenditure may be incurred in a subsequent year.

6. All records of audit objections maintained in the audit office must be written up with care and watched closely by both the superintendent and by the gazetted officer. Even though the objection statements have not been actually despatched an objection once raised can be removed from the records of objections only under the initials of a gazetted officer who will be responsible that due authority exists, in each case, for the removal of the objection.

7. As far as possible, the entry of an objection should be fully descriptive so as ordinarily to obviate the necessity of any further reference to the voucher or account concerned.

8. The responsibility for the removal of objections and the settlement of other points raised in audit, devolves primarily upon the disbursing officers, heads of offices and controlling authorities with a view, however, to assist the Finance (Military) Department of the Government of Pakistan in the maintenance of financial regularity and of a proper system

of accounts, the Controller is expected to keep a constant careful watch over objections and to keep controlling authorities fully acquainted not only with individual cases of serious disregard of financial rules but also generally with the progress of clearance of objections; for the latter purpose all objections, the settlement of which is being unduly delayed, should be reported regularly to the authorities to which the individuals against whom the objections have been raised are subordinate.

9. The adjustment of each individual objection should be watched through the prescribed records until clearance or withdrawal as the case may be.

10. The Controller should look to the gazetted officer for the progress of adjustment and unremitting personal attention to this duty on the part of the gazetted officer is indispensable.

11. When an objection once raised has been withdrawn, either on reconsideration or in the light of information which was not available previously, the disbursing officer or other authority to whom the objection was originally addressed, should be informed forthwith, either through re-audit decisions or otherwise as otherwise he remains unnecessarily responsible for taking steps to remove the objection.

#### **(ii) Money Values of Objections**

12. In order to make a collective presentation of (1) the results of audit and (2) the progress of clearance of audit objections it becomes necessary to express the records of objections in money value; and for this - purpose money columns are provided therein. There are, however, classes of objections which cannot be suitably expressed in money value, or which, if so expressed, do not give an adequate or fair statement of the degree and extent of deviation from rule. It is permissible, therefore, to omit values altogether in certain cases; in other cases, where values alone are misleading, other particulars may be recorded in addition, or values may be dispensed with altogether.

*NOTE.*- "For purposes of the monthly progress reports submitted to the Military Accountant - General, only the items which are enumerated in [paragraph 13](#) below, and such of the items under [paragraph 14](#) as disclose unsatisfactory features and need further action, are to be shown as outstanding".

13. The under mentioned items should classified as "objections" and money values should also be given in respect of such items-

- (1) Want of sanction to advances, losses, etc.
- (2) Want of sanction of special charges.
- (3) Want of any other specific sanction required by rule.
- (4) Overpayment and short recoveries.
- (5) Stores issued free, where free issues are not authorised.
- (6) Stores issued in excess of prescribed scale.
- (7) Stores issued to a unit or formation for which credits are not traceable in the accounts.
- (8) Delays in the recovery of sums due to Government, if not recovered within a reasonable period, which may be prescribed in respect of each class of debt.
- (9) Expenditure involving infringement of any of the canons of financial propriety.

- (10) Want of appropriation.
- (11) Excess over appropriation.

*NOTE*—Money values need not be shown in respect of local audit objections which cannot suitably or conveniently be expressed in terms of money values.

14. Instructions, etc., of the following nature will be classified as "observations" and given in red ink note. These red ink notes will follow the objections and will be recorded separately under a manuscript heading "Audit Observations". Money values need not be indicated in these cases :—

- (1) A simple direction for future guidance or a call for a document, the absence of which is not likely to affect the amount admissible.
- (2) Receipt stamp not affixed on voucher otherwise complete.
- (3) Delays in the settlement of debts due to Government (but see item [8 of preceding paragraph](#)).
- (4) Delays in the submission of accounts, returns, vouchers.
- (5) Fictitious adjustments and manipulations in accounts unless an actual loss has resulted.
- (6) Deviations from rule which are indicative of disregard or evasion of rule but do not represent charges incurred without proper sanction.
- (7) Errors in accounts, vouchers, etc., which do not indicate any deficit or surplus.
- (8) Instructions and other remarks regarding the form of accounts, etc.
- (9) Demands for information not received.
- (10) Enquiries and remarks of doubtful points.
- (11) Remarks calling attention to minor errors of procedure.
- (12) Want of vouchers.

If, as the result of the observations, any unusual or doubtful feature regarding an item is brought to light or the information or document considered essential for admitting an item finally in audit is not forthcoming, such an item should then be treated as an objection and dealt with accordingly thenceforward.

### **Objections to insufficient sanctions**

15. There is a class of important objections which cannot be omitted from any collective reports or statistics but must be excluded from the ordinary records of the objections booked against disbursing officers, etc. These are objections to expenditure which has been authorised by a subordinate authority which require the sanction of the Government of Pakistan. For such objections one special register should be maintained in P.A.F. (C.M.A) 52. the register should be reviewed monthly by the Controller.

*NOTE*.- The amount held under objection on the register should be reported to the Military Accountant-General as a separate item in all reports which require a report of total outstanding objectionable expenditure.

### **Audit of Expenditure against the Grants and Appropriations**

16. The scope of audit of expenditure against appropriation is defined in [para. 56](#) of this Code. The objection raised should always be expressed in money value.

These objections should be recorded separately from other objections in separate registers or in the case of Military Engineering Services in separate sections of the Objection Book.

17. Objections relating to appropriations are removed, during the course of the year, on receipt of orders sanctioning the necessary appropriation, re-appropriation or supplementary grant as the case may be. As stated in [paragraph 33](#) of the Military Audit Code no appropriation or re-appropriation within the grants of a year can be authorised at any time after the expiry of the year. In consequence of this rule, objections for want of appropriation and " excess of appropriation " if the official year has closed, cannot be met by the issue of formal order of appropriation. Such objections may, however, be removed formally, at the request of competent authority, if there are known savings from which the necessary re-appropriation could have been made if the year was still current.

18. Objections on the ground of "want of appropriation" or "excess over-appropriation" should be removed as soon as the Annual Appropriation Accounts and other yearly statistical returns have been submitted.

### **(iii) Objection Statements**

19. Errors and irregularities in the course of audit of accounts (Including pay, traveling allowance, contingent and other miscellaneous bills) will be communicated to the officers responsible for rectification or explanation in Objection Statements in P. A. F. A.-565.

20. Objections raised on local audit of equipment ledgers and store -Accounts of units and formations including supply and store depots, which cannot be settled locally should be communicated in P. A. F. A.-568 and further audit remarks thereon in P. A. F. A.-570.

21. Objections on store accounts rendered by R. P. N. Ships and establishments will be communicated in P. A. F. A.-579 and further remarks in P. A. F. A.-570.

22. Objections raised on the accounts of Railway and other carrying companies should be communicated in P. A. F. A.-568 and further audit remarks thereon in P. A. F. A.-571.

*NOTE:-* if found more convenient, objections on pay, traveling allowance, contingent and miscellaneous bills may be communicated by letter but care should be taken in such cases to see that the objections are properly registered in the appropriate audit registers and that their adjustments are closely watched.

23. Objection statements will be written up concurrently with the progress of audit so that the objections may be recorded at a time when they can be most clearly and readily stated. The nature of the items objected to, and the causes of the objections, will be briefly and clearly described; each item of objection must be complete in itself.

24. Every endeavour will be made to reduce the number of merely technical and proforma objections and care will be taken that objections to trifling and manifestly bona-fide charges are not issued. Objection statements should therefore, be closely scrutinised by superintendents and gazetted officers before their issue and they should see that no objection is passed to which any reasonable objection could be taken.

25. After the objection statement has been passed by the gazetted officer, it will be fair copied and issued to the officer concerned within the periods mentioned in the List of Reports

and Returns (P. A. F. Z.-2000). The office copies of the objection statements will constitute the Objection Book.

26. The return of objection statements with replies will be closely watched through the registers prescribed later in this appendix, and reminders will be issued where necessary. Replies to objection statements will be dealt with without delay and the further audit remarks, which may be necessary, must issue, at least, within a fortnight of the receipt of the reply to the original objections in the audit office. When issuing the final decision care should be taken that the required entries are made in the prescribed registers mentioned above.

27. When an account which is rendered periodically, has been audited and found correct, an intimation to that effect will be sent to the office by whom it was rendered.

28. No objection statement will be considered to have been finally disposed of until every item in it has been adjusted.

*NOTE.*—For the sake of convenience, amounts finally disallowed on objection statements may be entered in Demand Registers, but that will not dispense with the necessity of noting adjustments in the Objection Statements and Registers.

#### **Objections In connection with Railway Warrants, credit notes, passage orders, etc.**

29. Objections will not be raised on account of clerical errors in charges preferred by railways when the amount does not exceed one rupee in each case; but all such items will be placed before the gazetted officer, who will check them and bring them to the notice of the authorities responsible for them, when they are numerous or occur repeatedly.

30. Unauthorised charges on railway warrants and credit notes, not exceeding one rupee in each case, will be similarly dealt with, and the officers responsible for them will be informed that the charges have been passed as a special case.

31. Disallowances concurred in by Railways are credited to Government by deduction from the next bill rendered. The Controller concerned should watch that such deductions are made. Recoveries on account of disallowances not concurred in by Railways cannot be enforced, and such cases should be reported to the Military Accountant-General for necessary action.

32. Charges incorrectly included in bills and accounts rendered to Controllers, instead of being incurred on railway warrants or credit notes should not be entirely disallowed, but the correct amount of the charge, if warrants and credit notes were used, should be ascertained from the Controller who deals with claim on account of warrants and credit notes, and the difference, if any, disallowed.

33. In every instance of an erroneous use or non-use of a railway warrant or credit note, the irregularity will be pointed out to the officer concerned, who should be reported to higher authority if he persists in disregarding instructions.

34. Disallowances raised against staff officers and others in consequence of the grant of unauthorised warrants, credit notes or passage orders, will be adjusted on the next issue of pay to these officers, Audit Officers concerned should communicate such disallowances to the Audit Officers who audit the pay and allowances of the officers, etc., in question in P. A. F.

A.-530 in sufficient time to admit of recovery being effected from the next pay bills of the officers from whom amounts may be due.

**(iv) Registration**

35. Before issue, objection statements will be registered in the registers enumerated below. The amount objected to should be entered in the register at the same time.

*Military*

For objections on regimental and pension accounts	}	Register in Form PAFA 473.
For objections raised on local audit which cannot be settled on the spot.		
Ration and Forage Returns ... ..		Register in Form PAFA-473.
Cash Accounts. Military Grass Farms and Remount Depot;		Register in Form PAFA-473.
Equipment Ledgers. etc. ... ..		Register in Form PAFA-473.
Training Grant Accounts ... ..		Manuscript.
For ether objections ... ..		Register in Form PAFA-473.

*Naval*

Objections on store accounts ... ..	Register in Form PAFA-473.
Other objections ... ..	Register in Form PAFA-473.

36. The return of objection statements is watched through these registers.

37. The amounts remitted and finally disallowed should be entered in these registers when the final decisions or replies to objection statements and to further re-audit remarks are communicated to the officers concerned. The recovery of other adjustment of final disallowances should also be noted in these registers. The entries in these registers should be attested by the superintendent.

38. When the objections on any objection statement are completely adjusted, the entry in the Objection Register pertaining to the objection statement should be scored through in red ink; the superintendent should initial at the end of the line in red ink. When all the entries on a page of the Objection Register are thus scored through, a diagonal line in red ink should be drawn across the page by the superintendent, who should initial at foot of the line.

39. Both the gazetted officer and the superintendent should carefully examine the registers every month and take suitable steps to settle the items which have not been adjusted.

**(v) Clearance of objection**

40. The responsibility of the gazetted officer and the superintendent in the matter of the clearance of objections is stated in the preceding paragraph. When an item of objection is adjusted either on receipt of sanction, explanation, information, voucher or other document or by recovery, the fact should be noted in the objection statement as well as the Objection Registers; All such entries should be initialed by the superintendent who will be responsible to see that there is authority in each case in which an objection is removed.

41. When an amount is outstanding against a Government servant and money is also due to him by Government but has remained undrawn for a considerable period owing to the death or resignation of the individual, or any similar cause, the audit office may adjust the amount due by the individual against the amount due to him by Government and thus clear the objection. A note of such adjustment should be made in the audit register (pay list or pay bill in cases where audit registers are not maintained). An adjustment in the accounts will be made, if necessary.

**(vi) Out standings over six months old**

42. A record of all objections left unsettled for 6 months or over should be maintained by each audit section, etc., for this purpose a few pages at the aid of the Audit Progress Register Objection Register should be set apart. Entries should be made in this portion of the register every month, and all items adjusted during the course of the month should be scored through and initialed by the Superintendent.

43. A statement in Form B (P. A. F. C. M A,-264) of all items of irregular expenditure on M. E. S. works amounting to Rs. 10,000 and over remaining unremedied for over six months and of such other items of irregular outlay as should, in the opinion of the Controller of Military Accounts, be included in the statement irrespective of the date and amount involved, will be prepared half yearly and submit to the Dy. Financial Adviser (Q) and Dy. Financial Adviser, R.P.A.F. as the case may be, immediately after the end of the half-year ending  $\frac{\text{March}}{\text{September}}$  by the 15th  $\frac{\text{May}}{\text{November}}$  of each year. Nil reports are required to be submitted.

The above procedure is also applicable to all irregular expenditure pertaining to Ordnance Factory, Navy and R. P. A. V. works.



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1.	1		21	24	New, Articles 86 Audit Code.
2.	3		...	25	New, Articles 87 Audit Code.
3.	2		...	26	New, Articles 88 Audit Code.
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93.	97		120.	Deleted	
94.	98		121.	123	
95.	99		122.	124	
96.	100		123.	...	Already Blank
97.	101		124.	125	
98.	102		125.	126	
99.	...	Already Blank	126.	127	
100.	...	Already Blank	127.	128 & 131	No. AT/P/141
101.	103		128.	...	Blank
101 A	104		129.	132	
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149	148		197.	164	
150	149		198.	165	
151 to 153	Deleted		199.	166	
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171.	150		201.	168	
172.	Deleted		202.	169	
173.	Deleted		203.	136	
174.	151		204.	137	
175.	152		205.	...	Already Blank
176.	153		206.	129	
177.	154		207.	130	
178.	Deleted		208.	Omitted	
179.	155		209.	170	No. AT/P/141
180.	Deleted		210.	171	Blank
181.	157		211.	172	
182.	Deleted		212.	173	
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193.	160		219.	181	
194.	161		220.	...	Already blank
195.	162		221.	182	
196.	163		222.	183	@ *R.P.N Centralised
					Pay Accounting Directive
			223.	184	@ *R.P.N Centralised

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		Pay Accounting directive and Min. of Def. (N.B.) No. 50/13274/NHQ/P, dated 26-4-52	247	208	Reconstructed Authority... at (b) above	
			248	209		
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224.	185	R.P.N.I 10/50 and Pak. F.O. 305/52	250	211	Already blank	
			251	212		
225.	186		252	---	Deleted. No longer necessary	
226.	187		253	---		
227.	188		254	---		
228.	189		255	---		
229.	190	Already blank	256	---		
230.	191		257	213	(c) Left Blank. Revised procedure is being laid down by M.A.G 'AT' Sec.	
231.	192	Note deleted being no longer necessary	258	214		
232.	193		259	215		
233.	194	(b) Revised procedure approved vide M.A.G. No. is incorporated	260	216		
234.	195		261	---	Deleted. See remarks at (d) below	
235.	196		262	217	See remarks at (c) above	
236.	197	Reconstructed vide @ RPN centralized pay accounting Directive	263	218		
			264 to 273	---	Deleted. These Accounts are now locally audited and audit procedure is laid down in N.L.A.Os. Hand Book.(Revised Editions)	
237.	198	Paras, deleted being obsolete and kept blank				
238.	199					
239.	200	Deleted and kept blank C&L. Accounts system abolished vide * above. Audit procedure of Cash Accounts is laid down in M.A.D. Procedure Code/	274 to	219	Reconstructed to suit the present procedure	
240.	201		275			
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281	225 } 226 }	Para 372 et. seq. F.R.I.N.	314	252	M.A.G. No. AT/SP/ 191-II, dated 20-10-51
	227 }		315	253	M.A.G No AT/SP/370 dated 9-6-52 and even No. dated 1-4-53
	228 }				
282	---	Deleted. No longer necessary	316	254	* Modified M.A.G (I) No. 9614/AT-S, dated 9-1-46 and 9132/AT/S, dated 10-3-44 and even No dated 24-3-44
283	229		317	255*	Modified M.A.G. No. 9172/ATS dated 27-3- 44 and 8617/AT-S. dated 22-2-44 and even No dated 18-9-44 and Auditor General U.O. No. 1273-RA/39-48, dated 7-10-50
284 } to } 288 }	---	Deleted, This check is now exercised by Mily. Finance and not C.N.A.	318	256	
289 } to } 294 }	230 to 235	Kept blank pending finalization of the revised procedure relating to U.K. Stores			
295	236		----	257	New para. Late M.A.G. (I) No. 9649/AT/S. dated 22-9-45
296	237		---	258	New para. Late M.A.G. (i) No 9620/AT/S. dated 18-6-46 and 8653/1/AT- S. dated 16-4-45 Min. of Fin (Mily) No. 427/B. dated 11-2-49 and B- 61/3336, dated 30-5-50.
297	238	Already blank			
298	239				
299	---	Already blank			
300 to 304 } 305 }	240 to 244 }	Left blank			
306	245		319	259	
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308	246		320A	261	
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326	268		VIII	IV	
327	269		IX	V	M.A.G No. AT/Pro/2-II, dated 20-11-50, 17-4-52 and 7-6-52
328	270				
329	271				
330	272		X	---	Omitted Not applicable
331	273		XI	---	Omitted
APPENDIX					Auxiliary Forces disbanded w.e.f.31-3-48 and F.A.U.O. No. 1784-B, dated 13-10-48
I	X				
II	I	Slightly changed	XII	IX	M.A.G. (Pak) No. AT/SP/370, dated 9-6-52
		Mily. Leave Rules (1953 edition)			
III	VIII	M.A.G.(P) No. An/P/319, dated 8-9-48	XIII	VI	M.A.G.(P) No. AT/Pro/97 dated 31-7-52 New, MA.G. No 7262-R, dated 22-4-40
IV	II			VII	
V	---	Already blank	---	XI	New Based on Chapter XII, O.M. Pt. II
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