

DEFENCE SERVICES REGULATIONS



FINANCIAL REGULATION

PART I

(ARMY AND AIR FORCE)

(PROVISIONAL)

1952

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PREFACE

This "Provisional" Edition of Financial Regulations for the Army and Air Force, part I, is issued under the authority of the Governor General. From the date of its publication, the Financial Regulations for the Army and Air Force in India, Part I (1940 Edition), shall be deemed to have been superseded in so far as the Pakistan Army and the Royal Pakistan Air Force are concerned.

2. Any errors and omissions should be reported immediately in writing to the Revision Section, Ministry of Defence, Rawalpindi.

ISKANDER MIRZA,
Secretary to the Government of Pakistan,
Ministry of Defence

Karachi: 1952

(IV)

TABLE OF CONTENTS.

Preface	(III)
Abbreviations	(XI-XII)
Explanation of certain terms	(XIII)

CHAPTER I

	Rule No.
<u>SECTION-1 .- DEFINITIONS</u>	1
<u>SECTION-2 .- CERTAIN GENERAL PROVISIONS-</u>	1
Limit with in which expenditure from Defence Services estimates may be incurred... ..	2
Financial canons to be respected	3

CHAPTER II

<u>SECTION-1 .- POWERS OF THE GOVERNOR GENERAL-</u>	
Constitutional executive authority... ..	5

SECTION-2 .-VALIDITY OF REGULATIONS AND OTHER INSTRUCTIONS

Orders issued in Army Instructions and Air Force Instructions... ..	9
---	---

CHAPTER III

<u>SECTION-1 .- CONDITIONS UNDER WHICH DEFENCE EXPENDITURE MAY BE SANCTIONED</u>	15
--	----

SECTION-2 .- EXTENT TO WHICH POWERS TO SANCTION ORDINARY EXPENDITURE ARE EXERCISABLE BY VARIOUS AUTHORITIES-

Delegation of powers by the Governor General	17
---	----

Powers of-

The Commanders-in-Chief, Pakistan Army and R. P. A. F.	18
---	----

The Ministry of Defence and other authorities at General and Air Headquarters	19
---	----

Other authorities	20
--------------------------	----

Powers to be exercised by Heads of Pakistan Missions in foreign Countries in respect of expenditure chargeable to Defence Services Estimates... ..	21
--	----

Powers of officers of the M. G. O. Services and Ordnance Factories in respect of entertainment of establishments... ..	25
--	----

Certain additional powers assigned to the C-in-C, R. P. A. P.	26
--	----

Certain additional powers of officers of the Farms Wing of P. R. V. and F. Corps... ..	27
--	----

Powers in respect of M. E. S. expenditure... ..	28
---	----

Powers in respect of pensions.	29
---------------------------------------	----

<u>SECTION 3 .- OBJECTS ON WHICH EXPENDITURE MAY BE SANCTIONED</u>	30
---	----

SECTION 4 .- THE EXERCISING OF FINANCIAL POWERS-

Provision of funds necessary before financial powers can be exercised	31
--	----

Powers are personal	32
----------------------------	----

When inferior authority cannot sanction a measure in installments	33
--	----

(V)

Other officers may be authorized to sign for officers possessing financial powers	34
Manner of exercising financial powers	35
Controllers of accounts act as financial advisers to commanders	36
Sanction to be communicated to controllers of accounts	37
Sanction becomes non-effective when not acted on for one year	38

SECTION 5 .- POWERS TO SANCTION EXPENDITURE NOT PRECISELY COVERED BY RULE

Powers to sanction non-recurring expenditure not precisely covered by rule ...	40
Powers to dispose of travelling allowance of a petty nature	41
Powers to authorize the issue of stores in exceptional cases	42
Powers in respect of petty items of recurring expenditure	43

SECTION 6 .- UNAUTHORIZED EXPENDITURE AND ABANDONMENT OF REVENUE-

Classes of expenditure that may not be sanctioned	48
Proposals involving abandonment of revenue and expenditure not provided for in estimates	49

SECTION 7 .- CONTROL OF EXPENDITURE-

Control and regulation of expenditure by the Ministry of Defence	52
Control by authorities other than the Ministry of Defence	53
Procedure to be followed for exercising budgetary control over defence expenditure ...	54

SECTION 8 .- ESTIMATE AND REAPPROPRIATIONS-

Re-appropriation of funds	56
Re-appropriation statements	57
Estimates of fresh expenditure	58
Submission of applications through controllers of accounts	59
Provision in budget estimates for works expenditure... ..	60

SECTION 9 .- SPECIAL DEFENCE EXPENDITURE-

Estimates of fresh expenditure due to operation	62
Financial powers of certain authorities during war or when special operations are order	63
Financial powers of a commander in the field in respect of losses of public money .	64

CHAPTER IV

POWERS EXERCISABLE UNDER CIVIL SERVICE REGULATIONS	67
---	----

CHAPTER V

LOSSES, WASTAGE AND DAMAGE TO PUBLIC PROPERTY

<u>SECTION 1 .-</u> GENERAL CONDITIONS TO BE OBSERVED ...	70
--	----

SECTION 2 .- LOSSES OF STORES-

General	71
Losses of stores in base and station supply depots	72
Losses of stores in all other cases	73
Losses of immovable property	74
Subsidiary rules relating to the treatment of losses of stores	75

(VI)

SECTION 3.- LOSS OF PUBLIC MONEY-

Definition of the term public money	76
Procedure and powers to write off	77

SECTION 4.- LOSSES IN OFFICES AT GENERAL AND AIR HEADQUARTERS-

How dealt with	78
-----------------------	----

SECTION 5.- EXCEPTIONS TO THE GENERAL RULES RELATINGS TO LOSSES

79

CHAPTER VI

Purchase of stores-rules regarding and powers of sanction	81
Financial powers in respect of the purchase of stores	82
Dispatch of stores by other than cheapest route in emergency	83
Disposal of surplus, obsolete and waste stores	85

CHAPTER VII

SECTION 1.- UNIVERSAL ERVICECONDITION AND GRANT TO FEES HONORARIA AND REWARDS-

Whole than of a Government servant is at the disposal of the state	88
Rules regulating the grant of fees and honoraria	89
Rewarded to Individuals for effecting economies in ordnance establishments	90

SECTION 2.- COMPENSATORY ALLOWANCES-

When grain compensation allowance may be granted	94
---	----

CHAPTER VIII

ESTIMATES AND ASSIGNMENTS.

SECTION 1 ESTIMATES

General Rules	99
Budget estimates-Preparation and check of	100
Budget estimates-by whom prepared	101
Inclusion in estimates of proposals involving extra expenditure	102
Action to be taken in respect of expenditure in exams of estimates	103
Different kinds of revised estimates	104
Estimates for expenditure on account of loans and advances	109

SECTION 2.- ASSIGNMENTS

Cash assignments-general rules	110
Payments made, against assignments	111
Additional credit-How obtained in emergency	112
Watch to be kept over drawings against assignments	113
Transfer of assignment	114
How cash assignments are obtained and drawn against	115

(VII)

CHAPTER IX

CLAIMS AND RECOVERIES

General rules	120
Adjustments of claims	121
Recovery of amounts due	122
Attachment orders-how treated	123,124
Limitation of claims	125
Claims governed by C. S. R.-how treated	126
Claims in respect of pension	127
Time-barred claims... ..	128

CHAPTER X

VOCABULARY RATES AND PAYMENT ISSUES

How vocabulary rates are notified and applied	130
Services for which vocabulary and payment issue rates are charged	131
Claim for loss or damage to stores in transit	132

CHAPTER XI

CHEQUES, GOVERNMENT DRAFTS AND MILITARY TREASURE REMITTANCES.

General rules relating to cheques	134
When payment by cheque is deemed to be made	135
When more than one cheque is permissible for payment of salary	136
Government drafts and Military Treasure Remittances... ..	137,138

CHAPTER XII

PAY AND ALLOWANCES AND LAST PAY CERTIFICATES

SECTION 1 PAY AND ALLOWANCES-

Due date for payment	140
Leave salary drawn through agents	142
Leave allowances in respect of leave taken ex-Pakistan... ..	143
Pay of officers in civil employ, etc., source from which drawn... ..	144
Annuities for meritorious service	146

ESTABLISHMENTS

Commencement of pay	150
Distribution of salaries	151
Pay admissible for temporary establishments	152

SECTION 2 .- LAST PAY CERTIFICATES-

General rules	155
Detailed instructions... ..	156,157

CHAPTER XIII

AUDIT AND OBJECTIONS

Procedure in regard to personal claims	160
Erroneous payments... ..	161
Remission of disallowances	162
Audit, how regulated and retrenchments by audit officers	163

(VIII)

Military Accountant General cannot be over-ruled without reference to Auditor General and Ministry of Finance	164
Powers of audit officers to waive objections and write off irrecoverable amounts	165
Objection statements	166
Appeals	167
Retrenchment from contractors bills and appeals	168

CHAPTER XIV

PROCEDURE FOR THE PROCUREMENT OF CENTRALLY PURCHASED STORES

Stores which are centrally purchased	170
Store indents and estimates	171-173
Freight for stores of foreign supply	174

CHAPTER XV

SECURITY DEPOSITS

From whom taken and how calculated	190
Registration and transfer of	191
Refund of	192
Final settlement on discharge of an individual	193
Lapsed deposits	194
Securities furnished by banks as security for regimental funds	195
Securities held by Government officers as security for performance of contract etc.....	196
Interest payable on	197
G. P. Notes-return and sale of	198
Provincial and municipal debenture and port trust bonds	199
Bank deposit receipts	200
Savings bank deposits	201
Fidelity bonds	202

CHAPTER XVI

CONTRACTS

General notes	205
Supplies by contract	206
Contracts with commercial or non-Government concerns...	207
Executive officers to arrange contracts...	208
Sanctions and modifications of contracts...	209, 210
Supply of contract articles of R. P. A. S. C. supply for operations not second mobilization	211
Contract by a minor...	212
Estimating requirements	213
Irregular concessions to contractors	214
Advertisements	215
Tenders...	216
Opening of tenders...	217
Errors in tenders...	218
Non-receipt of tenders	219

(IX)

Earnest money	220
Contract deeds	221
Power of Attorney	222
Duration of contracts	223
Long term contracts	224
Transfer of contracts	230
Contract orders to be placed on P. A. F. Z.-2135	231
Advance payments	232
Compensation for breach of contract	233
Interpretation of contracts	234
Recoveries from security deposits in default	235
Payment of contractors' bills to their bankers	236

CHAPTER XVII

REMITTANCES AND FAMILY ALLOTMENTS.

Accounts Manual, War, reference to	250
Family remittances	251
Remittances of credit balances	252

CHAPTER XVIII

MISCELLANEOUS PROVISIONS.

Necessity for preparing accounts strictly in accordance with orders	257
Statistics of expenditure	258
Cash and store transactions	259
Responsibility for expenditure	260
Fractions in amounts of bills-how treated	261
Official rate of exchange	262
Record of service	263
No-demand certificates	264
Claims, submission of	265
Arrear charges	266
Contributions to funds	267
Computation of broken periods	268
Treasure guards	269
Collective fines or units	271
Line Funds	272
Remount Depots-Rates for stores purchased by	273
Rationing of animals transferred from Army remount depots	274
Estate Funds	276
Financial irregularities—disciplinary action in connection with	277
Control and inspection of accounts by controllers of accounts	278
Income-tax	279
Recovery of passage contributions	280
Recovery of leave and pension contributions	281

<u>Appendix I.-</u> List of control heads and chain of control	104
<u>Appendix II.-</u> Forms of registers to be maintained by controlling authorities for watching expenditure against allotment	129
<u>Appendix III.-</u> List of banks and agents who have executed a general bond of indemnity to cover the leave allowances, etc. of their constituents	132
<u>Appendix IV.-</u> Contracts By whom sanctioned	133
<u>Appendix V.-</u> Form of Indemnity bond to be executed by heirs of deceased contractors for-payment of their security deposits	138
<u>Appendix VI.-</u> Instructions for the guidance of officers who are required to make purchases of stores under the provisions of the Rules for the Supply of Articles required for the Public Service	139
<u>Appendix VII.-</u> Fidelity Guarantee Collective Poken and list of approved Insurance Companies transacting fidelity guarantee business in Pakistan ...	146
<u>Appendix VIII.-</u> Form of cash security bond	152

(XI)

A. F. A.	Assistant Financial Adviser.
A. G.	Adjutant General.
A. G. R. P. A	Army Group, Royal Pakistan Artillery
A. T.	Animal Transport.
C. A. O	Chief Administrative Officer.
C. F. A.	Competent Financial Authority.
C. I. P.	Cost, insurance and freight.
C-in-C	Commander-in-Chief.
C. I. T. D.	Controller of Inspection and Technical Development.
C. M. E. S.	Commander, Military Engineer Service.
C. O. D.	Central Ordnance Depot.
C. of A.	Chief Ordnance Officer.
C. O. O.	Commander, Pakistan Army Ordnance Corps.
C. P. A. O. C.	Commander, Pakistan Electrical and Mechanical Engineers.
C. P. E. M. E.	Commander, Royal Pakistan Army Service Cents.
C. R. P. A. S. C.	Commander, Royal Pakistan Engineer.
C. R. P. E.	Civil Service Regulations.
C. S. R.	Deputy Chief Engineer.
D. C. E.	Deputy Director of Military Intelligence.
D. D. M. I.	Director of Electrical and Mechanical Engineer.
D. E. M. E	Deputy Financial Adviser.
D. F. A.	Director General, Medical Services.
D. G. M. S	Director General, Supply and Development.
D. G. S & D.	Director of Military Training Education.
D. M. T. & E.	Director of Military Lands and Cantonment
D. M. L. & C	Director of Ordnance Factories.
D. O.F.	Director of Organisation.
D. of O.	Director of Ordnance Services.
D. O. S.	Director of Remounts, Veterinary and Farms.
D. R. V. & F.	Director of Staff Duties.
D. of O.	Director of Supplies and Transport
D. O. S.	Engineer-in-Chief.
D. R. V. & F.	Free on rail.
D. S. D.	Garrison Engineer.
D. S. & T	General Headquarters.
E. in C	General Officer Commanding.
F. O. R.	Headquarters.
G. E.	Junior Commissioned Officer,

(XII)

L. A. O	.....	Local Audit Officer.
L. of C.	.....	Line of Communication.
L P. C.	.....	Last Pay Certificate.
M. A. G.	.....	Military Accountant General.
M. E. O.	.....	Military Estates Officer.
M. E. S.	.....	Military Engineer Services.
M. G. O.	.....	Master General of the Ordnance.
M. of D.	.....	Ministry of Defence.
M. of F.	.....	Ministry of Finance.
M. T.	.....	Mechanical Transport.
M. T. R.	.....	Military Treasure Remittance.
M. T. S. S. D.	.....	M. T. Stores Sub-Depot.
M. S.	.....	Military Secretary.
O. C.	.....	Officer Commanding.
O. O.	.....	Ordnance Officer.
O. R.	.....	Other Rank.
P. A. F.	.....	Pakistan Army Form.
P. A. O. C.	.....	Pakistan Army Ordnance Corps.
P. M. A.	.....	Pakistan Military Academy.
P. E. M. E	.....	Pakistan Electrical and Mechanical Engineers
P. M. S. F. P. Fund		Pakistan Military Service Family Pension Fund
P. M. W. & O. Fund.		Pakistan Military, Widows' and Orphans fund
P. R. V. & F. C.	....	Pakistan Remount. Veterinary and Farms corps.
P. S. O	....	Principal Staff Officer.
P. T. F	.....	Pakistan Territorial Force.
Q. M. G.	.....	Quarter Master General
R. A. I.	....	Regulations for the Army in India
Regs.	....	Regulations
R. P. A.	....	Royal Pakistan Artillery.
R. P. A. F.	....	Royal Pakistan Air Force.
R. P. A. S. C.	....	Royal Pakistan Army Service Corps.
R. P. E.	.....	Royal Pakistan Engineers.
U. K.	.....	United Kingdom.

(XIII)

Explanation of certain terms used in these Regulations.

"Accounts Area an area the accounts of which are dealt with by one and the same controller of accounts. The following list shows the controllers of accounts and the areas for the accounts of which they are responsible :-

1. Military Accountant General.-
 - (a) General administration and organization of the various Military Accounts Offices in Pakistan.
 - (b) Annual accounts of Pakistan Defence Services receipts and expenditure.
 - (c) Accounts of G. P. Fund and D. S. P. Fund of civilian personnel of Defence Services in Pakistan.
2. Controller of Military Accounts, Rawalpindi.-
 - (a) Peshawar, Waziristan and Rawalpindi Areas, less units and formations whose accounts are maintained on the war system of accounting.
 - (b) Accounts of all Pakistan Officers.
3. C. M. A., Lahore.-
 - (a) Lahore Area, less units and formations whose accounts are maintained on the war system.
 - (b) Accounts of D. S. O. P. Fund and P.M.S.F.P. Fund.
 - (c) Audit of military credit notes and railway warrants pertaining to N. W. Railway.
4. C. M. A. (Pensions), Lahore.-Pensions of Pakistan Defence Services officers and personnel.
5. Field C. M. A.(Other Ranks), Lahore.-Maintenance of pay accounts on the war system of Pakistan Army personnel (J. C. Os. and O. Rs., etc.) at the Field Pay Offices attached to various Reel., Non-Regtl. Centres and Record Offices in Pakistan.
6. C. A. Air Force, Lahore.-Accounts of Air Force units and formations in Pakistan.
7. C. M. A., Karachi.-
 - (a) Sind and Baluchistan Areas, less units and formations whose accounts are maintained on the war system.
 - (b) Payment on sea freight and landing and handling including Port Trust charges in respect of Defence Services stores landed/despached at Karachi.
8. C. M. A., (East Pakistan), Dacca.-
 - (a) East Pakistan Areas, less units and formations whose accounts are maintained on the war system.
 - (b) Local audit and inspection of stores and cash accounts of Army and M. E. S., Navy and Air Force units and formations in East Pakistan.
 - (c) Audit of military credit notes and railway warrants pertaining to East Bengal Railway.
9. C. N. A., Karachi.-All naval accounts including G. P. Fund accounts.
10. C. M. A. "Albodia", Bahawalpur.-
 - (a) Financial adviser to the G. O. C. on behalf of the Military Accountant General.
 - (b) Accounts of all units and formations in Bahawalpur State except State Bodyguard units and State Border Constabulary force.
11. Controller of Ordnance Factory Accounts, Rawalpindi.-Accounts of Ordnance and Clothing Factories.

FINANCIAL REGULATIONS, PART I
(ARMY AND AIR FORCE)

CHAPTER I

SECTION 1.-DEFINITIONS.

1. The terms included in this rule are used in these Regulations in the sense here explained: -

Airman	Includes warrant officer and non-commissioned Officer.
Audit Officer	Means the accounts and internal audit officer whatever his official designation, in whose internal audit control a public servant is serving or, for purposes of verification of service, has served.
Brigade or Sub-Area Commander	Includes the Divisional Commander in the case of units and stations directly under division headquarters.
Controller of Accounts	Includes all Controllers of Military Accounts, the Controller of Military Accounts (Pensions), and the Controller of Accounts, Air Forces.
Compensatory allowance	Means an allowance granted to meet personal expenditure necessitated by the special circumstances in which duty is performed. It includes travelling allowance, but does not include sumptuary allowance nor the grant of a free passage by sea to or from any place outside Pakistan.
Compensatory financial authority	is the authority within whose financial powers the amount at issue falls. In the case of Ordnance and Clothing Factories, Ordnance and Clothing Depots, Inspectorates of Armaments, Medical Stores Depots., Army Medical Stores, Military Farms, and Remount Depots, Commanders Divisions, Brigades, Sub-Areas or Stations, are not competent financial authorities exception respect of excess stores required by or articles already in possession of units under their command. In respect of losses of stores in Ordnance Depots and Clothing Depots not due to theft, fraud or neglect, the D.O.S. is the next higher financial authority over Chief Ordnance Officers. The M.G.O. is the next higher authority over the D.O.S. The "higher competent financial authority" is the Ministry of Defence of the Govt. of Pakistan.
Emoluments	Mean the pay and allowances, staff or consolidated pay and all other items of personal remuneration drawn by an individual, but do not include compensatory allowances.
Fee	Means a recurring or non-recurring payment to a Government servant from a source other than general revenues whether made directly to a Government servant or indirectly through the intermediary of Government.
Fresh expenditure	Means any-expenditure which the budget cannot be held to cover. It does not apply to expenditure contemplated by regulations, but requiring sanction of higher authority, or on account of services per formed which has to be met periodically, or to arrears of pay and allowances or to recurring payments which are recognised by regulations, or have been specially sanctioned by Government, and which must be paid as they become due, irrespective of budget provision.

Honorarium	Means a recurring or non-recurring payment made to a Government servant from general revenues as remuneration for special work of an occasional character.
Local fund	Means: a) revenues administered by bodies which by law or rule having the force of law come under the control of Government, whether in regard to proceedings generally or to specific matters, such as the sanctioning of their budgets, sanction to the creation or filling or of particular posts, or the enactment of leave, pension or similar rules; and b) the revenue of anybody which may be specially notified by the Governor-General as such.
Local stores	Are articles of local produce of manufacture as distinct from imported stores.
Ministerial appointment	Means an appointment held by an individual, whether gazetted, or not, whose duties are not of an administrative or executive character, but who is employed as a member of an office establishment.
Office contingencies	Contingencies comprise those charges which are incidental to the management of an office as an office and include the cost of postage, telegrams, telephone charges, furniture, advertisement office rent, books and periodicals, charges on account of hot weather establishments, liveries to office peons, repairs to furniture, taxi hire on duty connected with the office and other similar petty charges.
Public funds	Includes all funds financed entirely from public money, the unexpended balance of which is refundable to Government in the event of its not being devoted to the objects for which granted; and also (i) unissued pay and allowances; (ii) office allowance fund, (iii) the estates of deceased men and deserters.
Soldier	Includes warrant officer and non-commissioned officer.

SECTION 2.-CERTAIN GENERAL PROVISIONS.

2. Limit within which expenditure from Defence Services Estimates may be incurred:-The sanctioned annual Defence Services Estimates form the limit within which expenditure can ordinarily be incurred during the financial year. Any amount provisionally included in the estimates is not, however, available until the proposals to which it relates, have been finally sanctioned. (See also [rule 99.](#))

3. Financial canons to be respected. -In incurring or sanctioning expenditure, the following canons shall be observed by officers exercising financial powers. Audit officers shall also be responsible for watching that the canons are observed: -

(i) Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

(ii) No authority should exercise its power of sanctioning expenditure to pass an order which will be indirectly or directly to its own advantage.

(iii) The amount of allowances, such as travelling allowances, granted to meet expenditure of a particular type, should be so regulated that an allowance is not on the whole a source of profit to the recipient.

(iv) Government revenues should not be utilized for the benefit of a particular person or section of the community unless-

(a) the amount of expenditure involved is insignificant, or

(b) acclain for the amount could be enforced in a court of law, or

(c) the expenditure is in pursuance-of a recognised policy or custom

CHAPTER II.
SECTION 1.-POWERS OF THE GOVERNOR-GENERAL.

5. Constitutional executive authority:- In accordance with Sections 232 and 233 of the Government of India Act, 1935, as adapted in Pakistan, the following powers will be exercised by the Governor-General in respect of the Armed Forces: -

- (i) Power to raise and maintain the Naval, Military and Air Forces of Pakistan and the reserves of such forces.
- (ii) Power to grant commissions in such forces.
- (iii) Power to make appointment to posts of C.-in-C., Pakistan Army, C.-in-C., Royal Pakistan Navy and C.-in-C., Royal Pakistan Air Force.
- (iv) Power to make appointment to such other offices connected with Defence as he may specify or in such manner as he may direct.
- (v) Power to prescribe pay and allowances of the Commanders-in-Chief so appointed.

6.

7.

8.

SECTION 2.-VALIDITY OF SERVICE INSTRUCTIONS.

9. Orders issued in Army Instructions and Air Force instructions: -Army Instructions and Air Force Instructions shall be assumed to have received the concurrence of the Ministry of Finance unless audit officers are informed otherwise by the Ministry of Finance (Military).

10.

11.

12.

13.

14.

CHAPTER III.
SECTION 1.-CONDITIONS UNDER WHICH DEFENCE EXPENDITURE
MAY BE SANCTIONED.

15. Defence expenditure may be sanctioned by the Ministry of Defence and by the authorities subordinate to it on the following conditions: -

- (a) The expenditure must pertain to defence.
- (b) The exercise of delegated power is subject to the observance of any general or special directions which the authority delegating power may issue at any time, whether generally or in reference to a particular case.

16.

SECTION 2.-EXTENT TO WHICH POWERS TO SANCTION ORDINARY
EXPENDITURE ARE EXERCISABLE BY VARIOUS AUTHORITIES.

17. Delegation of powers by the Governor-General:- Power to sanction expenditure from central revenues upon subjects pertaining to the conditions as he may think fit either to any officer subordinate to him or to a provincial or local government acting as his agent in relation to a defence services subject. Any sanction given under this rule shall remain valid for the specified period for which it is given. Orders of delegation passed under this rule may contain a provision for re-delegation by the authority to which the powers are delegated.

18. Powers of the Commanders-in-Chief, Pakistan Army and R. P. A. F. :-(a) Within the limits of an appropriation of Rs. 25,000 authorized annually for the purpose, the commander-in-Chief, Pakistan Army is empowered to sanction any expenditure debit able to defence estimates, subject only to the following conditions: -

- (i) that the sanction relates to a single payment and does not cover any recurring charge,
- (ii) that no payment is made to any Government servant of any remuneration or allowance to which he is not entitled under the ordinary rules,
- (iii) that the sanction does not involve an express contravention of any existing rule contained in the authorized codes or regulations, and that no grant is made for services or individual projects on which the Government of Pakistan have previously definitely refused to incur expenditure.

(b) The Commander-in-Chief, R. P. A. F., exercises similar powers within the limits of an appropriation of Rs. 5,000 authorized, annually.

19. Powers of the Ministry of Defence and other authorities at General and Air Headquarters:- General provision. -Every proposal for fresh expenditure and every order having a financial bearing and not covered by rule which it is proposed to issue from (a) the Ministry of Defence, (b) a- Branch of General Headquarters. or (c) Air Headquarters, shall receive the concurrence of the financial adviser, Military Finance, or of an officer having the power to act for him.

20. Financial powers of other authorities:- In order to diminish references to superior authority and to decentralize the sanctioning of defence expenditure, the under mentioned officers are empowered to sanction expenditure on any of the objects enumerated in [rule 30](#) up to the limits shown against each.

(A) Authorities at Armed Forces Headquarters,	Rs.
(i) Q.M.G. in respect of R.P.A.S.C. formations under the direct administration of G.H.Q.	10,000
(ii) C-in C, R.P.A.F. in respect of the objects enumerated in rule 30 , (i) (ii) and (iii) only.	5,000
(iii) D.G.M.S. for Medical Stores Depots and Army Medical Stores only: D.S. & T. in respect of R.P.A.S.C. formations under the direct administration of G.H.Q.: D.R.V. & F.D.O.S.; D.O.F.; D.E.M.E. and C.I.T.D.	500
(iv) A.D.R.V. & F. (Farms Wing) except in the case of employment of temporary establishments other than clerical in which sanction may be accorded in accordance with rule 401 F.R., Part II).	400
(v) The Chief Administrative Officer, Ministry of Defence. may incur contingent expenditure within his budget allotment, up to Rs. 500 non- recurring and Rs. 50. recurring on any single item in connection with the provision, maintenance, repairs, etc. of all equipment, stores, etc. required for day to day use in General Headquarters.	
 (B) Authorities in lower formations.	
(i) Divisional Commander/Commander 3rd Armored Brigade.	5000
(ii) Sub-area Commander; Brigade Commander; Commander, R.P.A.; Commander, Army Group, R.P. A	2500
(iii) O.C.H.Q. No. 1 Group, R.P.A.F. [in respect of the objects mentioned in rule 30 (i) and (ii) only]; Embarkation Commandant, Karachi, in respect of extra expenditure incurred which is beyond financial powers of the officer ordered to dispatch stores other than the cheapest route.	1000
(iv) Assistant Director of Medical Services of Division; Military Secretary to the Governor-General; Commandants and Chief Ordnance Officers holding independent charge of Ordnance Installations in respect of the grant of rewards for information leading to prevention of thefts in Ordnance Depots.	500
(v) Commandants Chief Ordnance Officers (Lt.-Col.) i/e Ordnance Installations; Chief Inspectors of Armaments. Vehicles and Engineering Equipment and Stores and Clothing; O.C. Remount Depot; District Remount Officer, Horse/Mule Breeding Area; Assistant Director, H.Q. Okara Group of Military Farms; O.C. Equipment Depots R.P.A.F. [in respect of the objects mentioned in rule 30 (i) and (ii) only]; O.C. Central/Combined Workshop P.E. M. E.	400
(vi) Commandant- Command & Staff College. Pakistan Military Academy. Royal Pakistan Artillery School. Pakistan Army School of Physical Training. Signal Training Centre.	

P.A.O.C. Training Centre & Records [in respect of the object mentioned in [rule 30](#) (i) only]
 R.P.A.S.C. Centre & Records. Pakistan Army School of Education. Army School of Administration. Pakistan Infantry School.
 P.E.M.E. Regimental Centre & Records [in respect of the objects mentioned in [rule 30](#) (i) only].
 Pakistan Armored Corps Centre & School.

Officer Commanding-
 School of Signals.
 Medical Stores Depot/Army Medical Stores. Station Workshop, P.E.M.E.
 Supply Depot.
 R.P.A.F. Station, Drigh Road, Pashawar, Risalpur, Mauripur, Kohat, Lahore, Chaklala and Korangi Creek [in respect of the objects mentioned in [rule 30](#) (i) & (ii) only].
 C.R.P.A.S.C. of Divisions/Rawalpindi L of C Sub Area. Assistant Director of Medical Services, L of C Sub Area.
 Chief Ordnance Officers (Major) holding independent charge of Ordnance Installations. 200
 Officer in Charge, Ordnance Factories Liaison Section, Karachi.

(vii) Officer Commanding-
 Unit.
 P.T.F. Unit.
 Murree (as an O.C. Unit)
 Training Company detached from parent Battalion. Commandant
 K.G.R.P.M. College.
 Senior Executive Medical Officer of a Station.
 O.C. Hospital.
 O.C. Convalescent Section.
 Embarkation Staff Officers (Supply & Stores) at Karachi.) 20

Officer in charge, Central Medical Stores Laboratory, Lahore Cantt. Officer In charge, Medical Stores Inspection Depot, Lahore Cantt.

- (viii) Divisional Commanders/Commander 3rd Armored Brigade are empowered to write off under their financial powers expenditure in excess of the amount of office allowance authorized under Pay & Allowance Regs. when such excess is caused by the enhanced rate of stationery charged by the Government Stationery Offices.
- (ix) District Remount Officer, Horse/Mule Breeding Area may, within the limits of his financial powers, transport his office records by other than the cheapest method when this is necessary in the interests of the Service.
- (x) Officers commanding remount depots may sanction the entertainment of casual workmen and farm labourers on lowest daily rates of pay to the extent necessary to carry out duly authorized work in the depots under their charge.
- (xi) An O. C. Supply depot may incur contingent expenditure of all authorized character up to Rs. a month. A C.R.P.A.S.O

may sanction monthly contingent bills up to Rs. 500 provided that no single item exceeds Rs. 500. Expenditure in excess of these amounts requires the sanction of the authority within whose powers of sanction the amount at issue lies.

- (xii) In respect of the Embarkation, Supply Depot, Kiamari, the Embarkation Commandant, Karachi may incur contingent expenditure, of an authorized character up to the monthly limit of Rs. 2,500. Expenditure in excess of this amount re-quires the sanction of the Q.M.G.

Note.- Powers exercisable under the above rule by Commander, 3rd Armored Brigade are subject to review later.

21. Financial powers to be exercised by Heads of Pakistan Missions in foreign countries in respect of expenditure chargeable to Defence Services estimates:- (i) Head of Pakistan Missions in foreign countries will exercise, in consultation with their Financial Advisers (if there is any), the same powers as are laid down in paras 6 to 8 of Appendix 3-A of the Central Government General Financial Rules, Vol. II in respect of contingencies and miscellaneous expenditure relating to the offices, etc., of the Military Attaches Advisers and Defence Stores Procurement Organization attached to them, provided that there are no specific orders to the contrary and provided further that the expenditure can be met from within the sanctioned budget allotment under the relevant head of the Defence Services Estimates of the year in which the expenditure is proposed to be incurred.

(ii) Any modification to the financial powers laid down in the General Financial Rules, referred to in clause (i) above, if and when notified by the Government, will also apply subject to other conditions laid down in the above clause.

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25. Powers of officers of the MGO Services and Ordnance Factories in respect of the entertainment of establishments: - On the condition that the financial officer certifies that budget provision exist to cover the expenditure involved, the entertainment of establishments may be sanctioned as provided below: -

- (i) Officer-in-Charge, Clothing factory, Sialkot;
Chief Superintendent, Pakistan Ordnance Factories, Wah; Chief Inspector or of Armaments,
Chief Inspector of Vehicles and Engineering Equipment; Chief Inspector of Electronics and Instruments;
Chief Inspector of Stores and Clothing

may sanction the entertainment of the following: -

(a) Temporary clerical personnel and Class IV establishments employed in shops and sheds and workmen, including skilled, semi-skilled and unskilled personnel properly so called, and supervisors, examiners, planners, etc., in the lowest grade, to the extent necessary to carry out duly authorized manufacture or inspection work-At the minimum of the prescribed scales of pay for respective categories.

Clerical personnel may also be entertained or transferred within the formation concerned for employment in offices and places other than shops and sheds subject in each case to the prior sanction of the Director of Ordnance Factories and the Controller of Inspection and Technical Development, as the case may be, being obtained. Such sanction will automatically lapse on the 30th June of each year.

The Director of Ordnance Factories and the Controller of Inspection and Technical Development may, when necessary, sanction the entertainment of highly skilled mistries in ordnance and clothing factories and inspection, establishments (including laboratories), respectively, at the minimum of the prescribed scales of pay.

(b) Temporary supervising establishment. -Temporary supervisors, examiners and other supervisory staff, e.g., estimators, planners and rate-fixers of the 'B' Grade which are not covered by (i) (a) above, when necessary, in the interest of efficiency or economy, for periods not exceeding six months in the case of ordnance and clothing factories and one year in the case of inspection establishments-At the minimum of the prescribed scales of pay.

The Director of Ordnance Factories and the Controller of Inspection and Technical Development may, when necessary, sanction the entertainment of such men in the senior grade, and telephone operators, gatekeepers, draughtsman, tracers, photographers, laboratory assistants and other similar technical personnel as required by the exigencies of the service in ordnance and clothing factories and inspection establishments (including laboratories), respectively, for periods not exceeding one year in each case, at the minimum of the prescribed scales of pay.

All temporary supervising establishment serving on the 30th June of an ear (in the case of ordnance and clothing factories only those engaged for more than six months) will be regarded as technically discharged on that date. Their re-engagement as necessary, having regard to the program of manufacture and inspection for the ensuing financial year, shall be arranged for in accordance with these rules.

- (ii) Commandants, Central Ordnance Depots;
Chief Ordnance Officers;
Officers Commanding Ordnance Installations
Officers Commanding Electrical and Mechanical Engineering Workshops; may

sanction the entertainment of temporary establishment as under: -

(a) Workman, i.e., skilled, semi-skilled and unskilled labor properly so called, and gatekeepers, firemen, leader firemen and telephone operators, etc., to the extent necessary to carry out duly authorized manufacture, repair orders or other work in connection with the storage, loading and unloading of stores, etc.—At the minimum of the prescribed scales of pay.

The D. O. S. and the D. E. M. E. may, when necessary, sanction the entertainment of highly skilled mistries and other supervisory staff at the minimum of the prescribed scales of pay.

(b) Men for work of a clerical nature, when necessary, in the interest of efficiency or economy, up to a period of one year in each case-At the minimum of the prescribe scales of pay of lower division clerks and temporary clerks (non-Metric) at the case may be.

All such personnel who may be serving on the 30th June of any year will be regarded as technically discharged on that date. Their re-engagement, as necessary, should be arranged for in accordance with these rates.

(c) Class IV servants, when necessary, in the-interest of efficiency or economy, up to a period of one year-At the minimum of the prescribed scales of pay.

For the purpose of determining what authority shall be competent to sanction the entertainment of temporary establishments under the provisions of this rule, no account shall be taken of the period during which the temporary establishment technically discharged on 30th June has already been employed, in cases where-it is desired to re- employ such establishment for a further period.

26. Certain additional powers assigned to the C-in-C, R.P.A.F:- The Commander -in - Chief, R. P. A. F. is authorized to carry outwork, on payment photography for survey and other purposes, survey of air routes carriage of mails) for Central Government departments and Provincial Governments, subject to the following conditions: -

- (i) The charges to be recovered from Central Government Departments and Provincial Governments on account of such work shall normally be con- fined to the travelling and out of pocket expended, of personnel and the cost of material used, e.g., photographic gear, fuel expended and no charge shall be made on account, of overhead charges for, maintenance of air-craft and. personnel, but in, the cash of Provincial Governments as additional charge to cover the cost of overhauling, single engine and twin-engine aircraft, as the case may be, shall be made. This will be notified from time to time in Air Force Instructions.
- (ii) Material will be charged for in accordance with the rules in the Memorandum of Instructions to the Price Lists of Air Force- Equipment.
- (iii) When the work carried out is in the nature of an experiment of a Central Government department or a Provincial Government the result of which will also benefit the R. P. A. F., half the charges, prescribed or the Central Government department or Provincial Government shall be recovered.

27. Additional powers of officers of the Military Force Department:- Certain special powers exercisable by officers of the Farms Wing of the Pakistan Remount, veterinary and Farms Corps, in respect of local purchase of store are laid down Financial Regulations for the Army and. Air Force, Part II

28. Powers in respect of M. E. S. expenditure:- the financial powers exercisable in respect of M. E. S. expenditure are laid down in M. E. S. Regulations.

29. Powers in respect of pensions: - the powers exercisable in respect of the grant of pensions are laid down in Pensions Regulations and in separate orders issued in respect of Royal Pakistan Air Force.

SECTION 3.-

OBJECTS ON WHICH EXPENDITURE MAY BE SANCTIONED.

30. Subject to the provisions of Section 6 the objects on which expenditure may be sanctioned under [rules 20](#) and [25](#) of these regulations are: -

- (i) Monthly contingent expenditure on account of any workshop, stores depot, hospital, military farm or remount depot.
- (ii) Temporary establishments or labor in excess of fixed scales.
- (iii) Manufacture or issue of special tools and equipment or other articles for experimental purposes or for expediting production.
- (iv) Rewards for information leading to the conviction of incendiaries or for the recovery of stray cattle.
- (v) Rewards for especially prompt and meritorious action in connection with the extinguishing of fires and the saving of life and property from damages arising therefrom.
- (vi) Rewards for information leading to the conviction of personnel accused of bribery and corruption.

Note. - Rewards under clauses (v) and (vi) above not exceeding Rs. 500 in any individual case will be sanctioned by the C. F. A. concerned. Cases, involving payment of rewards exceeding Rs. 500, but not exceeding Rs. 1,000 will be sanctioned by the C.-in-C., Pakistan Army; those involving payment of wards exceeding Rs. 1,000 will be submitted for orders of Government.

Government servants shall also be eligible for the above rewards in respect of acts other than those performed in their official capacity.

- (vii) Rewards for information leading to the prevention of thefts from departments of supply.
- (viii) Expenditure on tests, trials and experiments within the annual apportionments placed at the disposal of the Director of Ordnance Services and the Controller of Inspection and Technical Development, or within the monetary limit fixed for these purposes, without reference to the financial adviser prescribed in [rule 20](#) provided that the prior concurrence of the financial adviser is obtained.

SECTION 4.-THE EXERCISING OF FINANCIAL POWERS.

31. Provision of funds necessary before financial powers can be exercised: - The financial powers conferred on authorities subordinate to the Central Government shall be exercised subject always to the condition that funds can be made available from the sanctioned budget provision, either from the provision made for the purpose, or from the provision made for unforeseen expenditure or by re-appropriation.

32. Powers are personal:- the powers authorized in these regulations are personal and cannot be delegated to any subordinate officer, but see [rule 34](#).

33. When inferior authority cannot sanction a measure in installments:- The limit which has been set in each case extends to each separate sanction. The criterion in any case is the total Cost of a measure and no measure which requires the sanction of superior authority shall be sanctioned by an inferior authority in installments,

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

(b) On the strict understanding that the sole responsibility rests on him, an officer possessing financial powers may authorize a subordinate officer to sign communications and documents of a financial character on his behalf, provided that the name of the officer who is authorized to sign is communicated to the audit officer concerned. In such cases it shall not be necessary for the officer possessing financial powers himself to sanction each item personally. This applies also in the case of special powers exercisable by competent authorities under the rules in Section 5 of Chapter III.

(c) Provided that the above conditions are observed, claims for minor allowances which should ordinarily be countersigned by commander, Division, may be counter signed "for commander, Division" by a Brigade or Sub-Area commander or a staff officer empowered to sign for him.

(d) When an officer possessing financial powers is absent on casual leave, financial responsibility will rest on the officer performing his duties who will, for the time being, exercise the full powers of the absentee.

(e) When an officer possessing financial powers is absent on tour, he may permit another officer to sign letters on his behalf. An audit officer will accept the subordinate officer's signature as implying that the orders have been approved by the superior officer, provided that the signing officer signs "for absent on tour".

35. Manner of exercising financial powers:- (i) Whenever a competent financial authority desires to re-appropriate savings in order to meet expenditure which he is competent to sanction under these rules, he shall, if the amount exceeds Rs. 500, forward P. A. F. A-497 to the controller of accounts for report. If the controller of accounts reports that funds can be made available by re-appropriation, orders of the authority competent to sanction the re-appropriation will be obtained for incurring the expenditure proposed. If the controller of accounts reports that funds cannot be made available by re-appropriation, the expenditure shall not be incurred without the previous sanction of the Governor-General; in case of urgent necessity, however, the competent financial authority may incur the expenditure and report his action with a full explanation of his reasons to the Governor-General.

(ii) If the amount which it is desired to re-appropriate does not exceed Rs. 500 and if the controller of accounts has not already reported that no savings are available, the expenditure may be incurred without reference to the controller of accounts on the question of re-appropriation, notwithstanding the provisions of [rule 31](#).

(iii) If objection is taken in audit to any item of expenditure sanctioned by the competent financial authority in exercise of the powers conferred by these rules, and the objection is not withdrawn as the result of any representation or explanation made

by the competent financial authority to the controller of accounts, it shall be incumbent on the former to report the transaction to the next higher financial authority for orders. The report will be submitted through the controller of accounts who shall state fully the grounds of his objection.

36. Controllers of Military and Air Forces Accounts function as financial advisers to commanders:- Controllers of Military and Air-Forces Accounts are invested with the duty of affording financial advice to commanders and their staff and executive officers, and the fullest use shall be made of the assistance of the controllers in investigating all branches of expenditure with a view to restricting expenditure as far as possible consistent with efficiency.

37. Sanctions to be communicated to Controllers of Accounts:- All sanctions given by competent financial authority in exercise of the powers conferred by these rules shall be communicated to the controller of accounts affected.

38. Sanction-becomes non-effective when not acted on for one year:- A sanction for any fresh expenditure which has not been acted on for a year lapse unless it is specifically renewed, except in the case of-

(a) an allowance, sanctioned for an appointment or a class of officers, not drawn by a particular incumbent of the appointment or by a particular set of officers;

(b) additions made gradually from year to year to a permanent establishment under a general scheme;

(c) an approved M. E. S. work. Fresh sanction is necessary, however, if work is not commenced within 5 years of the date of administrative approval.

39.

SECTION 5.- POWERS TO SANCTION EXPENDITURE NOT PRECISELY COVERED BY RULE.

40. General:-A Divisional, Brigade or Sub Area Commander, a Commander R. P. A., a Commander Army Group R. P. A., the Comdr. 3rd Armed. Brigade or the C-in- C, R. P. A. F., or O. C. No. 1 Group, R. P. A. F., may, at his discretion, sanction, up to the limit of powers conferred on him by [rule 20](#), non-recurring expenditure not falling within categories enumerated in [rule 30](#) and not provided for at all by existing regulations, or not precisely or adequately covered by existing regulations, subject to the condition that the expenditure must be a reasonable charge against Defence Services funds which, in his opinion, is likely to receive the sanction of Government if referred to them.

Certain special powers exercisable in respect of travelling allowance claims, stores and petty items of recurring expenditure, are provided for in [rules 41, 42 and 43](#).

Note.- Powers exercisable under the above role by Commander. 3rd Armored Brigade are subject to review later,

41. Powers to dispose of travelling allowance claims of a petty nature:- Competent authorities, as defined in Passage Regulations may sanction, in consultation with their financial advisers, travelling claims, including use of warrants and conveyance of stores on credit notes for amounts not exceeding rupees one hundred in any case, which in their opinion would ordinarily be sanctioned by the Governor-General.

The above powers shall not be exercised in the following cases: -

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

Note.- The monetary limits prescribed in this rule should not be taken as applying to the total amount of T. A. claims, etc., in question, but to such portion of the claims as would otherwise have been submitted to Government for sanction had delegation of power not been made.

42. Powers to authorize the issue of stores in exceptional cases:- A Divisional, Brigade or Sub-Area Commander; a Commander R. P. A.; a Commander Army Group, R. P. A.; the Commander, 3rd Armed. Brigade and the C-in-C., Royal Pakistan Air Force, may, up to the limits specified below in each case, sanction the issue of stores or regularize previous issues of stores, in cases where issues are either not provided for at all in the regulations or where, in the opinion of the sanctioning authority insufficient provision is made in existing scales or rules, having regard to the special circumstances attaching to each.

Divisional Commander; Commander, 3rd Armored Brigade and C-in-C, R. P. A. F.	Rs. 500
Brigade or Sub-Area Commander; Commander R. P. A.; Commander Army Group, R. P. A.	Rs. 250

The exercise of the powers is subject only to the conditions laid down in [rule 40](#) and to the further conditions that -

- (i) the case is one that is unlikely-to recur frequently and
- (ii) the financial adviser concerned records his concurrence in the action proposed.

Under this rule, issues made in error and over issue from whatever cause, may also be regularized by the above authorities subject to the financial limits mentioned.

Note.- Powers exercisable under the above rule by commander 3rd Armored Brigade are subject to review later.

43. Powers in respect of petty items of recurring expenditure:- A Divisional, Brigade or Sub-Area commander, a Commander R. P. A., a Commander A.G.R.P.A., or the Commander 3rd Armd. Brigade may, in accordance with the general provisions of these rules sanction petty items of recurring expenditure up to an aggregate annual limit of Rs. 2000 and in any individual case up to a limit of -Rs. 200

per annum, subject to the further condition that expenditure is sanctioned on subjects covered by these rules. (See also [rule 48](#)).

Note.- Powers exercisable under the above rule by Commander, 3rd Armored Brigade are subject to review later.

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SECTION 6.-UNAUTHORIZED EXPENDITURE AND ABANDONMENT OF REVENUE.

48. Classes of expenditure that may not be sanctioned:- No sanction may be given by an officer possessing financial powers under these rules which will involve expenditure from the budget grant of any future year, except as separately provided for in Regulations for the M.E.S. and in respect of-

temporary establishments or labour in excess of fixed scales, workmen and temporary establishments or labour referred to in [rule 25](#).

Nothing in these rules shall be held to authorise an officer possessing financial powers to sanction the entertainment of temporary establishments or labor in excess of fixed scale -

- (a) to sanction a temporary increase to the clerical establishment of his own office or that of any member of his staff. Such temporary - increases require the sanction of the next higher competent: financial authority;
- (b) to sanction temporary establishment, required for more than six months (except as provided for in the Regulations for the M. E. S. and in [rule 25](#) of these Regulations). This requires the sanction of the next higher competent financial authority but the entertainment of temporary establishment for a period of more than two years or the creation of a temporary post on more than Rs. 250 per. mention requires the sanction of the Governor General.

Further, nothing in these rules shall be held to authorize an officer to: -

- (c) sanction expenditure in excess of fixed annual allotments.
- (d) sanction expenditure which is liable to establish a new rule or practice involving further expenditure in the future. e.g., admit unauthorized persons to treatment in a military hospital, transfer an office from the plains to the hills,
- (e) sanction a pension in excess of the amount admissible under rule,
- (f) sanction an advance or loan not authorized by rule,
- (g) authorize the payment to Government servants of any remuneration or allowance to which they are not entitled under ordinary rules,
- (h) sanction the provision of new kinds and patterns of furniture.

49. Proposals involving abandonment of revenue and expenditure not provided for in estimates:- No order involving abandonment of revenue for which credit has been taken in the budget shall be issued and no expenditure which has not been provided for in the budget or, if provided in the budget, has not been duly sanctioned, shall be authorized without the concurrence of the financial adviser concerned.

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SECTION 7.-CONTROL OF EXPENDITURE.

52. Control and regulation of expenditure by the Ministry of Defence:- (i) The Ministry of Defence jointly with the Ministry of Finance (Mill.) is responsible for the sufficiency and moderation of the estimates and for securing that expenditure shall not proceed at a rate unwarranted by the sanctioned estimates. The responsibility of the Ministry of Defence in regard to framing the estimates is exercised mainly through the heads of Departments or Services subordinate to it whose duty it to scrutinize and, where necessary, amend before transmission to the Financial Adviser their departmental estimates and to exercise a like function in regard to other estimates with which they are required to deal. It is similarly through the heads of Depts. and Services that the Ministry of Defence more directly watches and controls expenditure against budget provision.

(ii) If it should appear that the total sanctioned provision (modified to date) under any defence expenditure head is likely to be exceeded, prompt information shall be given to the Financial Adviser and application shall be made for a further appropriation to meet the probable excess. It is the duty of the Ministry of Defence to keep itself informed of the expenditure actually or likely to be incurred and to communicate to the Financial Adviser any circumstances tending to material modifications in the forecast or regular estimate of probable expenditure and cash requirements.

(iii) The information contained in the civil account of the Government of Pakistan published by the Accountant General, Pakistan Revenues, monthly which shows the outgoings from civil treasuries will be applied to test the accuracy of the defence estimates and accounts for the corresponding period.

(iv) The principles upon which the control, internal audit and account of defence expenditure are conducted, are a minute scrutiny of the estimates, a careful examination of all demands for money or stores before supply, a strict control over the application of funds and stores to the Services for which they are supplied, a concurrent check and internal audit of the account of such expenditure when rendered.

(v) To ensure the correct appropriation of money and stores, definite limits are previously assigned to the aggregate as well as to the details of defence expenditure. The duty of enforcing these limits rests with (a) controlling authorities (b) controlling, and lastly with (c) Ministry of Defence.

53. Control by authorities other than Ministry of Defence:- The authorities enumerated in columns 3, 4 and 5 of Appendix I are responsible for exercising an effective and continuous control over the expenditure under the heads in their control (as shown in columns I and 2 of Appendix against them), as compared with the budget provision.

54. Procedure to be followed for exercising budgetary control over Defence expenditure:- Expenditure for which provision is made in the Defence Services budget estimates falls broadly under the following categories: -

- (i) Pay and allowances of the Armed Forces, administrative services, etc. (excluding payments to temporary labor)
- (ii) Payments to temporary labor employed in stores depots and factories, etc.
- (iii) Miscellaneous expenses.
- (iv) Payments for stores.
- (v) Transportation charges.
- (vi) Works expenditure.
- (vii) Non-effective expenditure.

Expenditure falling into category (i) represents for the most part obligatory charges dependent upon the strength and composition of the Armed Forces. These factors are controlled by policy decisions of the Government of Pakistan. Subordinate authorities will not exercise any control over this category of expenditure. Non-effective charges-category (vii)-represent unavoidable commitments which are not susceptible to control against budget allotment by local authorities and no distribution will be made of the total provision for this class of expenditure either. The following are the aspects of expenditure falling into categories (ii) to (v) which are susceptible to control against budget provision: -

- (i) Initial distribution of budget grants.
- (ii) Watching expenditure against allotments and redistribution of allotments.
- (iii) Re-appropriations.

(a) Initial distribution of budget grants. -The ultimate responsibility for seeing that expenditure does not exceed the corresponding budget allotment rests on the head of a Branch of G. H. Q. or on the C-in-C, R.P.A.F., as the case may be. This responsibility is undertaken on his behalf by the Director or other officer of corresponding status who directly administers the relative activities concerned. These officers will make allotments of amounts under their respective control to intermediate controlling authorities who in turn will make allotments to primary controlling authorities as shown in Appendix I. To meet any unforeseen calls from formations, Directors, etc. will keep back a certain amount as a reserve which may be about one fourth of the total in each particular case, the actual amount being settled in consultation with, their Deputy/Assistant Financial Adviser concerned. Lower authorities will decide whether they should also hold in reserve portion of the allotments placed at their disposal.

All communications of allotments from Armed Forces HQ will issue with the concurrence of the respective D.F.A./A. F. A. and will be endorsed to the M.A.G. and Controllers of Mill. Accts. Sub allotments by lower formation HQ will also be notified to Controllers of Mill. Accounts. Watching expenditure against allotments. The authorities to whom allotments are made will watch progress - of expenditure and ensure that it does not exceed allotment. To achieve this object the primary controlling authorities will maintain a complete record of disbursements and commitments against-allotments in-the form prescribed in Appendix II M.A.G. will render moat statements fir respect of static units only showing the amount compiled in accounts against allotment.

When actual disclose any tendency to excessive expenditure, primary controlling authorities will take steps to regulate expenditure so as to keep within the grant. Where it may not be possible to restrict expenditure within allotment a report- asking for supplementary allotment will be submitted, with full reasons, to the next higher authority. The latter authority will sanction the additional grant asked for from the reserve held by him or from surrenders reported to him. Where no reserves are held or no surrenders received, he will refer the case to the central controlling authority, who will take all further action for making additional allotment and procurement of funds in consultation with his financial adviser. On the other hand, if savings are anticipated the primary controlling authority will report the fact to the next higher authority giving reasons for surrender and stating the amount surrendered. The surrender of excess allotments at the earliest possible date is very important since it Will enable the excess to be diverted to meet shortages in the grants under other heads.

Appropriate entries will be made in the budget allotments register (Appx: II) regarding supplementary allotments or surrenders.

The intermediate controlling authority will keep a constant watch on the progress of expenditure as shown in the monthly statement received from the Account's office and will-

- (a) draw the attention of the primary controlling authority concerned to any indication derived from his scrutiny or from his knowledge of future developments, of either a danger of overspending a particular allotment. or excessive allotment under any head, and
- (b) will also review the position of his allotments every month with the object of deciding whether any sums can be surrendered from his reserves and will notify all surrenders to central controlling authority.

If, on the other hand. his reserve under any particular control heads is exhausted- and he has not been able to meet demands for supplementary allotments under that head to the extent accepted by him he may either re-appropriate funds from his reserve under another control head, if this is permissible under [rule 56](#), or, failing that, submit an application giving full particulars and reasons the necessary supplementary allotment. All surrenders and supplementary allotments, whether resulting from re-appropriations or otherwise, will be duly entered in his budget allotments register. Re-appropriation's will be reported monthly, to the Armed Forces Headquarters controlling authority concerned. The central controlling authority will also review the position every month on the basis of actual: expenditure reported M.A.G. intermediate controlling authority and such other factors as might be known to them. Where additional allotment is asked for, they will do so either from the reserve held by them or from the surrenders reported to them. If these sources are exhausted, additional allotments will be made by Armed Forces Headquarters; after obtaining proper sanction.

SECTION 8- ESTIMATES AND REAPPROPRIATIONS.

56. Re-appropriation of funds:- (a) Powers of re-appropriation will be exercised only by the Government of Pakistan and by officers of-

- (i) Armed Forces Headquarters.
- (ii) Div. Headquarters/L of C sub-Area/Group Headquarters.

(b) The Ministry of Defence may, with the concurrence of the Financial Adviser, Military Finance, re-appropriation savings under any head of the Defence Services effective and non-effective estimates major heads 58 and 59, as the case may be to meet expenditure under any other heads.

(c) In the case of direct controlling officers of the Headquarters mentioned in clause (a) above, re-appropriations will be permissible only between control heads falling under the same sub-head.

(d) The powers of re-appropriation between different sub-head falling under the same main head will be confined to P. S.O.s except in the case of Military engineer services for which see Regulations for the M. E. S.

(e) Re-appropriations between different main heads or between different sub-heads in cases in which more than one P.S.O is concerned will be made by the Ministry of Defence.

(f) All re-appropriations will be formally sanctioned as indicated below: -

Sanctioning Authority	Form of sanction
(i) Controlling Officer of Divs. or L of C Sub Area/Group H. Q	P. A. F. A. 786 or P. A. F. A. 1832 suitably modified a copy of which will be forwarded to the controlling officer concerned at Armed Forces Headquarters. Monthly consolidated re-appropriation statement in P. A. F. A. 786 suitably modified which will also incorporate all re-appropriation for the month of ported authorities as indicated against (i) above. Branch memo. endorsed to the D.F.A./A.F.A. concerned and A.F.A (B) Office memo endorsed to the Ministry of Finance (Mill).
(ii) Officer of Armed Forces H. Q. exercising direct control.	
(iii) P. S. O.	
(iv) Govt. of Pakistan, Ministry of Defence.	

All re-appropriations and additional appropriations will be intimated to the Financial Adviser and the Controllers of Mill. or Air Force Accounts concerned.

(g) No re-appropriation is necessary to transfer funds under the same control head between Divs., L. of C. Sub Areas Institutions, Depots etc. Such transfers will be effected by first withdrawing savings surrendered by one Div. etc. and then re-allotting as required.

(h) In regard to expenditure on new measures sanctioned in the course of the year, re-appropriation will be carried under the sub or minor head under which the expenditure will be compiled. When funds are allotted from the commander chief Pakistan Army special grant of Rs. 25,000 or from the C-in-C R. P. A. grant of Rs 25,000 for unforeseen expenditure to meet expenditure on new measures re-appropriation need to be carried out.

(i) The controlling 'authorities' shown in clause (a) (ii) above may, with the concurrence of the Controllers of Mill. - Accounts concerned, re-appropriate savings under one detailed head to meet authorized expenditure under another detailed need under their control of the same minor head within their respective areas. Re- appropriation statements will be submitted monthly - to the central

controlling authorities concerned as laid down in clause (f) above. The central authorities will also review the position every month on the basis of actual expenditure reported by M.A.G./ intermediate controlling authority and such other factors as may be known to them. Where additional allotment is asked for, they will do so either from the reserves held by them or from the surrenders reported to them. If either of these sources are Exhausted additional allotments will be made only after obtaining proper sanction.

(j) The controlling authorities at Armed Forces HQ will take into consideration excesses and savings reported by the local authorities in framing their periodical estimates such as the preliminary report, preliminary revised and revised estimates for the sub or minor head as a whole. Estimates of expenditure except in regard to locally controlled heads included in the preliminary revised estimates and the revised estimates should not be viewed as sanctioned appropriations for the purposes of control of expenditure.

(k) Transfers between Divs. etc. may be sanctioned by the controlling authority at Armed Forces H.Q. with the concurrence of Financial Adviser, Military Finance.

(l) The sanction of the Governor-General is required to any re-appropriation which affect the following: -

- (i) Savings due to non-expenditure of provision for a specific measure.
- (ii) An error in estimates.
- (iii) Credits in the nature of "windfall" which have not been anticipated in the budget.
- (iv) Re-appropriations to meet expenditure on any new activity.

57. Re-appropriation statements:- The following procedure shall be observed with regard to the submission to re-appropriation statements: -

- (a) Application to Ministry of Defence. Except when the expenditure has been incurred and sanction is needed to cover it, re-appropriation statements (P. A. F. A.-786 or P.A.F.W.-1832) will not be submitted till the necessity for the expenditure has been accepted nor will they be required if it be certified that the expenditure can be met from the allotments under the head to which it is chargeable, or for any sum under Rs. 500.
- (b) Applications to competent financial authority referred to in [rule 20](#).-When the amount exceeds Rs. 500, in accordance with the procedure laid down in [rule 35](#).

58. Estimates for fresh expenditure:- Every application for sanction to fresh expenditure shall be accompanied by a clear estimate of its financial effect. The authority with whom the proposal originates shall frame the estimate as accurately as possible and shall

for its scope and for furnishing, the controller of accounts concerned with such data as will enable the latter to check it. If, in the opinion of the controller of accounts, the estimate is defective, he shall call upon the initiating authority for such further information as will enable him to place before the sanctioning authority a trustworthy estimate of the cost involved. Officers cannot call upon the Military Accounts Department to furnish statistics which are available in their own offices or which necessitate the recompilation of accounts.

59. Submission of application through controller:- Proposals which require the sanction of the Governor-General shall be submitted through the controller of military or air forces accounts concerned for his report. All proposals affecting the following year's estimates should be put forward as soon as the need for them becomes apparent and in sufficient time to admit of their being considered and decided before the estimates are closes; except in urgent cases, they must reach the Government of Pakistan by the 15th November.

An application for the renewal of sanction to a temporary establishment shall be made in time to admit of orders being passed by the authority competent to sanction its retention before the existing sanction expires.

60. Certain lump sums are provided in the budget estimates for works expenditure see item (vi) of [rule 54](#) the distribution of which can only be carried out as and when the objects to which the money is to be devoted have been decided by the competent authorities concerned. When a decision has been reached to apply any portion of this sum for the prosecution of a particular new work or measure orders be issued by the Ministry of Defence sanctioning the allotment and indicating its distribution by control heads. This memorandum will constitute the authority for their re-appropriation of the amount allotted to the new work or measure concerned. Similarly, the sanction of competent authority for the utilization for specified purposes of lump sums provided for small measures will constitute the authority for re-appropriation to the control heads concerned.

No re-appropriation or diversion to other objects of savings out of allotments for specific new works or measures will be permissible except with the express approval of the authority sanctioning the original allotments nor will such allotments be supplemented by savings arising under other allotments.

SECTION 9.-SPECIAL DEFENCE EXPENDITURE.

61.

62. Estimates of fresh expenditure due to operations:- When operations or important special services involving the expenditure of large sums take place, the Ministry of Defence shall at once report the fact to the Financial Adviser together with a forecast of the probable duration of the operations; and shall supply that authority as promptly as possible with a scheme giving in detail the composition and strength of the force, the conditions of service and concessions applicable to troop:, non-combatants and followers to be employed, and such other particulars as may be necessary. Copies of this scheme as soon as it has received the sanction of Government shall be furnished by the Ministry of Defence to the Financial Adviser,

Military Finance, for communication to all controllers of accounts and it will form the recognised basis of estimate and audit by the Ministry of Finance and its officers. All subsequent changes which may materially affect expenditure shall promptly be communicated to the Financial Adviser and the controllers and others concerned. The Financial Adviser shall, provide ways and means and shall see that the sanctioned appropriations are not exceeded.

It is to be clearly understood in questions of this nature that the primary responsibility for expenditure on field operations and similar services rests with the military and air force authorities. It is for them to see that the most economy is observed in expenditure in the field, at the base, and in the supplies necessary for the requirements of the forces concerned.

Subject to the above considerations, the general rules in these regulations as to the exercise of financial powers during peace apply equally during war or when special operations are undertaken.

63. Financial powers of certain authorities during war or when special operations are ordered:- (a) On general or partial mobilization being ordered or on occasions when operations are conducted under the Special procedure Pamphlet, and thereafter for so long as the operations

		Rs.
	continue, financial powers as under may be exercised by the officers mentioned: -	
(i)	D. R. V. & F. in respect of Farms only	10,000
(ii)	D. O. F.; D. R. V. & F. in respect of Remounts; D. G. M. S (For Medical Stores Depots/Army Medical Stores).	5,000
(iii)	C. I. T. D.; D. O. S	2,500
(iv)	Superintendent Ordnance Factory; Officer In charge, Ordnance Clothing Factory; Embarkation Commandant, Karachi.	2,000
(v)	D.D.O.S. (Stores) at G.H.Q.; Commandants/Chief Ordnance officers, Lt. Col. i/e ordnance Installations; Vehicles and Engineering Equipment; O. C. Medical Stores Depot/Army Medical Stores; O.C Central/Combined Workshop, P.E.M.E.	1,000
(vi)	A.D.R.V. & F. (Farms Wing)	800
(vii)	Chief Inspector of Stores and Clothing; Chief Ordnance Officers Major i/e Ordnance Installations.	500
(viii)	Commandant, R.P.A.S.C. Centre & Records; C.R.P.A.S.C., Divisions/Rawalpindi L of C. Sub-Area; Commandant Signal Training Centre; Commandant P.A.M.C. School Centre & Records; Cs. P.A.O.C. and D.A.D.O.s. O.S. at Formation H.Q: Cs. P.E.M. E./D. A. D E. M. E.; O. C. Infantry/Armd Bgd. Workshop Coy. P.E.M.E.; Commandant, R.P.E. Centre; O.C. Remount Depot; Commandant, R.P.A. Centre.	400
(ix)	O.C. Supply Depot; O.C. Light Aid Detachment P.E.M.E.; O.C. Transport Coy. Workshop Section P.E.M.E.; O.C. Heavy/Light AA Workshop P.E.M.E.	200

(b) The under mentioned officers shall be competent to sanction local purchases of stores up to the limits of the amounts shown against their names above, for aux one article or any number of similar articles purchased at the same time

Superintendent, Ordnance Factory.

Officer In charge Ordnance Clothing Factory.

D. D. O. S. (Stores) at G.H.Q.

Commandants/Chief Ordnance Officers i/c Ordnance Installations. Chief Inspectors of Armaments, Vehicles and Engineering Equipment, Electronics and Instruments, and Stores and Clothing &

Cs. P. A O.C. and D.A.D.O.S. at Formation Headquarters:

Cs. P.E.M.E., D.A.Ds., E.M.E., O.C., Central/Combined Workshop P.E.M.E., O.C. Tpt. Coy. Workshop. Section, P.E.M.E, O.C. Light/Heavy AA Work-shop, P.E.M.E., O.C. Infantry Workshop, P.E.M.E.

(c) The under mentioned officers will similarly exercise powers but to the extent of Rs. 50 only: -

Commandant, R.P.A.S.C. Centre & Records; Commandant, P.A.M.C School, Centre & Records; Commandant, Signal Training Centre; Commandant, R.P.E. Centre; Commandant, R.P.A. Centre.

The services of the D.G.S. & D. shall be utilized to the full I practicable extent for the stores which. he can purchase. Local purchase should be resorted to only, in an emergency.

64. Financial powers of a commander in the field in respect of losses of public money:- In cases of loss of public money on field service or during operations conducted under the Special Procedure Pamphlet, the following power are granted to the commander of a field force: -

	Rs
(a) Cash lost, fraud suspected or gross, carelessness	Nil
(b) Loss of cash by theft or, arson, proved or presumptive	300
(c) Cash lost otherwise than by, the fraud, o gross carelessness including over-issues through an excusable misunderstanding of regulations or when the recovery would entail considerable hardship or present special default (Over-issues in kind to individuals will be treated in the same way as over issue in cash)	1,500
(d) Debtor balance on non-effective soldiers' accounts	150

65.

66.

CHAPTER IV.
POWERS EXERCISABLE UNDER CIVIL RULES.

67. Powers exercisable under Civil Service Regulations: - The officers mentioned below exercise the powers or part of the powers of a local Government under the Civil Service Regulations to the extent shown: -

Officers	Powers
C-in-C Army Commander Division Commander Brigade or Sub Area Commander R. P. A Commander Army Group R. P. A A. G Q. M. G. M. G. O C-in-C. R. P. A. F. D. O. F. D. O. S. D. E. M. E C. I. T. D	<p>Full powers of a local government, except under Chapter XXXVIII, in respect of individuals under their orders (excluding the personnel of the M.E.S. and those employed at General or Air Head-quarters) who are not appointed directly by the Government of Pakistan provided that where, in the Civil Service Regulations, powers are conferred on Provincial Governments only, such powers can be exercised only by the Governor General.</p>
E-in-C	<p>Full powers of a local Government (except those under Chapter XXXVIII and Article 361-A, C. S. R., which shall be exercised by the Governor General only) in respect of individuals under his orders (excluding regular General Headquarters staff), who are not appointed directly by the Government of Pakistan, provided that where in the C. S. R., powers are conferred on Provincial Governments only, such powers shall be exercised by the Governor General.</p> <p>As no subordinate authorities under the administrative control of E-in-C have so far been recognised as heads of departments under the C.S.R., powers under Article 89, 147, 177, 178(b), 253, 254, 321, 514 (a), 520 (iii) and 763, <i>ibid</i>, will not be re-delegated.</p>
C. A. O.	<p>Powers under Chapters V and VI and Art-459. C.S.R. in respect of non-gazetted subordinates employed in G.H.Q., Air H.Q. and C.A. O's office.</p>
M. A. G.	<p>Powers under Art. 459, in respect of non-gazetted subordinates employed in establishments under his control.</p>

CHAPTER V
LOSSES, WASTAGE AND DAMAGE TO PUBLIC PROPERTY- PROCEDURE
AND POWERS TO WRITE-OFF.

SECTION 1.-GENERAL CONDITIONS TO BE OBSERVED.

70. General conditions to be observed:- (a) All losses, whether of public money or of stores, shall be subjected to a preliminary investigation by the officer in whose charge they were, to fix the cause of the loss and the amount involved. For the purpose of the procedure to be followed thereafter losses are classified as under: -

- (i) losses of stores,
- (ii) losses of public money.

(b) When an investigation into a case of loss due to theft, fraud or neglect discloses a defect of system and when irrecoverable debts of units are attributable to that cause, a report shall be made to the Government of Pakistan through the usual channels and the controller of accounts concerned together with a recommendation for rectifying the defect. Petty defalcations or petty thefts need not be reported.

(c) The monetary limits of sanction specified refer to each separate case of loss and it shall not be permissible to sub-divide a case of loss with the object of bringing the amount within the financial power; of the authority dealing with it (see also [rule 33](#)).

(d) In regard to courts of enquiry sec R. A. I. Instruction 444-A. If an audit Officer is not satisfied with the composition of a court of enquiry, the matter will be brought to the notice of the Divisional/3rd Armored Brigade/Sub-Area commander.

SECTION 2.-LOSSES OF STORES.

71. General:- The value of such losses shall be checked by the audit authorities before action is taken for their regularization. This check shall normally be exercised by the unit accountant or the depot accountant where one is available other cases, the loss statements shall be referred either to the controller or the local audit officer according to standing orders issued by the controller for this purpose. Losses of stores are classified as under: -

- (a) Losses of stores in base, and station supply depots.
- (b) Losses of stores in all other cases.

72. Losses of stores in Base, and Station Supply Depots:-

A. **Procedure:-** The procedure for dealing with these he shall be as follows: -

When stores are lost, destroyed, found to be defacement through wastage or otherwise, or damaged by fire or otherwise, the stroke per concerned shall personally be responsible that an immediate report is lodge to the officer commanding the supply depot through the usual service channel. The latter shall investigate the cause of the loss, the amount involves and the circumstances of the case. He shall also report the occurrence to the officer commanding the station. The officer commanding the station shall himself carry out an investment or assemble a board of officer for the purpose if he considers it necessary.

The results of this investigation shall be communicated to the competent financial authority through the usual channels for further action as laid down in clauses (i) and

(ii) below: -

(i) if the investigation shows that the loss is not due to theft, fraud or neglect, it shall be written off by the competent financial authority in consultation with his financial adviser;

(ii) if it is decided that the loss is due to theft, fraud or neglect, the competent financial authority shall in consultation with his financial adviser take action as under according to the circumstances of the case: -

(a) If the persons responsible are not Government servants-

He may write off the entire loss for reasons to be recorded in writing. He may allow, but cannot compel, the individual or individuals concerned to make good the loss in whole or in part. If the loss is made good in part, he may sanction the write off of the balance for reasons to be recorded in writing.

He may institute legal proceedings against the persons responsible in a court of law with the sanction of the competent authority and in accordance with the Procedure laid down in R.A.I. Rules, [Chapter VIII](#).

(b) *If the persons responsible are civilian Government servants-*

He may write off the entire loss for reasons to be recorded in writing.

He may allow, but cannot compel, the individual or individuals concerned to make good the loss in whole or in part. If the loss is made good in part, he may sanction the write off of the balance for reasons to be recorded in writing.

He may take departmental action against the individuals responsible or in cases where such action requires the orders of a higher authority, submit the case for orders together with his recommendation.

He may institute legal proceedings against the persons responsible in a court of law with the sanction of the competent authority and in accordance with the procedure laid down in R.A.I. Rules, [Chapter VIII](#).

(c) If the persons responsible are subject to military law.

He may write off the entire loss for reasons to be recorded in writing.

He may allow, but cannot compel, the individual or individuals concerned to make good the loss in whole or in part. If the loss is made good in part, he may sanction write off of the balance for reasons to be recorded in writing.

He may initiate appropriate action to effect recovery in whole or in part from the pay of the individual or individuals responsible, either as penal deductions under the Indian Army Act, or, in so far as the Royal Pakistan Air Force is concerned, stoppages under the Indian Air Force Act. He may take disciplinary action against the individual or individuals responsible, or, in cases where such action

requires the orders of a higher authority may submit such cases for orders together with his recommendations.

Any one or more of the above courses of action may, at the discretion of the competent authority, be taken against the persons responsible.

B. Powers to write-off: - The financial powers of officers in respect of losses referred to in this rule shall be as shown below:-

Officer	Losses not due to theft fraud or neglect	Losses due to theft fraud or neglect
1. O. C. Station Supply Depot; O.C. 216 petroleum Control Platoon, R.P.A.S.C Type 'A'; O.C. Petroleum Depot (G.H.Q. Installation).	Rs. 25	Rs. Nil
2. O.C. H. Q. Supply Coy	100	Nil
3. C.R.P.A.S.C. Division/Rawalpindi L of C.	1000	Nil
4. Commander, Brigade or Sub-Area	200	200 in respect of Supply Depots over which administrative control is exercised by Brigade or Sub-Area Commander
5. Commander Division; 3rd Armored Brigade	5000	1000

Note:- Powers exercisable under the above rule by commander, 3rd Armored Brigade are subject to review later.

73. Losses of stores in- all other cases. -A. Procedure. -These losses shall be investigated by the superior officer of the individual immediately in charge of the stores lost. If his investigation shows that the loss is not due to theft, fraud or neglect he shall submit the case to the competent financial authority. If his investigation shows that the loss is due to theft, fraud or neglect he shall submit the case to the brigade/ sub-area commander, the Commander R. P.A., the Commander Army Group, R. P. A. or the C.-in-C., R. P. A. F., or to the prescribed authority in the case of Departments-see [rule 77](#) and note below. This authority shall arrange for the assembly of a court of enquiry to investigate the reported loss unless the loss involved is Rs. 500 or less in which case the holding of a court of enquiry may, at its discretion, be dispensed with. In the case of ordnance store damaged or rendered unserviceable through supposed neglect he part of a unit, the court shall be constituted as laid down in. The case shall then be submitted to the competent financial authority. The competent financial authority shall, in consultation with his financial adviser, take action as laid down in [rule 72](#).

Note:- In the case of Military Lands and Cantonments Department, the D.M.L. and C. is the prescribed authority.

Officer	Losses not due to theft fraud or neglect	Losses due to theft fraud or neglect
(a) Units and Formation other than those detailed in clauses	Rs	Rs
1. O.C. Unit a Training Coy..... a Reserve Centre, Senior Executive Medical Officer of a station commandant K.G.R.P.M. College, all Reciting Officers.	20	Nil
2. O.C. Central very stores depot	100	Nil
3. O.C. Station Commandant R.P.A. Centre; Commandant R.P.A. School; of Sign is; Commandant, Command and Staff College; Commandant, P.M.A.; Commandant, Infantry School; Commandant Army School of Physical Training; Commandant, Army School of Education; Commandant Army School of Administration	200	Nil
4. Commander Brigade or Sub-Area, commander R.P.A./Commander Army Group R.P.A.	2500	500
5. Commander Division Commander 3rd Armored	5000	1000
"The Financial powers vested in an officer commanding a training company will only be exercise in cases where the training company is detached from the parent unit. "		
1. C.R.P.E., C.M.E.S. O.C. engineer at Store depots Karachi and Lahore	20	Nil
2. Commander Brigade	500	500
3. E-in-C in respect of M.E.S. formations directly under his control	2,500	500
4. Commander Division: Commander 3rd Armd. Bde.	5,000	1,000
<i>Note: As regards losses attendant on disposal or stores and manufacturing operations is the M.E.S. tale B of the Regulations for the M.E.S.</i>		
(c) ordnance and Clothing Factories		
1. Superintendent, Ordnance Factory; Officer in-charge, Ordnance Clothing Factory.	400	Nil
2. Chief Superintendent, Ordnance Factories, Wah	1,000	250
3. D.O.F.	2,500	500
(d) Inspectorates of Electronics and Inst..... and		
1. Chief Inspectors	400	Nil
2. C.I.T.D.	2,500	500
3. M.G.O	5,000	1,000
The following MES formation are directly under the control of E-in-C:-		
(1) E.S.Ds. Karachi and Lahore.		
(2) E.S.S..Ds- Jhelum and Harbinspura		
(3) Engineer stores parks.		
(4) Officer-in-charge, E-in-C's T.P. Westridge Hangant		

Officer	Losses not due to theft fraud or neglect Rs	Losses due to theft fraud or neglect Rs
<i>(c) Ordnance Installations.</i>		
1. Chief Ordnance Officers (Major) i/c Ordnance Installations Commandant, P.A.O.C. Training Centre.	200	Nil
2. Commandants/Chief Ordnance Officers (Lt. Col) i/c, Ordnance Installations.	400	Nil
3. D.O.S.	2,500	500
4. M.G.O.	5,000	1,000
<i>(f) P.E.M.E. Installations.</i>		
1. O.C. Station Workshop holding the rank of Major or below	100	Nil
2. O.C. Station Workshop holding the rank of Lt-Col.; O.C. Central/Combined Workshop P.E.M.E.; Commandant, P.E.M.E. Regimental Centre and Records.	200	Nil
3. D.E.M.E.	2,500	500
4. M.G.O.	5,000	1,000
<i>(g) Medical Stores Depots and Array Medical Stores.</i>		
1. O.C., Army Transfusion Centre/Central X-Ray Stores.	100	Nil
2. O.C. Medical Stores Depot/Army Medical Stores	200	Nil
3. D.G.M.S. [Except in respect of losses of imported sera and vaccine. for which see item of clause (m).	2,500	500
<i>(h) Royal Pakistan Air Force.</i>		
1. O.C., Equipment Dept; O.C. R.P. A.F. Station, Drigh Road, Peshawar, Risalpur, Mauripur, Kohat, Lahore and Chaklala; O.C. No. 101, Maintenance Unit, R.P.A.F.	200	Nil
2. O.C.H.Q. No. 1 Group. R.P.A.F.	1,000	500
3. C-in-C., R.P.A.F.	5,000	1,000
But in the particular case of aeroplanes and engines with their accessories, action shall be taken in accordance with the rules laid down in Equipment Regulations for the Royal Pakistan Air Force (A.P. 830-PAK).		
<i>Farms and Remounts.</i>		
1. Assistant Director of Remounts, Veterinary and Farms, G.H.Q.; Assistant Director, H.Q., Okara Group of Military Farms: O.C. Remount Depot; District Remount Officer, Horse/Mule Breeding Area.	400	Nil
2. D.R.V. & F.	2,500	500
3. Q.M.G.	5,000	1,000

In respect of Farms only officer	Losses not due to theft fraud or neglect.	Losses due to theft fraud or neglect
(j) R.P.A.S.C. milts administered by G.H Q	Rs	Rs
1. Commandant, R.P.A.S.C. Centre & Records	200	Nil
2. D.S. & T.	2,500	Nil
3. Q.M.G.	5,000	1,000
(k) Hospitals.		
1. O.C. Hospital	20	Nil
2. A.O.111.S. oil. of C. Sub-Area	200	Nil
3. A.D.M.S. of Division	500	Nil
4. Commander, Brigade or Sub-Area	2,500	500
5. Commander; Division; Comdr., 3rd Amid. Bde...	5,000	1,000
(l) Military Lands and Cantonments.		
1. Military Estates Officer for own office subject to an annual limit of Rs. 400	20	Nil
2. Deputy Director, Military Lands and Cantonments--		
(i) (i) For own office subject to an annual limit of Rs. 500	25	Nil
(ii) For management of lands subject to an annual limit of Rs. 500 for each M.E. Circle.	50	Nil
3. Director, Military Lands and Cantonments	2,500	100
(m) Miscellaneous.		
1. D.G.M.S. (in respect of losses of imported sera and vaccine)	500	Nil
2. Military Secretary to H.E. the Governor-General	500	Nil

Note:- Powers exercisable under the above rule; by Commander, 3rd Armored Brigade are subject to review later.

74. Losses of immovable property:- Losses of, or damage to, Military buildings or other immovable property, (e.g., bridges) by fire or any other cause shall be dealt with under the above rules. For this purpose, the value of the loss or damage shall be the total amount irrespective of any amount received from the insurance company in the case of an insured building.

75. Subsidiary rules relating to the treatment of losses of stores:- The following subsidiary rules shall be observed in cases where applicable in addition to those laid down in [rules 70 to 73](#) above.

(i) Means will be devised to ensure that every Govt. servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Govt. through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Govt. servant to the extent to which it may be

shown that he contributed to the loss by his own action or negligence. The cardinal principle governing the assessment of responsibility in such cases is that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of the expenditure and the custody of his own money. While, therefore, an officer's honest errors of judgment involving financial loss may be condoned, provided that he can show that he has done his best up to the limits of his ability and experience, any dishonesty, carelessness, or negligence, in the performance of the duties entrusted to him will be penalized.

(ii) When stores are lost in transit the necessary investigation and action to have the loss written off shall be taken by the consignee (consignor in the case of ordnance /stores supplied to foreign Govts.). Trivial discrepancies in quantities, condition or description, the value of which does not exceed Rs. 15 and which are not attributable to theft, fraud, neglect or a fault of the carrier discovered on receipt of stores in Ordnance Depots/Units will be adjusted without raising a discrepancy report against the consignor. A clear receipt will be given to the consignor but only the actual quantity received will be brought on charge. An explanation of the discrepancy will be endorsed on the consignee's receipt voucher which will be amended accordingly. When it is considered advisable to inform the consignor of the discrepancy, e.g., error in designation, a discrepancy report will be prepared, enclosed "Dealt with under [Rule 75](#), Financial Regulations, Part I", and the duplicate only sent to the consignor with his copy of the voucher which will not be amended. The amendment to the consignee's copy of the receipt voucher will be vouched for by the Group Officer/O.C. Unit concerned and the discrepancy report will also be signed by him. If the value of such losses is recoverable from the carrying company the consignee shall send to the controller concerned a memo giving full particulars of the loss together with a copy of the communication in which the carrying company does or does not acknowledge liability. Action to effect recovery shall be taken by the controller concerned. No claim shall be preferred against the Carrying Company when the amount involved is less than Rs. 5.

(iii) The amount to be shown on loss statements shall be the value of the stores lost or, in the case of stores damaged or, in the case of stores which, on examination, are found to differ in condition from that under which they were held on charge, the estimates (actual where known) cost of repairs, except in cases where recovery from an individual is involved when the rules in [rule 131](#), shall be followed. In the case of loss of air force stores action shall be taken in accordance with A.P. 830 (Pakistan).

(iv) When any Government property is damaged but not actually deficient it shall be surveyed and condemned, if necessary, and the loss resulting shall be written off by the competent financial authority. The cost of making good any loss or damage, other than that due to fair wear and tear, to public property, shall be assessed in accordance with [rule 131](#) and it shall rest with the competent financial authority to decide the degree of liability attaching to the individual concerned.

(v) In the case of a vehicle sent to a P.E.M.E. workshop for overhaul after an accident, the cost of making good the damage caused by the accident as assessed (on the value of material and labor) by the workshop officer of the company responsible for the 2nd line repairs to the vehicle (subject to

the confirmation of his estimate by the board of officers convened to investigate the accident) shall be written off by the competent financial authority, independently of any liability for the loss attaching to the unit or the individual concerned.

(vi) When, on taking stock, stores are found surplus or deficient, the surpluses shall at once be credited to Government on a proper voucher and the deficiencies shall be dealt with in accordance with the foregoing rules under the orders of the competent financial authority except in cases where other specific instructions exist.

(vii) In the case of factories, store and supply depots and medical stores depots, where continuous stock taking is carried out, each of the under mentioned categories shall be treated as a separate transaction for the purpose of determining the competent financial authority empowered to write off losses and shall be dealt with on separate loss statements: -

- (a) Loss of all individual items of dissimilar type discovered at a stock-taking, except Air Forces stores [See (ix)].
- (b) Loss of all items of a similar type as decided by the administrative officer i/c, except Air Forces stores [See (ix)].

(viii) Loss of stores discovered at stock-taking where theft, fraud or neglect is not involved, up to a monetary limit of Rs. 40 (rupees forty) will be written off by the Deputy Comdts/ Deputy C. O. O. under these rules.

(ix) In the case of Air Force units, the total deficiencies will be determined in accordance with the instructions laid down in Equipment Regulations for the Air Forces (A.P. 830 Pakistan).

(x) Loss of all items connected by the circumstances of the loss as a whole, e.g., in cases of theft, fire, explosion, etc., shall be dealt with in a separate loss statement.

(xi) In the case of consuming units where periodical stock-taking is in force, the total value of the loss discovered on each particular occasion of check, irrespective of the time taken in checking the stores and irrespective of the categories of stores dealt with, will be treated as one transaction. Each transaction will be dealt with on a separate loss statement.

(xii) Losses due to reconditioning or reclassification of stores by inspectors of Army stores during one examination irrespective of the time taken and categories of stores examined, shall be treated as one transaction, i.e., on the same lines as for periodical stock-taking.

(xiii) Officers i/c of Ordnance Establishments are empowered to write off losses of fluid or semi-fluid stores, e.g., paints, oils, acids, coal-tar, etc., caused by leakage of containers, which is considered as obviously due to rough handling in transit, without further inquiry when the amount involved does not exceed their financial powers.

(xiv) In the case of losses of ordnance stores in Forces of a State which has acceded to Pakistan, which are written off by the competent authority, replacement of such stores will be regulated under the provisions of the Indian States Forces Scheme 1920 or 1939, whichever may be applicable to the State concerned.

(xv) A competent financial authority is authorized to write-off a loss (partly due to theft, fraud or neglect, and partly not due to theft, fraud or neglect) where the total loss is within his financial powers in regard to losses not due to theft, fraud or neglect, provided that the portion of such loss, which is due to theft, fraud or neglect, is also within his financial powers.

SECTION 3.-LOSS OF PUBLIC MONEY.

76. Definition of the term "Public Money": -The term includes, in addition to cash proper: -

- (a) irrecoverable personal advances made to individuals no long in Government service,
- (b) overpayments of pay and allowances made to individuals no longer in Government service.
- (c) all other irrecoverable cash claims including the value of issues on payment to units or individuals the recovery of which would entail considerable hardship or present special difficulty,
- (d) value of stores issued to contractors which, for any cause, there has been a failure to recover and the recovery of which would present special difficulty,
- (e) losses due to expenditure on freight in respect of stores dispatched in error,
- (f) losses resulting from the dispatch of stores by other than the authorized procedure,
- (g) irrecoverable debts of units disbanded in accordance with demobilization orders,
- (h) Losses in the imported stores occurring as a result of, non-acceptance of discrepancy reports (where the stores have been brought on charge as received) either in full or in part by the supplier [[Rule 136](#) (d), Financial Regulations (Army and Air Force), Part II refers].

77. Loss of Public Money: -

A. Procedure.

(i) All losses shall be reported to the Sub-Area/Brigade Commander

Ordnance and Clothing Factories	D. O. F.	or C-in-C.R.P.A.F., or, in the case of departments, to the authority prescribed in the margin. This authority shall arrange for the assembly of a court of enquiry to investigate the loss.
Ordnance Depots	D. O. S.	
Inspectorates of Armaments and Vehicles and Engineering Equipment.	C.I.T.D.	
P.E.M.E. Workshops	D.E.M.E.	
Medical Stores Depots/Army Medical Stores.	D.G.M.S.	
Remounts and Military Farms	D.R.V.&F.	
Base and Station Supply Depots	O.C. Station.	
Grain Depots and R.P.A.S. C. units under G.H.Q. control.	D.S. & T.	

(ii) If the court finds that the loss is not due to theft, fraud or neglect, it will be written off by the competent financial authority in consultation with his financial adviser.

(iii) If it is decided that the loss is due to theft, fraud or neglect, the competent financial authority shall, in consultation with his financial adviser, take action, according to the circumstances of the case, as laid down in [rule 72-A](#) (ii).

B. <i>Power to write off</i> -The financial powers of office in regard to losses of public money are as detailed below: -			
Officers	Losses not due to theft fraud or neglect	Losses due to theft, fraud or neglect	Remarks
	Rs.	Rs.	
<i>(a) Units and formations other than those detailed at clauses (b) to (f)</i>			
1. Commander, Brigade or Sub-Area	500	500	These powers shall not be exercised in respect of Supply Depots over which no administrative control is exercised
2. Commander, Brigade or Sub-Area; Commander. R.P.A; Commander, R.P.A.	500	Nil	
3. Commander, Brigade or Sub-Area; Commander, R.P.A; Commander A.G., R. P. A	2,500	2,500	In respect of irrecoverable debts of units disbanded in accordance with demobilization orders.
4. Commander, Division; Comdr., 3rd Armored Bde.	1,000	1,000	In respect of irrecoverable debts of units disbanded in accordance with demobilization orders.
5. Commander, Division; Comdr. 3rd Armored Bde.	5,000	5,000	
<i>(b) Ordnance and clothing factories.</i>			
1. Chief Superintendent, Ordnance Factories, Wah.	250	250	
2. D. O. F	500	500	
<i>(c) Depots.. and Inspectorates of Armaments, Electronics and instruments, and Vehicles and Engineering Equipment.</i>			
1. D.O.S; D.E.M.E; C.I.T.D.	500		The officers will exercise these power within their respective jurisdictions
2. M. G. O.	1,000	1,000	
<i>(b) Medical Stores Depots and Army Medical Stores</i>			
D.G.M.S.	500	100	

Officers	Losses not due to theft fraud or neglect	Losses due to theft, fraud or neglect	Remarks
(e) Remounts and Farms.	Rs.	Rs.	
1. D.R.V. & F.	500	500	In respect of Firm only.
2. Q.M.G	1,000	1,000	
3. Comds/COOs Ord/ Amd Depots	200	Nil	
(f) R.P.A.S.C. units under G.H. Q Control and Gran Depots			These powers will only be exercised in case of losses as laid down under Rule 76 (h)
Q. M. G	1,000	1,000	
(g) Royal Pakistan Air force			
1. O.C., H.Q., No. 1 Group, R.P.A.	100	Nil	
F			
2. C-in-C, R.P.A.F.	1,000	1,000	

Note. Power exercisable under the above rule by Commander, 3rd Armored Brigade are subject to review later.

SECTION 4.

78. Losses In offices at General and Air Headquarters and Inter-Services

Organizations:- The procedure detailed above shall not apply to losses (whether of public money or stores) in the offices at. General and Air Headquarters and Inter-Services Organizations. The Chief Administrative Officer, Ministry of Defence (and the Additional Chief Administrative Officer, for so long as that appointment exists) will exercise financial powers to write off losses of public money and stores, not due to theft, fraud or negligence, that may occur in the above-mentioned offices, in accordance with the general principles laid down in these Regulations up to a maximum of Rs. 250 in any one case. All other cases involving a loss exceeding Rs. 250 will be submitted to the Ministry of Defence for orders.

SECTION 5.

79. Exceptions to general rules regarding losses:-

(i) The foregoing rules do not apply to unavoidable losses which may occur in manufacturing or building operations nor to losses on M.E.S. stock unless the cause of loss is such as to necessitate enquiry.

Similarly; the rules do not apply in respect of:-

(i) airframes and aero-engines lost or damaged in fling accidents (including equipment carried in or on such aircraft) in cases where there is no contributory negligence or culpable default,

(ii) airframes and aero-engines so deteriorated by wear and tear as not to be worth the cost of repair,

(iii) targets used for air firing practice over the sea or in the tribal territory of the N.W.F, Province which are unavoidably destroyed or lost in the practice.

Such equipment and stores will be struck off charge duly supported by unpriced expense vouchers, or certificate issue vouchers in the case of the air force

(b) Losses of the following stores incurred under the circumstances and within the percentage detailed in each case, will be treated as unavoidable, and written off on an expense voucher but audit officers should check and bring to notice any tendency to treat the maximum loss up to the prescribed percentages as a normal one. Losses in excess of the limit will be dealt with under [rules 71](#) and [72](#)-

- (i) 1 per cent. on crushing grains in Government stock. glue, white in content-up to imported from No discrepancy provided their coils.
- (ii) (a) Losses in hygroscopic stores, e.g., chalk, P.A.O.C. charge due to dryage of moisture content-up to maximum of 10 per cent.
 (b) Losses due to dryage of Spun Yarn Heay imported from overseas countries up to a maximum of 20%. No discrepancy report will be raised against the suppliers, provided there is no shortage in length and the number of coils.
- (iii) Losses relating to reformable Q. F. cartridge cases and clips sent from arsenals to Metal and Steel Factory, which are rejected there during reforming operation.
- (iv) Wastage due to conversion or degrade of timber in depots, Mill. Farms up to the maximum percentages detailed below, will be treated as unavoidable loss and written off on expense vouchers.

	Percentage
Conversion of log to plank	50%
Conversion of larger dimension planks to smaller dimension starting	33%
Conversion of sleepers to M.T. seasoning	33%
Degrade of timber while undergoing seasoning	10%

Wastage in excess of these percentages will be death with under [rule 71 & 72](#)

- (v) Fodder, Handling and dispatch- Wastage up to the maximum of 5 per cent. on each consignment of loose fodder (as defined below) dispatched from one farm to another or from depots to the baling presses or headquarters and vice versa.

All fodder dispatched by one farm or depot on any particular day will be treated as the unit of consignment on which losses will be calculated.

The loss on each day's consignment will be investigated on an expense voucher, to be prepared monthly for each class of fodder and for each place, on which detail of each day's consignment showing quantity dispatched, quantity received, loss and percentage of loss will be given and the responsibility for the loss determined.

Baling hay (from stacks) and bhoosa. -Wastage up to 5 per cent. Baling hay direct from crops on land-Wastage up to a maximum of 10 per cent. as determined by local conditions and at the discretion of the Assistant Director concerned.

Dryage of crops (other than fodder crops) between the date of harvesting and the date of disposal- The Assistant Directors of Military Farms (including HQ. Okara Group of Military farms) will compare the percentage loss with the average percentage loss of the two previous years and this average will be noted on the expense voucher together with any remarks necessary regarding seasonal conditions.

Dryage of hay during period stacked-Maximum 8 per cent. in each stack. Explanatory expenses vouchers

will be prepared for endorsement by A.D.R.V. & F./Assistant Director, H.Q. Okara Group of Military Farms/O.C. Supply Depot, R.P.A.S.C. These losses will vary according to seasonal conditions and characteristics of crops.

Dryage of green fodder and vegetables between places of harvesting and issue:- Maximum losses will be laid down each month by Assistant Directors of Military Farms (including H. Q. Okara Group Farms) for each station or distance and will be communicated to local audit officers.

- (vi) **Milk-** In handling and pasteurization to the extent of 3 per cent. and in the manufacture of evaporated milk (e.g., handling, seaming and filling of cans) to the extent of 6 percent. The percentage will be calculated on the total milk handled during a month.
- (vii) **Milk bottles-** Losses of milk bottles in steaming, capping and handling at Military Farms not exceed ng 0.5% of the total number of bottles filled during the month.
- (b) Losses of fodder and dairy produce in excess of the percentages mentioned above will be valued on the following basis: -

(i) **Fodder-**

- (a) **Farms:-** At the general supply rate of the farm concerned.
- (b) **R.P.A.S.C:-** At the general supply rate notified by the Farms Wing of the Pakistan Remount, Veterinary and Farms Corps for the farm in the same station, or, at the local purchase rate at stations where the R.P.A.S.C., purchase their entire requirement of fodder by local contract, or, in the case of fodder obtained by transfer from the nearest farm at an outstation at the general supply rate of the supplying farm plus 10 per cent to cover cost of freight and handling.
- (ii) **Dairy produce:-** At the highest sale rate in force of the farm in which the loss occurs.

(d) Where 'standard temperature' system of accounting is followed, gains and losses in motor and aviation spirit, in bulk storage, which vary according to temperature, will be adjusted against each other at the end of the month and the net balance credited or written off, as the case may be. The same procedure may be followed under the orders of the competent authority in cases where the 'normal temperature' system of accounting is in vogue if that authority is satisfied that the gains. and losses in question are due to natural causes.

CHAPTER VI

81. Purchase of stores-Rules regarding and powers of sanction:- The rules for the purchase of stores for Defence Services are given below. In making purchases in accordance with these rules and the supplementary instructions contained in App. VI preference will be given in the following order

- (i) To articles which are produced in Pakistan in the form of raw materials or are manufactured in Pakistan from raw materials produced in Pakistan, provided that the quality is sufficiently good for the purpose.
- (ii) To articles wholly or partially manufactured in Pakistan from imported materials, provided that the quality is sufficiently good for the purpose.
- (iii) To articles of foreign manufacture held in stock in Pakistan, provided that they are of suitable type and requisite quality.
- (iv) To articles manufactured abroad which need to be specially imported from U. K. or other "soft currency"
- (v) To articles manufactured abroad which need to be specially imported from United States or other "hard currency" areas.

In respect of stores purchased for the Armed Forces, the Ministry of Defence may, when they are satisfied that such a measure is justified, allow a little degree of preference in respect of price to articles produced or manufactured in Pakistan over articles to be imported from abroad, and in to case of articles to be imported from abroad to those produced or manufactured in "soft currency" areas, either wholly or in part in accordance with the principles laid down in Appx. VI.

Rule 1: Save as provided in [rules 7 and 8](#) all articles are required to be purchased through the Ministry of Industries, Karachi (Director General, Supply and Development, Coal Commissioner, Textile Commissioners, Iron & Steel Controller etc.). They shall be purchased on the condition that delivery shall be made in Pakistan for payment in rupees in Pakistan.

Rule 2: Indents for stores the value of which does not exceed Rs. 5000 will not, however, be placed on the purchasing authority mentioned in [Rule 1](#) except: -

- (a) where Rate and Running Contract exists, or
- (b) the stores cannot conveniently be obtained by the indentors direct.

Rule 3: Tenders shall be invited in Pakistan for the supply of articles which are purchased under Rules 1 to 4 unless the value of the order to be placed is small or sufficient reasons, to be recorded, exist which indicate that it is not in the public interest to call for tenders. No tender which fails to comply with the condition as to delivery and payment prescribed in Rule 1 shall be accepted.

Rule 4: All articles whether manufactured in Pakistan or abroad shall be subject to inspection before acceptance, and articles for which specifications and/or tests have been prescribed by competent authority shall be required to conform, to such specifications and/or to satisfy the prescribed test or tests which may be carried out during manufacture or before or after dispatch from the suppliers' premises,

Rule 5: In the case of important construction works let out on contract, articles required for the construction of such work may be supplied by the contracting firm provided that when specifications and/or tests have been prescribed for such articles they shall conform to such specifications and/or shall satisfy such tests.

Rule 6: Nothing in these rules shall be deemed to prohibit the purchase of articles by one Department or Railway from another.

Rule 7: Warlike stores and specialized stores peculiar to the Defence Services which are not usually required by the Civil Government indentors and which may not be available in Pakistan may be obtained without reference to the preceding rules by indent on the Chief Controller, Defence Services Stores Deptt., Office of the High Commissioner for Pakistan in the U. K. Exclusive of war-like stores, articles, which not being available in Pakistan at present, are available in the U. K. are as follows :-

- (a) Battle and service dress garments, parachute clothing.
- (b) Personal equipment including web equipment tins mess, helmets steel and ground sheets.
- (c) Engineering stores, viz., military craft, bailey bridging, military railway bridging and miscellaneous military bridging.
- (d) Works Services Stores-Airfield and Road Track.

If the Chief Controller, Defence Services Stores Deptt., London, obtains these articles through the War Office or Ministry of Supply in U. K., payment shall be made by the Chief Controller. If the articles are purchased by him from private trade, payment will be arranged through the High Commissioner for Pakistan in U. K.

Rule 8: Such warlike stores and other specialized stores peculiar to the Defence Services which are not available in Pakistan and U. K. and other "soft currency" areas may be purchased from dollar or "hard currency" areas. Indents will be placed on the Ambassador for Pakistan in Washington in the case of purchases in dollar areas and on the Chief Controller, Defence Services Stores Deptt., Office of the High Commissioner for Pakistan, London, for purchases in "hard currency" territories other than the dollar area.

82. Financial powers in respect of the purchase of stores:- An officer's financial powers in the matter of the purchase of stores ordinarily extend to the limits to which he is empowered to enter into contracts, but in, the case of local purchases of stores, the limits to which power to purchase any one article, or any number of similar articles purchased at one time, extends, are as follows: -

Local purchase of stores		Rs.
1.	C-in-C., R.P.A.F.	15,000
2.	Q.M.G C.A.O.	500
3.	D.G.M.S. D.O.S., D.O.F., D.E.M.E., C.I.T.D., D.R.V. & F.	2,500
4.	Chief Superintendent, Ordnance Factories, Wah	5,000
5.	O.C., H.Q. No. 1 Group, R.P.A.F	500

6.	O.C., Equipment Depot, R.P.A.F.	1,000
7.	Commandants/Chief Ordnance (Officers Lt. Col. i/c Ordnance Installation Supdt., Ordnance Factory; Chief Administrative Officer, Ordnance Factories, Wah Supdt., Clothing Factory; Chief Inspectors of Armaments Stores, and Clothing, and Vehicles and Engineering Equipment; O.C., Medical Stores Depot/Army Medical Stores; Assistant Director of R. V. & F. (Farms Wing); Assistant Director, H.Q., Okara Group of Mill. Farms O.C., Central/Combined Workshop, P.E.M.E.	
8.	Chief Ordnance Officers (Major) i/c Ordnance Installations; Commandant, P.A.O.C. Training Center Comdt., P.E.M.E. Regt. Training Centre; O.C. Infy. Armd. Bde. Workshop Coy., P.E.M.E. O.C. Station. Workshop P.E.M.E.; O.C. P.A.C. Centre & School Workshop. P.E.M.E.- O.C., Remount Depot; District Remount Officer, Horse/Mule Breeding Area Officer-in-charge, Ordnance Factories Liaison Section, Karachi. O.C. Army Transfusion Centre 200 if of the rank of Major Central X-Ray Stores. 100, if of the rank of Captain	200
9.	9. O.C., Armd. Bde. Recovery Coy. P.E.M.E.; O.C. Transport Coy. Workshop Section, P.E.M.E. O. C. Heavy/Light A.A Work-shops, P.E.M.E.	100
10.	O.C., R.P.A.F. Station, Drigh Road, Peshawar, Risalpur, Mauripur, Kohat, Lahore and Chaklala; O.C., 101 Maintenance Unit, R.P.A.F.	80
11.	O.C., 105 Maintenance Unit, R.P.A.F.	40
1.	Local purchase officers appointed by Commandants/Chief Ordnance Officers, Officer In charge, Central Medical Stores Laboratory, Lahore Cantt. Officer- In charge, Medical Stores Inspection Depot, Lahore Cantt.	20

Note 1:- Local stores may be purchased by the D.O.F., the Controller of Inspection and Technical Development and D.G.M.S., other than on regular contracts, up to the limits shown above.

Note 2:- Grant of financial powers under this Rule to Headquarters No. 1 Group R.P.A.F. is purely for according sanctions to lower formations for purchases exceeding the powers of Officers Commanding such formations. No allotment of funds under this Head will there-fore be made to the Group.

Note 3:- (a) Art Officer's financial powers for local purchase of A.S.C Stores (supplies and services) commonly known as Local Contract supplies will extent to the limit to which he is empowered to enter into contracts -

(b) Q.M.G.'s financial powers for local purchase of stores, other than A.S.C. supplies and services, will remain as defined in this rule.

In addition to the powers provided for above, the local purchase of approved items of ordnance and clothing factory machinery, to be capitalized, may be carried out up to the limit specified in each case:-

- | | | |
|------|--|--|
| (i) | by Superintendents of Ordnance Factories and the Superintendent, Clothing Factory. | machines costing up to Rs.4,999 per machine. |
| (ii) | by the Director of Ordnance -Factories | machines costing Rs. 5,000 and over per machine. |

The Director of Ordnance Services and the D. G. M. S. may, with the concurrence of the Financial Advisor, Military Finance, incur expenditure on the local purchase of stores in excess of the limit shown above when such a course is necessary.

The purchases sanctioned by Chief Ordnance Officers or Ordnance Officers or local purchase officers appointed by a Chief Ordnance Officer should be either for stores authorized in the Equipment Regulations or for those that may be required for use in the workshop or laboratories of a depot.

When ordnance stores are required in an emergency for internal security purposes and time does not permit of the submission of emergent indents or telegraphic demands, the brigade or sub-area commander may sanction local purchase up to a limit of Rs. 1,000.

The financial powers of M. E. S. officers, in respect of local purchase of stores, are laid down in Regulations for the M. E. S.

For the financial powers of the Chief Administrative Officer, Ministry of Defence, in respect of local purchase of Stores, see [rule 20](#) (A) (iv).

83. Dispatch of stores by other than the cheapest route. -(i) In cases of emergency, officers responsible for the dispatch of stores, may, within the limits of their financial powers laid down in [rule 20](#), incur extra expenditure on the dispatch of stores by other than the cheapest route or mode of carriage.

(ii) A.D.O.S. (Warlike Stores), A.D.O.S. (M.T. Stores) and A.D.O.S. (General Stores and Clothing) at G.H.Q., are authorized to sanction, in cases of emergency, extra expenditure incurred up to Rs. 1,000, which is beyond the financial powers of the officer ordered to dispatch stores by other than the cheapest mode of carriage.

84.

85. Disposal of surplus, obsolete and waste stores. The disposal of surplus and waste materials including by-products and obsolete stores, to the best advantage of the State, will be controlled by the Director General of Supplies & Development, Ministry of Industries, subject to such exemptions as may be agreed to by him in consultation with the administrative heads of departments concerned. The conduct of local sales may be delegated to executive officers by the D. G. S. & D. but all accounts sales relating thereto are to be endorsed "Disposals Organization" and a copy is to be forwarded to the D. G. S. & D. for statistical purposes and scrutiny of prices. The Director of Ordnance Services is empowered to order, with the concurrence of the Financial Advisor, Military Finance, the disposal, by dumping at sea, of surplus unserviceable and obsolete pattern arms, ammunition and explosives when their accumulation in ordnance establishments has out-paced the normal break-up capacity.

(a) Waste stores (including gunny bags and packing material) are stores which have been utilized and have served their purpose in the Defence Services and have been condemned under proper authority as being worn out in a sense which connotes that they have no book value except as scrap. An example of such waste stores is coal dust passing through a screen of 1/4" square mesh, which is in excess of normal issues. The department concerned is competent to put up such stores to the D. G. S. & D. for disposal without reference to the Ministry of Finance (Military).

(b) Obsolete stores are those which have become out of date in a particular service and have to be withdrawn from equipment.

aircraft of that service and which cannot be used up issued M. T. vehicles to other arms of that service or utilized any longer in manufactures medical stores

A. F. stores

Will be declared obsolete, without any monetary limit by the M.G. O/D.G.M. S in consultation with the Financial Adviser, Military Finance.

Finance.

(c) Surplus stores are stores which are current equipment. of a particular service but which cannot be utilized by that service against present or anticipated requirements over a period to be determined on the merits of each case or which are liable to deteriorate by the time they could be issued in the normal course of events.

D.O.S. or D.O.F.

D.G.M.S.

The D.S. & T. is competent to determine, with the

D.R.V. & F.

C-in-C., R. P. A.F.

concurrence of the Financial Adviser, Military Finance, what stores are to

Ordnance Depots and Factories

Medical Stores Depots /Army Medical

be treated as surplus to requirements in stores M. T. units

Military Farms

the Air Force

and to send them for disposal to D. G. S. & D.

In the case of foodstuffs, grains and other miscellaneous R.P.A.S.C. stores, the Q. M. G. will declare the surplus stocks to the Director of Purchase (Defence), Ministry of Food, who will be responsible for their disposal.

The above rules do not apply to the products or by-products of the Farms Wing of the Pakistan Remount, Veterinary and Farms Corps, disposal of which will be governed by the rules in Financial Regulations, Part II

The D. G. S. & D., as the controlling authority for the sale of surplus obsolete and waste stores, is authorized to order the issue of samples of all articles under disposal either free or on loan or at a price to be determined by himself and as may be most expedient.

Articles issued as samples will be struck off from store ledgers and returns under the usual procedure supported by issue vouchers on P.A.F.Z.-2096, or certificate issue vouchers (in the case of air forces).

Expenditure incurred on account of packing and freight, when not recoverable from the consignee, will be borne by the establishment issuing the samples.

Instructions regarding the disposal of surplus and unserviceable M. E. S. stores are contained in Regulations for the M. E. S.

CHAPTER VII
SECTION I-UNIVERSAL SERVICE CONDITION AND,
GRANT OF FEES, HONORARIA AND REWARDS

88. The whole time of a Government servant is at the disposal of the State:- Unless, in any case, it is otherwise distinctly provided, the whole time of a Government servant is at the disposal of the Government which pays him, and he may be employed in any manner required by proper authority without having a claim for additional remuneration, whether the services required of him are such as would ordinarily be remunerated from general revenues, from a local fund or from the revenues of a State which has acceded to Pakistan.

89. Rules regulating the grant of fees and honoraria:- (a) A Government servant (this covers all civilians paid from Defence Services estimates) may be permitted by the general or special order of a competent authority, if it is satisfied that this can be done without detriment to his official duties or responsibilities, to perform a specified service or series of services for a private person or body or for a public body including a body administering a local fund or for a State which has acceded to Pakistan, and to receive as remuneration there for, if the service is material, a non-recurring or a recurring fee. No Government servant may undertake such work without first obtaining the sanction of the competent authority who will, unless the Government servant is on leave, certify that the work can be undertaken without detriment to his official duties and responsibilities.

(b) A Government servant, (this covers all civilians paid from Defence Services estimates) may be granted an honorarium from general revenues as remuneration for work performed which is 1) occasional in character and either so laborious or of such special merit as to justify a special reward. This test of exceptional merit shall always strictly be applied. Except when special reasons, which should be recorded in writing, exist for a departure from this provision, an honorarium shall not be granted unless the work has been undertaken with the previous consent of the sanctioning authority and its amount has been settled in advance.

(c) For both fees and honoraria, the sanctioning authority will record in writing that due regard has been paid to the general principle enunciated in [rule 88](#) and will also record the reasons which in his opinion justify the grant of the extra remuneration.

The amount of an honorarium or fee shall be fixed with due regard to the value of the service in return for which it is given.

Temporary increases in work due to the holding of special conferences under the auspices of a department or subordinate authority or of interdepartmental committees are normal incidents of Government service and form part of the legitimate duties of Government servants. Those so employed have, therefore, no claim to extra remuneration.

(d) Any Government servant is eligible to receive without special permission

(i) the premium awarded for an essay or plan in public competition,

(ii) any reward offered for the arrest of a criminal, or for information or special service in connection with the administration of justice

- (iii) any reward payable in accordance with the provisions of any Act or Regulation or rules framed there under,
- (iv) any reward sanctioned for services in connection with the administration of the customs and excise laws, and
- (v) any fees payable to a Government servant for duties which he is required to perform in his official capacity under any special -or local law or by order of Government.

(e) No Government servant may act as an arbitrator in any case which is likely to come before him in any shape by virtue of any judicial or executive post which he may be holding, but a Government servant called upon by a court of law to act as a commission to give evidence on technical matters may comply with the request provided that the case is not of such a nature as will be likely to come before him in the course of his official duties, and he may accept such fees as are fixed by the court.

(f) A Government servant whose duties involve the carrying out of scientific or technical research shall not apply for or obtain, or cause or permit any other person to apply for or obtain, a patent for an invention made by such Government servant saves with the permission of the Government and then only on such conditions as he may impose.

(g) Unless the Government by special order otherwise directs, one-third of any fee including a fee received by a Government servant for giving expert evidence before a court of law, in excess of Rs. 50 or, if a recurring fee, of Rs. 50 in one financial year, paid to a Government servant for work undertaken by him for a State which has acceded to Pakistan or a private or public body or for a private person, shall be credited to general revenues. In other words, if any fee exceeds Rs. 50 non-recurring, or Rs. 50 in a financial year recurring, one-third of the total amount payable will be credited to general revenues, provided that the amount retained by the Government servant concerned will not, merely owing to the operation of this rule, be reduced below Rs. 50 if non-recurring, or Rs. 50 a year, if recurring. In applying this rule non-recurring fees shall be dealt with separately from recurring fees.

This rule does not apply to fees received by Government servants from a regimental fund or from a university or other examining body in return for their services as examiners, to fees of any kind receive by medical and veterinary officers in military employ or to payments for services of a social nature rendered to a club or similar organization of the Government servant's fellow employees as distinct from services rendered on a commercial basis to a private individual or corporation.

The authority competent to sanction the acceptance by a Government servant of any fee whether recurring or non-recurring shall report the matter to the audit officer concerned and realize the Government share, if any.

(h) Subject to the provisions of clause (g) above, when a fee is paid for work done by a Government servant during such time as would otherwise be spent in the performance of official duties, the fee shall be credited to general revenues, provided that a competent authority for special reasons, which shall be recorded, may direct that whole or any part of it may be paid to the Government servant.

(i) When a Government servant of an educational service is permitted to receive fees for private tuition, the financial limits of the

powers of sanction accorded to a competent authority will be considered to apply to the total amount of fees to be accepted by such Government servant during any particular scholastic term or vacation.

(j) The M. G. O. shall be the competent authority for the purposes of this rule, in respect of all civil and military personnel employed, in Inspectorates of Armaments, Vehicles and Engineering Equipment, Electronics and Instruments, and Stores & Clothing, P. E. M. E. Workshops and installations and Ordnance Depots. The M. A. G. is the competent authority in respect of personnel employed in Military Accounts Department. These officers are authorized to sanction an honorarium up to a maximum of Rs. 500 in each case in respect of personnel under their orders who are not appointed directly by the Government of Pakistan and who are not employed in the M. G. O. Branch at General Headquarters. All other cases shall be referred for the orders of the Governor-General.

90. Rewards to individuals for effecting economies in ordnance establishments. -The Director of Ordnance Factories may, within the annual grant of Rs. 2,000 placed at his disposal for the purpose, sanction rewards to employees for effecting economies in manufacture in ordnance and clothing factories.

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SECTION 2- COMPENSATORY ALLOWANCES

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94. When grain compensation allowance may be granted:- Whenever, grain compensation allowance is sanctioned by a provincial or local government for the establishments sub-ordinate to it, the C-in-C., R.P. A.F., Divisional, 3rd Armd. Bde., Sub-Area or Brigade Commanders, the Commanders, R. P. A. the Commanders, A. G. R. P. A.; Director of Remounts, Veterinary and Farms, or Military Secretary to the Governor-General may sanction grain compensation allowance at similar rates, and under the same conditions, as are imposed by the Provincial or local Government in the case of establishments subordinate to it, to the same class of establishments under their administrative control, or to the inferior establishment of the G.G.'s Band who are on fixed (as opposed to nerrick) rates of pay and who do not receive free rations or an allowance in lieu. The allowance will be sanctioned subject to the advice of the controllers of military accounts concerned.

Note:- Powers exercisable under the above rule by Commander, 3rd Armored Brigade are subject to review later.

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CHAPTER VIII
ESTIMATES AND ASSIGNMENTS
SECTION 1.-ESTIMATES

99. General Rules:-The most careful supervision over expenditure is to be exercised and on no account is money to be spent simply because it is available. The following rules shall govern all estimates and military expenditure: -

(i) The sanctioned estimates form the limits within which authorized expenditure may be incurred without previous reference to Government. These limits are absolute, and apply to each sub-head or minor head in each local estimates.

(ii) Expenditure which cannot be met from the sanctioned grant ipso facto requires the sanction of Government. When application is made for such sanction, it should specifically be stated to what extent the original grant will fall short of what is required.

(iii) Save for exceptional reasons, expenditure, for which no provision has been made in the estimates of the current year, should not be proposed. When a proposition of this kind is made, it should clearly be stated that no such provision has been made, and whether the expenditure can be met from savings in the sanctioned grant. Explanation should also be given why the expenditure is immediately necessary and why the necessity for it was not foreseen.

(iv) Even sanctioned expenditure shall not be incurred until funds have been provided. In the case of locally-controlled heads, and those centrally-controlled heads in respect of which allotments are distributed to lower formations, provisional allotments will be made by the central controlling authorities as early as possible before the commencement of the financial year, against which all charges will be admitted in audit provisionally pending confirmation of the provisional allotments after the budget estimates have been finally sanctioned. If, owing to exceptional circumstances, provisional allotments are not received before 1st April, expenditure on account of pay and allowances may be incurred in accordance with the sanctioned establishments and rates of pay, and in the case of other items to the extent of the average monthly allotment of the previous year.

(v) The unexpended portion of any existing grant lapses on the 31st March of each year. It is irregular to draw a sum of money for any purpose during the currency of one financial year and expend or bring it to account in a subsequent year. This does not apply to unspent balances in the Amenity Grant which will not lapse to Government at the end of each financial year but will be carried forward.

100. Budget estimates-preparation and check of:- No precise rules can be prescribed for arriving at the amounts to be included in budget estimates, or for checking the amounts included in them, but an intelligent discretion must be exercised with reference to the effect that events, occurring or impending at the time the estimates are under preparation are likely to have on the receipts or expenditure,

The following general principles will, however be observed in the preparation of these estimates: -

(i) Only sanctioned expenditure may be included in the budget; but at the end of the estimate any fresh charge requiring sanction that is likely to be incurred during the year should be noted.

(ii) All variations between provision for the ensuing financial year and that for the current year must be explained, and when such variations are due to the orders of Government the number and date of the order must be quoted.

(iii) In the case of all appointments and fixed charges for which provision is made in the budget, the number and date of the order sanctioning the appointment or charge should be quoted.

(iv) Fixed charges and those for supplies and services for which scales, etc., are laid down will be based on those data; and in the case of progressive salaries, the rate of pay which will be due on the 1st September of the year to which the budget relates should be adopted.

(v) Fluctuating charges, such as travelling allowances, etc., for which no scales are laid down, will be calculated with reference to the average normal expenditure of the previous three years and the orders affecting such expenditures.

(vi) All temporary and supernumerary office and other establishments should be shown separately from permanent establishments.

(vii) In respect of pay and other charges which are payable in arrears after the close of the month to which they relate, provision should be made for the amount due from the period 1st March to 28/29th February. In respect of other charges which are payable as soon as incurred provision should be made for charges likely to be incurred during the period 1st April to 31st March. Pay and allowances which are fixed at daily rates should be calculated for 365 days (366 days in a leap year) and not on a monthly basis.

101. Budget estimates-by whom prepared: - Each controlling officer. at Armed Forces Headquarters mentioned in Apps. I will prepare the annual budget estimates for the following year for each head, sub-head or minor head for which he is responsible. The estimates will be prepared according to the following program: -

A.F.H.Q.	From lower formations to	From A.F.H.Q to A. F. As
(i) Forecast	5th January	20th January
(ii) Budget Estimates	27th February	11th March

102. Proposals involving extra expenditure:- The annual budget estimates are closed by the F.A. on the 30th January of the preceding year, and only those proposals involving extra expenditure which are sanctioned by Government prior to that date are provided for therein (see [rule 59](#)). Such sanctions will not, unless specially allowed, have effect until the following financial year. No provision will ordinarily be made in the budget estimates for the ensuing year for proposals which are not received in sufficient time to admit of their full consideration by Government before the 30th January.

103. Excess over estimates:- In cases where excesses over modified allotments under locally controlled heads are noticed after the close of the year they should be brought to the notice of the local authorities, by the C. of A. concerned. Local authorities will report all such excesses with full explanations for the excesses to the controlling authority at General Headquarters through the C. of A. concerned. When this has been done the C. of A. can remove his objection to the excesses.

104. Revised Estimates:- The process of estimating does not end with the preparation of the original budget estimates for the ensuing year, but continues throughout the year. The various estimates that are to be prepared in the course of a year in addition to the budget estimates are: -

(a) **Preliminary Report:-** This estimate will show the extent to which the sanction budget estimates for the year are affected by circumstances known or orders promulgated either before or after 1st July which may necessitate modifications in those estimates, and will be based on the actual expenditure for the first three months (July to September) and the estimated expenditure for the remaining nine months (October to June) of a current financial year. Information required for this estimate in respect of locally controlled heads of account will be furnished by the local

authorities to the controlling authorities at General or Air Headquarters so as to reach them by the 10th October of each year. The controlling authorities at Services Headquarters will furnish information required for the preparation of this estimate to the Ministry of Finance (Military) so as to reach them by the 25th October.

The Military Accountant General will also furnish estimates in respect of his department so as to reach the Ministry of Finance (Military) by the 25th October of each year.

(b) **Preliminary Revised Estimates:** This estimate is a forecast as accurate as possible of what the actual results for the year are likely to be. All important changes tending to increase or decrease the budget estimates as indicated by actual figures available or by other circumstances which have come to notice, are taken into account in the preparation of this estimate. This will be based on the actual expenditure for the first five months (July to November) and the estimated expenditure remaining for the seven months (December to June), of a current financial year.

Information required for this estimate in respect of all locally controlled heads will be furnished by the local authorities to the controlling authorities at General or Headquarters so as to reach them by the

25th December of each year. The controlling authorities at Services Headquarters will furnish information required of the preparation of this estimate to the Ministry of Finance (Military) so as to reach them by the 10th January.

The Military Accountant General will also furnish estimates in respect of his department so as to reach the Ministry of Finance (Military) by the 10th January of each year:-

(c) **Revised Estimates :-** This is the final estimate for a current financial year and is based on the actual expenditure for the first seven months (July to January) and the estimated expenditure for the remaining five months (February to June taking into account any later information or other circumstances which will affect the original authorities will furnish information required for this estimate in respect of locally controlled heads to the controlling authorities at General or Air Headquarters so as to reach them by the 15th February, of each year. The controlling authorities at Services Headquarters will furnish information required for the preparation of this estimate to the Ministry of Finance (Military) so as to reach them by the 1st March.

The Military Accountant General will also furnish estimates in respect of his department so as to reach the Ministry of Finance (Military) by the 1st December of each year.

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109. Provision of funds for the several classes of voted advances under "P.- Deposits and Advances" and "Q-Loans and Advances by the Central Government " to personnel and units of the Army. -(1) The detailed heads under which budget provision, is made and charges are incurred are: -

"P.-Deposits and Advances "-Advances Repayable (Interest free).

"Q.-Loans and. Advances by the Central Government"- Advances to Government Servants (bearing interest)- Passage Advances.

(2) The Q. M. G. will obtain, by the 1st November, budget estimates under head "P.- Deposits and Advances-Advances Repayable" from Divisions, etc., and submit a consolidated budget estimate to the Ministry of Defence through the Financial Adviser, Military Finance, for acceptance and sanction. After Government sanction has been obtained, the estimates will be forwarded to the Financial Adviser, Military Finance by the 15th December, for inclusion in the Cash Requirement Estimates of the Defence Services.

An estimate under " Q.-Loans and Advances by the Central Government Advances to Government servants-passage advances" will be prepared by the Q. M. G. and after acceptance by the Ministry of Defence, forwarded to the Financial Adviser, Military Finance, by the 15th December for inclusion in the Cash Requirement Estimates of the Defence Services.

(3) In April of each year the Financial Adviser, Military Finance, will notify the amounts on account of the various classes of advances included in the sanctioned budget estimate for the current year to the Quartermaster General. The amount under the head "P.-Deposits and Advances—Advances Repayable", will be distributed to Divisions etc.

(4) The following procedure for reappropriations, etc., under these heads will be observed:

(i) The sanctioned budget grant under each detailed head forms the limit within which advances may be granted without the previous sanction of the Financial Adviser, Military Finance.

(ii) No advance will be granted unless the audit officer concerned has certified that funds exist to meet it.

(iii) The Quartermaster General Will be the central authority at General Headquarters responsible for the control of expenditure against the grant under each detailed head.

(iv) Any re-appropriation between the allotments under heads "P.- Deposits and Advances—Advances Repayable" and "Q.-Loans etc." requires the sanction of the Legislature.

(v) Transfer of funds under the same detailed head between the allotments at the disposal of Divisions etc., may be sanctioned by the Quartermaster General, as required.

(5) The procedure outlined above for the provision and re-appropriation of funds under voted heads pertaining to Army does not apply to advances granted in the Military Accounts Department, in the Royal Pakistan Navy and in the Royal Pakistan Air Force, which are governed by separate rules.

SECTION 2.-ASSIGNMENTS

110. Cash Assignments-General Rules:- Within the limits of budget provision, controller is authorized to draw cheques on the State Bank of Pakistan in Karachi, Lahore, Peshawar and Dacca, the National Bank of Pakistan at places where the cash business of Government is conducted by that bank, or on a Government treasury or sub-treasury at any other place in Pakistan. In the case of other military disbursing officers who are allowed to draw funds by cheques for their own disbursements, assignments of funds are arranged with treasuries by Cs. of A. who will forward copies of such assignments if necessary to the State Bank of Pakistan or the National Bank of Pakistan, as the case may be. Ordinarily annual estimates of such assignments are prepared, but supplementary assignments are also arranged for by Cs. of A. when necessity arises.

As regards the transfer of art assignment from one military disbursing officer to another, the necessary funds should be surrendered to the C. of A. by the officer desiring such a transfer. The former will arrange for a supplementary assignment for the requisite amount in favor of the other disbursing officer.

Note 1:- A military disbursing officer who is granted and assignment at a Treasury Bank shall before commencing to draw upon the account, forward his specimen signature duly attested by the senior military officer of the Headquarters to which he is attached, to the Treasury Bank. The disbursing officer shall only commence to operate his account on receive intimation that his signature has been recorded.

Note. 2:- When assignments treasuries or the bank are granted in respect of training grants administered by the Divisional Commander every officer who draws cheques against such assignments will maintain a pass book in Pakistan Army Form Z-2106, which will be sent periodically to the treasury or the bank to be completed from the register of cheque paid and always immediately after the close of the month. On the return of the book the treasury or the bank the Divisional Commander will satisfy himself as to the accuracy of the drawings during the month and of the undrawn balance.

111. Payments made against assignments:- Payments are made by treasury officers or the bank against these assignments provided that the disbursements do not exceed the amount for which provision has been made up to that period in the annual and supplementary estimates.

112. Additional credit in emergencies:- In case of emergency, military disbursing officers in need of funds may obtain an additional credit on a civil treasury or the bank on the authority of an Emergency Cash Requisition (Defence Services), but before the
0. C. the station gives an order for such extra funds, he must satisfy himself of the propriety of the advance for which application is made. The disbursement ordered shall at once be reported to the head of the department concerned and to the C. of A. by the officer authorizing the advance.

113. Watch over drawings against assignments:- Every disbursing officer must watch his demands on his own and on the assignments of other officer's subordinate to him. Should his drawings appear likely to exceed his credits he will apply on P. A. F. A.-213, for a supplementary assignment,

114. Transfer of assignment:- A disbursing officer may arrange, in communication with the C. of A., for the transfer of his assignment, or any portion thereof, from one treasury or the bank to another.

115. Cash assignments:- How obtained and drawn against. -Every disbursing officers. is required to furnish the C. of A., by the 1st January in each year, with an estimate -(P. A. F. A.-213), of his cash requirements for the ensuing year, showing the amount necessary for each month and the treasury or the bank at which the assignments are required. He will draw against the sum assigned to him exclusively by cheques for which purpose separate cheque books for each treasury or the bank to be drawn upon will be supplied by the C. of A. concerned.

In the case of periodically recurring payments which have to be made at stations other than that at which a disbursing officer is located. he will arrange for cash assignments on the treasuries or the bank nearest to the stations at which the payments have to be made. Care must be taken that assignments are obtained in all cases where this method is suitable i.e., where the fact of regular payments having to be made can be foreseen and provided for. [For casual payments see clause (viii), [rule 137\(1\)](#)]

The drawings of any month added to the sums drawn in previous months of the same official year must not exceed the amount for which

provision has been made up to that period in the annual or supplementary estimate. Any balance unpaid on the last day of the financial year will lapse, except as regards cheques drawn before by paid after the end of the year, the amounts of which will be taken against the balance of the assignment of the year in which the cheques were drawn.

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CHAPTER IX

CLAIMS AND RECOVERIES

120. General rules:- Ordinarily all personal claims should be audited finally within twelve months from the date of payment.

(a) Before recovery of an overpayment detected within this period is effected, the individual against whom the claim is preferred will be fully informed of its nature, and of the method by which it is proposed that recovery shall be made. If he considers that the claim is not in order, and that recovery should not be made, he may request the controller of accounts to withhold recovery pending submission of an appeal to the competent authority. An audit officer may, if he considers the protest reasonable, postpone recovery pending the submission of the appeal.

Appeals must be submitted as expeditiously as possible. If an appeal is submitted within two months, the question whether recovery should be delayed until a final decision on the appeal has been arrived at, will be considered jointly by the Divisional Commander and the C. of A., see [rule 167](#). No consideration as regards the question of the withholding of recovery will be given to appeals not submitted within two months, and, unless the delay can be proved to have been unavoidable, the audit officer will proceed to recover the amount without further question.

Instruction. - When there is a difference of opinion between the administrative authorities and the controller of accounts over the propriety of a recovery or the rate of recovery, the matter shall, without delay, be reported to General Headquarters through the controller of accounts for orders.

(b) In the case of overpayments which have not been challenged - within twelve months from the date of payment, the controller of accounts will call upon the individual concerned, through the competent financial authority, see [rule 162](#), to show cause why recovery should not be enforced. On receipt of the individual's reply the competent financial authority will decide whether the amount should be written off, or whether recovery should be effected, and will inform the controller of accounts and the individual concerned accordingly. In cases where the competent financial authority remits an overpayment, his reasons for doing so must be recorded.

When the overpayment was made partly within twelve months and partly at a date or dates more than twelve months anterior to the date of challenge, the portions of the amount overpaid within and beyond the twelve months' limit will be dealt with separately under clauses (a) and (b), respectively.

Note 1:- An intimation that an appeal has been submitted should be sent to the Controller of Accounts by the individual concerned, simultaneously with the submission of an appeal to the administrative authority.

Note 2:- The term "overpayment" here includes demands arising from the non-recovery of Government dues of which it is the duty of the audit officer to secure the realization, e.g., house rent, electric light charges, but does not apply to recoveries on account of subscriptions, donations or other payments due to P.M.S.F.P. or P.M.W.O. funds, and other provident funds.

Note 3:- Nothing in the above rules should be held to confer on individuals any claim to the remission of sums due to Government -

121. Adjustment of. -Claims on account of Government [see also [rule 122 \(a\)](#) below] will be adjusted as follows: -

Retrenchments on account of excess issues of pay and unauthorized expenditure, stoppages other than those awarded under the I. A. A. the value of losses and all other claims for which Government holds an officer liable, shall be recovered in monthly installments of one-third of emoluments. The C-in-C., Pakistan Army, the C-in-C., R. P. A. F., and heads of departments in the case of civilian establishments serving under them, may, provided they are satisfied that there are reasonable grounds for such a course, which must be recorded in writing, relax the rule to enable recoveries to be made in smaller installments which in no case shall exceed twelve in number.

For rules regarding recovery of advances, see Pay and Allowance Regulations for the Pakistan Army, Volume II, and P. & A. Regulations for the Air Force.

122.(a) The pay, non-effective pay, and all other emoluments payable under the Defence Services Regulations to an officer, soldier, or other person, shall be stopped, to meet any public claim there may be against him, any regimental debt that may be due from him, or any regimental claim which the Governor General may direct him to pay.

Provided that a public claim or regimental debt shall not be recovered from the wound, injury or disability pension of an officer, soldier or other person except under the special orders of Government.

"Public claim" shall be held to mean any public debt or disallowance, including any overissue made through an error as to the fact or a deficiency or irregular expenditure of public money or stores of which, after due investigation, no explanation satisfactory to the Governor-General is given by the person who is responsible for the same.

(b) Claims and debts referred to in this rule other than those mentioned in [rule 121](#) above shall be dealt with as follows: -

In the case of any public claim, or a regimental debt which is not disputed, the O. C. of the person against whom the claim is made, or from whom the debt is due, may order the recovery of the amount by deduction from the pay and other emoluments of the individual in such monthly installments as the O. C. considers reasonable, (For recovery from an individual who has become non-effective and from a wound, injury or disability pension see Pension Regulations for the Army, Part III). If in the case of a regimental debt, the person from whom it is due disputes the correctness of the amount, or repudiates his liability, such debt becomes a "regimental claim" and, as such, can be recovered only under the orders of the Governor-General.

123. When a court order is received attaching a moiety of the pay of a Government servant, who has already received an advance from Government, the attachment order to the extent permissible will have

the first claim against his pay as it falls due and the residue only will be available for the recovery of the installment of the advance at the rate provided for by the rules.

Subscriptions to funds recognised by Government and public claims such as retrenchments and disallowance by the Military Accounts Department, etc., cannot automatically be taken into account in ascertaining the amount of an officer's pay which is attached by a civil court unless special Government orders exist to the contrary in any particular case. See rule 369, R. A. 1.

124. Unless protected by the Indian Army or Indian Air Force Act, the attachment of salary and allowances of an individual is governed by the provisions of the Civil Procedure Code. See [Rule 48](#) (1), Order XXI, First Schedule, which is reproduced below: -

"Where the property to be attached is the salary or allowances of a public officer or of a servant of a railway company or local authority, the Court whether the judgment debtor or the disbursing officer is or is not within the local limits of the Court's jurisdiction, may order that the amount shad, subject to the provisions of Section 60, Civil Procedure Code, be withheld from such salary or allowances either in one payment or by monthly installments as the Court may direct; and, upon notice of the order to such officer as the Central Government or the Provincial Government may by notification in their Official Gazette appoint in this behalf,-

(a) where such salary or allowances are to be disbursed within the local limits to which the Civil Procedure Code for the time being extends, the officer or other person whose duty it is to disburse the same shall withhold and remit to the Court the amount due under the order, or the monthly installments, as the case may be;

(b) where such salary or allowances are to be disbursed beyond the said limits, the officer or other person within those limits whose duty it is to instruct the disbursing authority regarding the amount of the salary or allowances to be disbursed shall remit to the Court the amount due under the order, or the monthly installments, as the case may be, and shall direct the disbursing authority to reduce the aggregate of the amounts from time to time to be disbursed by the aggregate of the amounts from time to time remitted to the Court."

When an attachment order is issued by a Court in Pakistan in accordance with [Rule 48](#), Order XXI, First Schedule, Code of Civil Procedure, 1908 (as amended), against the salary or allowances of a civilian Government servant paid from the Defence Services estimates, that part of the leave salary which is attached shall be remitted to the Court in rupees by the accounts authority in Pakistan notwithstanding that the leave salary is due in respect of leave spent out of Asia. The balance of such leave salary shall be drawn in sterling in accordance with the existing rules except that the prescribed maximum and minimum rates of leave salary shall be reduced by the amount specified in the attachment order, converted at the prescribed rate of exchange.

125. All claims to pay (including increments of pay) and other pecuniary advantages (other than those relating to pension as regards which see Pension Regulations for the Army, Part III), must be

preferred as soon as they arise and officers are personally responsible for avoidable delay. Claims preferred within twelve months will be dealt with in the usual way and those preferred in respect of any period more than twelve months antecedent to the date of claim shall ordinarily be deemed to be forfeited but may be admitted by the Commanders of Division, 3rd Armored Brigade Sub-Area and Brigade Commanders. R.P.A., Commanders, A.G.s, R. P. A., C.-in-C., R.P.A.F. and heads of departments when in their opinion exceptional circumstances justify such treatment to be accorded. Doubtful cases will, however, be referred to the Government for orders and controllers of accounts will invariably be consulted when claims of the above nature are being dealt with.

Claim: for the counting former service for good pay shall be preferred as soon as possible after the refund of gratuity has been completed. Claims submitted within twelve months after the final repayment of gratuity shall be dealt with in the usual way; but those submitted more than 12 months after the completion of the refund shall be admitted in full by the C. of A. and a report of the late sub-mission of the claim will be made by him to the next higher authority for such action as may be deemed necessary.

Note 1:- The time limit of twelve months for the purpose of this rule, will be calculated from the date of issue of P.O. Rs. /Part II Orders, notifying a casually affecting pay and allowances and other pecuniary advantages, irrespective of the date from which the pay and allowances etc., become dismissible.

Note 2:- Powers exercisable under the above rule by Commander, 3rd Armored Brigade are subject to review letter.

126. The orders in [rule 123](#) do not apply to claims to pay and allowances governed by the Civil Service Regulations. Controllers of Accounts cannot investigate such claims which have been allowed to remain in abeyance for a period exceeding one year, except under orders of the Ministry of Defence or an authority exercising the powers of a local government under the Civil Service Regulations in respect of the claimant.

Note 1:- The Ministry of Defence may delegate the power, referred to above at their discretion, to the authority which appoints the individual by whom the claim is made.

Note 2:- The heads of all account offices and the D.R.V.&F. have been authorized under Note 1 to exercise the power in respect of individuals appointed by them.

Note 3:- Deputy Military Accountants General and Junior Controllers of Military Account exercise all the powers vested in controllers of accounts under the above rule.

The investigation of any claims older than three years shall require the sanction of Government. All petty arrear claims, other than those affecting pensions and all claims for the delayed submission of which an adequate explanation is not forthcoming shall be rejected by the local authorities. In cases of doubt, the decision as to what constitutes a 'petty arrear claim' rest with the authority competent to sanction such a claim.

127. For pension claims (inclusive of claims to count former service for pension) other than those arising under the Civil Service Regulation, see Pension Regulations for the Army, Part III.

128. Claims of contractors preferred after three years are time barred by the Statute of Limitations. The time from which the limitation begins to run varies but the following few examples are given for guidance. A fresh period of limitation is computed from the time an acknowledgment accepting a contractor's claim or a portion thereof is given. Great care should, therefore, be exercised by all concerned in dealing with such claims and legal opinion obtained, when necessary.,

Description of claims	Period of Limitation	Time from which period begins to run
For the hire of animals, vehicles, boats or house hold furniture	Three years	When from which period begins to run
For the balance of money advanced in payment of goods to be delivered.	Ditto.	When the goods ought to be delivered
For the price of goods sold and delivered, where no fixed period of credit is agreed upon.	Ditto.	The date of the delivery of the goods
For the price of goods sold and delivered to be paid for after the expiry of a fixed period of credit.	Ditto.	When the period of credit expires.

A claim preferred by a contractor or other person against Government which is time-barred under any provision of law relating to imitation shall not be paid without the sanction of the Government of Pakistan. The onus of establishing a time-barred claim for special treatment lies on the claiming individual person/party (whichever is more suitable). The authority against whom such a claim is made shall refuse the claim until a case for special treatment is made out. Petty time-barred claims shall be rejected and only important claims shall be considered.

The executive authority shall consider. the question of time-bar before submitting a claim to the C. of A. for payment. The C. of A. shall refuse payment of all claims found to be time-barred until Government sanction has been obtained.

129.

CHAPTER X
VOCABULARY RATES AND PAYMENT ISSUES.

130. Vocabulary rates:- Vocabulary (or stock book) rates for ordnance and clothing stores are published by Government. The rate lists of the following categories of stores are published as specified below: -

- (i) R.P.A.S.C.- The rates for centrally purchased R.P.A.S.C. stores are published by the Ministry of Finance (Military) The rates for locally purchased R.P.A.S.C. articles are published by the C. of A.
- (ii) M. T. vehicles and stores. - The rates for M. T. vehicles are furnished by the Ministry of Finance (Military) to the C. of A. The rates for stores are published by the Commandant, C.O.D., Rawalpindi (No. 1 M.T.S.S.D. Chaklala).
- (iii) Animals. - The rates are furnished by the Ministry of Finance (Military) to the C. of A.
- (iv) Fodder. - The payment issue rate (see [rule 274](#) (i), F. R., Part II) is fixed by Controllers of Accounts for each station of Supply and is notified in Divisional Sub-Area, Brigade and Station Orders.
- (v) Dairy produce. - The sale rates are fixed by the Q.M.G. (R. V.& F. Directorate) with the concurrence of the Ministry of finance (Military).
- (vi) Medical Stores. -The rates for medical stores are published by the Director General, Medical Services (D.G.M.S-2), in consultation with the Ministry of Finance (Mil.)

The value of stores, the cost of which is met from an allowance, allotment or grant, and the unspent balance of which lapses to Government at the close of the financial year, shall be assessed at stock book rates for free issues. In all other cases the value shall be assessed at payment issue rates.

131. Unless special rates of abatement are elsewhere prescribed, the rates to be charged for payment issues will be the rates prescribed in the publications referred to in [rule 130](#) with the addition of any percentages or charges laid down therein. If an article be damaged but repairable, and recovery from an individual is necessary, the loss statement will show: -

- (1) 50 per cent. of the full serviceable value of the stores.
- (2) The estimated (or actual, where known) cost of repairs. The C. F. A. i.e., the authority within whose financial powers the amount at 50 per cent. of the full serviceable value of the stores falls, will decide whether (1) or (2) above is to be recovered from the individual.

When the damage to stores is proved to be due to the neglect of an individual the C. F. A. will fix the amount to be recovered as follows: -

- (a) the estimated (or actual, where known) cost of repairs; plus
- (b) a calculated amount representing the impairment of life of the stores in question.

The total of (a) and (b) will not exceed 50 percent of the book value of the stores.

Unserviceable stores will be value at 1 to 10th of the stock book rate.

Note 1:- (i) In the case of work done in ordnance and clothing factories for railways, non-military departments, M.E.S., R.P.A.F. and R.P.N. assessment of the charges to be recovered should be made at the market rate or the cost arrived at according to the following formula, as circumstances may require: -

Formula. -(1) Direct labor, plus (2) materials, plus (3) fluctuating indirect charges, plus (4) 5 per cent. on the sum of (1), (2) and (3). [Item (3) would be arrived at by applying in detail to item (1) the latest annual percentages representing fluctuating indirect charges for the various shops through which the work would pass.

When the materials required for the execution of such work are supplied by customers, the cost under the formula will be arrived at as follows-

(1) Direct labor, plus (2) factory materials, if any, plus (3) fluctuating indirect charges plus (4) 5 per cent. on the sum of (1), (2) and (3) plus (5) 2 per cent. on the value of the materials supplied by the customers.

(ii) Any service stores included in the Vocabulary of Ordnance Stores or the Priced Vocabulary of Clothing and Necessaries which are issued direct from the factories to M. E. S., R. P. A. F., R. P. N. and non-military departments, will continue to be charged for at the vocabulary rates in accordance with the existing orders and regulations on the subject.

(iii) The following descriptions of departmental work will also be charged for according to the above formula: -

(a) All works, including maintenance of internal electrical wiring in factory quarters which are carried out by the factories on behalf of the M. E. S. and the cost of which is ultimately debitable to the Factories Works Budget-in these cases however, the addition of 5 percent prescribed at item (4) in the above formula, will be excluded from the charges.

(b) Works carried out departmentally by the factories the cost of which is debitable to the Factories Works Budget.

(c) Work done by an ordnance or clothing factory for its own school.

(d) Printing of the factories annual accounts and other printing work of a similar special nature done at factory presses.

(iv) Provided the state of work permits, private work (including the charging of secondary batteries) may be undertaken in the factories for individual members of the permanent staff of the ordnance and clothing factories and the Inspection and Technical Development Establishments at a cost based on the above formula and subject to the rules approved in this behalf by the D. O. F.

(v) The ordnance and clothing factories may execute private repair or other work on behalf of Government servants, other than individual members of the permanent staff of the factories and the Inspection and Technical Development Establishments and also, in exceptional cases, for private individuals and firms, subject to the following conditions: -

(a) that the work is charged for at full cost rates, any packing and freight charges actually incurred by the factory being levied in addition;

(b) that an estimate concurred in by the local deputy assistant controller of army factory accounts is forwarded to the prospective customer and the quotation is accepted by him;

(c) that the prior sanction of the D.O.F. is obtained when the quotation as accepted by a customer exceeds Rs. 400, all orders up to this amount being sanctioned by the superintendent of the factory personally;

(d) that the order is undertaken by the factories only if the state of work permits and only in cases when no private trade establishment, which can execute the work satisfactorily, exists at the station where the ordnance or clothing factory is located.

(vi) When any work in connection with the charging of secondary batteries is done in ordnance and clothing factories for railways, non-military departments; M.E.S., R.P.A.F., and R.P.N., or for Government servants, other than individual members of the permanent staff of the factories and the Inspection and Technical Development Establishments, or for private individuals charges will be assessed and recovered in accordance with Appendix O, paragraph 19, Regulations for the Military Engineer Services.

(vii) The decision of the D. O. F. in all doubtful cases involving interpretation of the expressions "Government Servants" and "private individuals" used in sub-para- graph (v) and (vi) above will be final.

Note 2:- Issues may be made to an Army officer on payment from clothing depots and arsenals, arsenals, through unit stores or direct, of such articles as are stocked therein. Such indents should bear a certificate that the stores are for his personal use or for the use of his house-hold. Recoveries will be made at the rates shown and with the additions prescribed thereto, in the current priced vocabularies of clothing and ordnance stores.

Note 3:- The rules regarding the issue of R.P.A.S.C. supplies on payment are laid down in rules 494 to 496A., R.A.I. These transactions are subject to scrutiny by L.A. O.s under instructions from C. of A.

Note 4:- Such articles of grain as are required for bona fide consumption by cantonment animals which are the property of cantonment authorities, may be issued. from R. P. A. S. C. depots, recovery being made at stock-book rates.

Note 5:- Deficiencies in metal case will be charged for, as ball or blank, except when, in special cases, they have been written off to loss under the powers of the competent financial authority, but the maximum number of cartridge cases which an officer commanding a station and an officer commanding a unit may write off, in any one case, under this rule will be limited to 500 in the case of the former and 100 in the ease of the latter.

Losses in the Infantry School due to training requirements may be written off under the financial powers of the Commandant. The foregoing rules do not apply in the case of fired pistol webley cartridge cases, all losses in respect of which will be dealt with by Brigade/Sub-Area Commanders, Commander R. P. A. or Commander A. G. R. P. A., as the case may be, a full explanation of the loss being furnished.

132. Claim against carrying companies for loss or damage to stores in transit.

When stores are lost or damaged in transit and the carrying company is held responsible for their loss or damage, the claim for the amount to be recovered for such loss or damage will be prepared by the consignee in accordance with the rules laid down in the Store Accounting Instructions and preferred by him against the carrier concerned even though the latter may be free to assess and pay the claim under the rules and practices of his company for dealing with similar claims from the public. On receipt of the letter of acceptance of the claim, which may not be for the same amount, the consignee shall forward it to the C. of A. concerned for recovery of the amount authorized therein for payment, by book transfer or otherwise.

133.

CHAPTER XI
CHEQUES, GOVERNMENT DRAFTS AND MILITARY TREASURE
REMITTANCES

134. Cheques-General. Rules-

The following general rules affecting cheques are prescribed: -

- (i) Cheques are payable at any time within three months after the month of issue, and to ensure payment after that period a fresh cheque should be obtained by surrender of the current cheque.
- (ii) Cheques drawn in favor of a Government servant must be made payable "to order" only. Those drawn in payment of personal dues shall, as a general rule, be crossed, but an uncrossed cheque may be issued on written request at the risk of the payee. Those drawn in favor of persons not in Government employ may be made payable to "bearer" when the issue in these terms is requested. No advice of the issue of a cheque is necessary. The amount of all military cheques should be expressed in figures and words (in words for the amount of rupees only).
- (iii) (a) Cheques drawn in favor of Government officers and departments in settlement of Government dues should always be crossed 'a/c payee only not negotiable'.
b) Unless it is inconvenient to the payee. "All cheques should be crossed only" to the general crossing "& Co." Open cheques in favor of Government officers of Rs. 2,500 or over will if sent by post be registered. In the case of open cheques favor of private individuals, they should be delivered either in person or through a Government officer when, however, it is necessary to send such, cheques by post they will be registered post acknowledgment due and a declaration should be obtained from the payee in writing that he accepts the risks involved.
- (a) Embarkation Head Quarters and Special Attached sections.
- (b) Royal Pakistan Army Service Corps.
- (c) P.R.V. & F. Corps.
- (d) Depots of the Pakistan Army Ordnance Corps. P.A.O.C. Training Center, and Chief Inspector of Stores Clothing.
- (e) Military Hospitals
- (f) P.A.M.C Coys.
- (g) Military Laboratories.
- (h) Ordnance and Clothing factories and Inspectorate of Armaments.
- (i) Aircraft Depots, Karachi and R.P.A.F Station, Lahore.
- iv) In the case of regular units including the Air force and those formations noted in the margin, cheques for amounts due will be crossed and marked "A/c payee only and together with Pakistan Army Form (C. M. A.) 233. sent direct to the Bank or Treasury by the C. of A. for credit to unit's or formation's current accounts. At the same time a detailed statement will be sent to the unit or the formation concerned and in case of omnibus cheques showing distinctly and separately the various items which make up the cheque with the number and date of each bill and its amount. For this purpose, all units and the formation in question should open a current account with the state Bank or National Bank of Pakistan where such bank exists otherwise in a local treasury (see Rules 497-501 R. A. I).

The supply of cheque books for the purpose of operating on the personal deposit accounts opened either with the State Bank or the National

Bank of Pakistan will be made by the Bank itself but in respect of personal deposit account with civil treasuries, cheque books should be abstained from civil Accounts General.

In no case, however, should payment be demanded from bankers, and expenses incurred for the purpose of drawing cash until an intimation of the receipt of the cheque and credit of its value to the account concerned, is received from the Bank or Treasury except when there is sufficient credit in the particular fund account. The intimation slip issued by the Military Accounts Department is no authority for either drawing rash or posting and completing ledger accounts in advance.

When claims are submitted to controllers of accounts for cheques to be issued which have merely to be passed on to the creditors, the memorandum forwarding the claim should clearly indicate-"Forward cheques direct to". The controller of accounts will then forward the cheque direct to the firm or person whose bill is to be settled and intimate to the unit or formation that this has been done.

In the case of units and formations mentioned above, which are located in a station where there is no local branch of the State Bank or the National Bank of Pakistan or a civil Treasury, the above rule would not apply and cheques should, therefore, be sent to them direct.

(v) With the exception of local payments for less than Rs. 10 and out-station payments less than Rs. 1 in value in each case which should be made in cash, all payments must be made by cheque.

All bills for petty works or supplies on Government military farms up to a limit of Rs. 25 may be paid in cash and not by cheques at such farms as may be approved by the Director of Remounts, Veterinary and Farms.

Note 1:- the case of military farms, payment in excess of Rs. 25 may be made in cash instead of by cheque for the purchase of fodder, dairy produce or stables, cattle etc., from the local petty dealers, or from villages situated at considerable distances from farm headquarters and when it is not possible to issue a cheque for such purchases, the assistant director concerned being the deciding authority as to whether payment should be made by cheque or cash.

Note 2:- In the case of the Remounts Wing of the Pakistan Remount, Veterinary and Farms Corps, local payments for the purchase of animals may be made in cash at the option of the purchasing officer.

(vi) Cheque books must be kept under lock and key in the personal custody of the drawing officer, who, when relieved, will take a receipt for the number of blank cheques made over to the relieving officer, a specimen of whose genuineness should be forwarded to the treasury officer concerned by the relieved officer.

The loss of a cheque book or blank cheque forms should be notified promptly to the treasury officer with whom the disbursing officer concerned has a drawing account.

(vii) Every officer should notify to the treasury upon which he draws the number of each cheque book as he brings it into use.

(viii) When an officer sends a cheque (or Government draft or Military Treasury Remittance) to a treasury not for cash payment, but to be credited in the treasury accounts, he must endorse it as follows: -"Place the amount to credit of Government" "Military receipts."

(ix) Cheques drawn on the National Bank of Pakistan or any of

its branches should be addressed to the bank itself and not to any officer thereof, e.g., National Bank of Pakistan, Karachi.

(x) If a disbursing officer is informed that a cheque drawn by him has been lost, he will address the treasury officer drawn on and forward the following certificate for completion and return: -

"Certified that cheque No. dated for Rs. reported by the have been drawn by him on this treasury favor of has not been paid, and will not be paid if presented hereafter." Treasury, Treasury Officer.

If the cheque has net been cashed, the treasury officer will sign and return the certificate, and the disbursing officer will then cancel the original cheque and a fresh cheque may be issued

(xi) Alterations in cheques should be attested by the full signature of the drawing officer and not by initials only.

135. If a cheque is issued by Government in payment of any sum due by Government, and that cheque is honored on presentation to Government's bankers, payment shall be deemed to be made: -

(a) If the cheque is handed over to the payee or his authorized messenger, on the date it is so handed over, or

(b) if it is posted to the payee on the date when the cover containing it is put into the post.

Note:- Cheques marked as not payable before a certain date should not be charged to the accounts until the date on which they became payable.

The rule applies mutatis mutandis to a cheque in payment of Government dues or in settlement of other transactions received and accepted in accordance with the provisions of rule 4, F. R., Part II (Army and Air Force).

136. Unless otherwise specialty sanctioned, an officer is entitled to one cheque only in payment of his salary bill. This cheque will be free of premium and will be payable on any treasury in Pakistan. No change in the treasury of payment will be allowed more often than half- yearly, except in special circumstances. Payments of all sums due to them on their personal account can be made only to the officers themselves or at their written request or order to a well- known banker or agent.

Exception 1:- Officers including departmental officers of the Special Medical Section of the P. A. M. C. and officers holding honorary King's commissions, whose pay is not less than Rs. 500 a month and who are serving at a place where there is no branch of the National Bank of Pakistan, may, at their option, draw a portion of their pay, which must be in multiples of Rs. 100, by a second cheque, free of premium, payable to themselves or a well-known banker or agent at any treasury in Pakistan, subject to the condition that no change in the treasury of payment will be allowed oftener than half-yearly except in special circumstances.

Exception 2:- Cheques in payment of. salary and payable on any treasury located in a R. P. A. F. Station may be issued free of premium to officers of the R. P. A. F.

P. A: F. A.-33 need not be submitted through a banker or agent when an officer requires his pay and allowances to be remitted to them previous, he concerns, the C. of A. concerned through such canker or a6.nt of his wishes in the matter and endorses the pay bill each month as follows: -

“Pay to”

137. Government drafts and Military Treasure Remittances:- Disbursing officers of the Military Accounts Department in Pakistan are authorized to issue cheques on any Government. treasury or sub-treasury in Pakistan. Other disbursing officers of defence services desiring to remit money to stations in Pakistan where they have no assignment-will obtain State bank or National Bank of Pakistan Government drafts or Military Treasure Remittances, as the case may be, from the nearest Treasury or branch of the State Bank or National Bank of Pakistan, in accordance with the instructions contained in Part XII of the Treasury Rules.

138. Remittance by Government drafts or M. T. Rs. is subject to the following conditions: -

(i) Drafts or M. T. Rs. will be issued for a minimum amount of Rs. 25, except in special circumstances, such as remittances of sepoy and aircraftmen subject to I. A. Act or I. A. F. Act and of enrolled non-combatants mentioned in R. A. I. [rule 203](#) and R. 1. A. F. rule 5U (11), holding rank below that of a nark, or for the remittance of the surplus of the estates of deceased persons and of the property of deserters, subject to the I. A. Act or I.A.F. Act. The limit of Government draft obtainable for private purposes is, in all cases but that of a sepoy aircraftman or enrolled non-combatant (specified above) proceeding on leave, the amount of a month's pay and allowances of the remitter.

(ii) Defence Services disbursing officers requiring a Government draft or M. T. R. will tender with the money (cheque) a formal application on P. A. F. A. 610. The application should contain a certificate that the draft or remittance is required for bona fide public purpose and should also describe the object of the remittance.

(iii) A draft on Government account or an M. T. R. is not transfer-able and is only payable to or in the account of the person named therein as the payee or his lawful agent.

(iv) In the case of remittances of sepoy, aircraftmen and enrolled non-combatants, the Commanding Officer will forward the drafts or the M. T. Rs. to the payees direct. Descriptive rolls of the payees duly filled in and signed, will at the same time be sent to the Treasury Officer or Military Treasure Chest officer concerned. If the payee be unable to attend the treasury but has given the necessary authority, or in the case of demise of such a payee, the payment may be made to the Adjutant of the regiment.

(v) Drafts or M. T. Rs. which are not presented for payment be-fore the end of the third account year after that in which

they are issued, shall lapse. For payment of lapsed drafts/ M. T. Rs. the payee should address the Currency Officer/ Accountant General.

(vi) Drafts or M. T. Rs. which are outstanding for more than six months can be paid only after obtaining necessary confirmation from the drawing officer. Drafts or M. T. Rs. for remittances of sepoy, aircraftmen and enrolled non-combatants, not presented for payment within six months from the date of issue, shall be considered as cancelled. Drafts or M. T. Rs. thus becoming incurrent shall be returned by the payee to the drawer for the issue of a fresh draft or M. T. R. or for the refund of the amount, as may be required.

(vii) When a draft or M. T. R. is either lost or destroyed an application for the issue of a duplicate should be made without delay (in any case before it has lapsed), to the drawing officer who may, without reference to the Currency Officer, grant it to the party who obtained the original, or to the payee, or to the legal representative of either, but to no other person. If the draft or M. T. R. should not have been presented for payment within three months, it will be necessary for the applicant to produce a certificate of non-payment from the person or office on which it was drawn; but the issue of this certificate will be no bar to the payment of the lost draft or M. T. R. if presented before the duplicate is paid,

In the event of the loss of both original and duplicate a triplicate may be applied for on the same terms as the duplicate, the non-payment of the others being certified. Neither duplicate nor triplicate shall be issued without reference to the Currency Officer (or the Accountant General, in the case of M. T. R.) if the draft or M. T. R. has lapsed.

(viii) If a Government draft/M. T. R. issued in respect of the remittances of sepoy or airman or enrolled non-combatant is lost in transit the Commanding Officer will report the loss to the Currency Officer/Accountant General for the refund of the amount to the person indicated.

(ix) A Government draft can only be exchanged for another if the payee be a Government officer and requires the draft to be exchanged for reasons to be stated in his application.

Note:- All gazetted officers of the Military Accounts Department are authorized to issue Government drafts.

139.

CHAPTER XII
PAY AND ALLOWANCES AND LAST PAY CERTIFICATES
SECTION 1.-PAY AND ALLOWANCES

140. Due date. - Pay and allowances are ordinarily payable in arrears on the first of each month, but in the following cases the salary due to date may be paid before the end of the month, viz: -

- (i) When an individual proceeds on leave (other than casual leave) lasting beyond the end of the month;
- (ii) When an individual is transferred to the payment of another audit officer;
- (iii) When an individual quits Government service, or is transferred to foreign service;
- (iv) If the first six days of a month are public holidays on which pay is not disbursed at the treasury, the M. G. O. and the Divisional Commanders may, if they think fit, direct the payment of pay bills except those of gazetted and commissioned officers, in respect of troops and personnel of their own sub-ordinate offices, on the last open day before the holidays.

Note 1: - In the case of an officer proceeding ex-Pakistan, on leave, or on transfer, salary due up to and for the last day of duty may be paid in advance within 10 days of the last day of payment may be made within 10 days of departure from his permanent station.

Note 2: - Where pay accounts are maintained on an all-Pakistan basis by central audit officers the Controller of Air Force Accounts, an individual transferred during the course of month may be paid up to the date of transfer provided his transfer is to a station which if he was paid by a controller of military accounts, would necessitate a change in audit officers.

141.

142. Leave salary drawn through agents.-An officer proceeding on leave (including privilege leave) within the limits of Pakistan may draw pay and any allowances due to him on his personal account through any banker or agent who has executed a general bond of indemnity to the Governor General for payments relating to or for persons whose salaries or pensions are debitable to the Central Government or whose bond of indemnity executed prior to 1st April 1937 continues to be valid under the Treasury Rules. A list of such banks and agents is given in Appendix III.

143. Leave allowances for leave ex-Pakistan: - Officers and other ranks who desire to spend their leave ex-Pakistan may, at their option, draw their leave pay in Pakistan, or through the Pakistan Embassy or other accredited representative in the country in which leave is spent on authorization by the Accounts Officer concerned in Pakistan. An individual, having selected the country in which he desires to draw his leave pay, is permitted to change only once during any one period of leave.

Note: - If leave is spent ex-Asia, leave, salary admissible under the rules may be drawn in foreign currency up to a maximum of Rs. 1,500. The balance, if any, will be payable in rupees in Pakistan. Allowances admissible during leave may also be drawn in foreign currency in addition to the leave salary admissible, subject to the overall limit of Rs 1,500 per month

144. Officers in Civil etc., employ:- An officer must draw his total pay and allowances from the dept., in which he is serving or from which he is absent on leave. But the pay and allowances of an officer permanently transferred from defence services to civil duty will be paid by the civil dept. (Central or Provincial) from the date on which he takes over charge of defence services duty; when transferred from civil of defence services duty, his allowances will cease to be payable in the civil dept. (Central or Provincial) from the date on which he gives over charge of his civil duty. This rule is also applicable to the case of an officer transferred from one branch of the Army Forces to another, viz Navy, Army and Air Force.

The transit pay and allowances both ways of an officer whose services are lent by the defence services to the civil department (Central or Provincial) and vice versa should be charged to the borrowing department. This principle will apply to travelling allowances even in cases where the officer lent takes leave either before joining the borrow-department or before rejoining the lending department,

Note: - *The word "allowances" in this rule includes travelling allowances. It is to be and understood that the pay of an officer who relinquishes defence services duty for permanent duty in the forenoon will be chargeable to the civil dept. (Central or Provincial) for that day; If on the other hand, the officer relinquishes defence services duty in the afternoon, his pay for that day will be chargeable to the defence services estimates and vice versa in the case of an*

145.

146. Annuities for meritorious service: - Annuities for meritorious service are issued quarterly in arrear; no advances of such annuities shall be made in any circumstances.

147

148

149

ESTABLISHMENTS

150. Commencement of pay: - Pay on first appointment ordinarily commences from the date of joining but, when clerks or superior executive R. P. A. S. C. subordinates cannot be locally engaged, they may receive pay from the date of entertainment. In any other case pay from the date of entertainment will only be admissible if sanctioned by competent financial authority.

151. Distribution of Salaries: - No increase in the fixed rates of pay of office or executive establishments will be made without previous sanction of Government nor is the head of an office at liberty to readjust salaries by giving one person more and another less than the sanctioned pay of his appointment, or to distribute the pay of an absentee otherwise than as provided in the C. S. Regs.

But an excess appointment in a lower rank, grade or class may be made against a vacancy left unfilled in a higher rank, grade or class. For each vacancy in a higher rank, grade or class, only one extra appointment in a lower rank, grade or class is admissible.

152. Temporary establishments: - (a) Wherever authorized vacancies for combatants/non-combatants (enrolled) exist, and such vacancies Cannot be filled by the Regimental/Corps centre concerned, civilians may be employed in lieu as a temporary measure for periods of six months at a time or until such time as vacancies can be filled by combatants/non-combatants (enrolled), whichever is earlier.

The employment of civilians in lieu of combatants/non-combatants enrolled will be sanctioned at the discretion of the local Divisional Brigade/Sub-Area/L. of C. Sub-Area Commander, or the Commander R. P. A./Commander A. G. R. P. A. on receipt of a certificate of "non-availability of combatants /non-combatants (enrolled)" from the Regimental/Corps Centre concerned. Centre Commanders will ensure that no surplus combatants/non-combatants (enrolled) personnel are avail-able within the regiment/corps before the required certificate is issued. In no circumstances will civilians be employed without the specific authority of the local Divisional/Brigade/Sub-Area/L. of C. Sub-Area Commander, or the Commander R. P. A./Commander A. G. R., P. A.

(b) Civilians employed under (a) above will be employed on the revised scales as sanctioned by Government for adoption after the 1st January 1949. If the pay scales do not already exist, reference will be made to the Controller, Civilian Personnel. through the audit authority concerned with the recommendations of the appointing authority.

(c) Casual labour employed for less than one month are restricted to local rates of pay.

153.

154.

SECTION 2.-LAST PAY CERTIFICATES.

155. General rules: - With the exception of newly appointed individuals, no person can draw any pay or allowances without producing. L. P. C. from the officer by whom he was last paid. Should however an L.

P. C. not be forthcoming the audit officer may. on being furnished by the individual concerned, with a certificate stating the date up to which he was last paid. authorise pay being disbursed and provisionally admitted pending the receipt of an L. P. C., or certified copy thereof.

156. Detailed Instructions: - In addition to the printed instructions on the forms, the following rules regarding L. P. Cs.t are laid down for the guidance of all concerned:-

- (i) When an officer, in receipt of a wound of injury pension, is transferred to another accounts circle, the particulars should be noted. on the L. P. C.
- (ii) When an advance is outstanding against an officer or sub-ordinate, the original amount, the amount repaid, and the balance due will be noted on his L. P. C. as also details of any interest due on the advance.
- (iii) A duplicate L. P. C. should be enfaced "duplicate". If the original be subsequently forthcoming. it should be forwarded to the audit officer concerned.
- (iv) No retrenchment should be 'inserted on an L. P. C. for recovery, which from its nature should for-A that subject of a separate communication, but when such a demand is noted, the authority directing the recovery must be cited. When there are no demands, this should be stated.

- (v) When an individual, who is required to lodge a security, is detailed for field service, the amount of security lodged and the register of the executive office on which it is borne should be noted on the L. P. C.
- (vi) An L. P. C. furnished to a paymaster for self must be signed by his successor.

157. Last Pay Certificates will be issued in respect of officers proceeding to the U. K. on courses of instruction, deputation or other temporary duty provided the period of stay in the U. K. exceeds three months. Officers proceeding to countries other than U. K. will be paid by the Ambassador or High/Trade Commissioner for Pakistan in the country concerned and payment of pay and allowances to the officer, if he so desires, will be arranged by the C. of A. through a letter of authority and no L. P. C. will be issued.

To admit of the L. P. C. being issued in time, the individual concerned or O. C. of the unit or formation of the individual must take action to notify the casualty through Part II Orders and furnish a copy thereof to the controller of accounts concerned, sufficiently in advance of the date of move.

Note 1:- Individuals processing on leave ex-Pakistan will continue to be paid by the C. of A. If, however, the individual desires the payment of his leave salary in the country of his leave, arrangements will be made by the C. of A. through a letter of authority to the Ambassador or High/Trade Commissioner, as the case may be.

Note 2:- The final L. P. C. of an officer in temporary civil employ whether he reverts to the Defence Services before or after the expiry of his leave will be issued by the civil audit officer, who last audited the pay of the officer proceeding on leave. The civil audit officer will, if he considers it necessary, consult the controller of accounts from whose payment the officer was transferred to the Civil Department.

Note 3:- The final L. P. C. will be issued to the individual before he leaves the station, but if the individual has left Pakistan without a final L. P. C., the original copy of it will be forwarded either to him or his agents (if he proceeds on leave) or the Head of the Office/High Commission/Delegation etc. With which he is placed on duty and the duplicate forwarded to the High Commissioner or the A. G. P. R. as the care may be, at the earliest possible date.

Note 4:- In any case in which there is a probability that the final L. P. C. will not be issued in time to admit of pay being drawn in continuation on due date, a temporary/ provisional L. P. C. will be issued pending the issue of a final L. P. C. and the circumstances attending the case explained in a letter forwarding the temporary L. P. C.

Note 5:- Where circumstances do not permit of a final settlement being effected before an individual leaves Pakistan, the amount due will be shown on the L. P. C. for payment by the authority concerned. This applies to all Defence service personnel paid from Defence Services estimates.

158.

159

CHAPTER XIII
AUDIT AND OBJECTIONS

160. General:- For the procedure in regard to personal claims, see [rule 120](#).

161. Erroneous payment:- When erroneous payments have been admitted in audit for a considerable time owing either to a wrong interpretation of financial rules or to oversight, the following procedure shall be observed for the recovery or otherwise of the amounts over-paid.

- (a) When a wrong interpretation of a financial rule has been followed in an audit office, the new interpretation should, in the absence of special instructions to the contrary, be given effect to from the date of issue by the Auditor General or the M. A. G. of the orders stating the correct interpretation.
- (b) When erroneous payments have been left unchallenged owing to oversight the audit office should not, of its own motion, undertake a reaudit of bills paid more than twelve months previously but should report the facts of the case to the competent financial authority for orders, and a reaudit should be made only if so desired by the competent financial authority.

162. Remission of disallowances:- (1) The officers mentioned in [rule 67](#), who exercise the full powers of a Local Government under the Civil Service Regulations (with the exception of Cs.-in-C., Pakistan Army and R. P. A. F., whose special powers in this matter are defined In the following sub-paragraph) have the power of remitting over-issues of pay, and disallowances by audit officers so far as they affect payments made to commissioned officers, J. C. O.'s., warrant and non-commissioned officers and soldiers, as well as others serving under them more than 12 months before the date when they were challenged, provided they consider the amount to have been drawn by the person concerned under a reasonable belief on his part that he was entitled to it, and that he has not, displayed such a degree of negligence as to make it equitable in spite of the lapse of time, to enforce recovery in whole or in part.

(2) The C.-in-C., Pakistan Army and the C.-in-C. R. P. A. F. exercise the same powers as the officers mentioned in the preceding sub-paragraph in regard to all over issues of pay, and disallowances ha audit officers, so far as they affect payments made more than twelve, months before the date when they were challenged. In the case of over issues or disallowances of payments where erroneous Issue has been challenged within twelve months from the date of payment. the above officers have similar powers to sanction remissions on the following conditions: -

- (i) That the amount challenged was drawn by the individual concerned under reasonable belief on his part that he was enticed to it.
- (ii) That the amount challenged was not an over drawl occasioned by delay in notifying an individual's promotion or reversion.
- (iii) That the over drawl does not evidence some defect in system which should receive the notice of the Government.

- (iv) That the overdrawal has not had the effect of raising an individual emolument beyond Rs. 12,000 per annum or of increasing those emoluments if they are already in excess of this limit.

The audit officer should bring to the notice of the Government of Pakistan cases in which he thinks the intention of the rule is being misapplied.

Note- Remissions under this rub over issues challenged within 12 months must be exceptional.

(3) If the amount over issued or disallowed was drawn partly within twelve months and partly at a date or dates more than twelve months interior to the date of challenge, the part amounts involved within and beyond the twelve months' limit will be considered separately (independently) under the above orders, see also [rule 120](#).

(4) In the case of payments made in advance and subject to sub-sequent adjustment on production of final bills, documents, or other information, for the purpose of audit, the twelve months limit dates from the submission of the final bill, etc., and not from the date of receipt of the advance.

(5) All overpayments due to incorrect interpretation of the regulations on the part of the M. A. Department for which direct responsibility attaches to that Department should be submitted to Government for orders.

Note 1:- In sanctioning the remission of disallowances and over issues the following principles will be observed:-

- (a) *An individual's belief as to the allowances to which he is entitled is not a "reasonable belief" if he has omitted entirely to investigate the matter on his own account.*
- (b) *Where the over drawl has been duo merely to delay in the publication of gradation recovery should not be treated as a case of hardship unless the circumstances are very exceptional.*
- (c) *The orders for remission should be for the gross amount of overpayment without deduction of income-tax.*

Note 2:- The powers laid down in this rule apply to overpayments (see [rule 120](#)).

Note 3:- Nothing in these rules shall be hold to confer on individuals any claim to remission of sums due to Government.

Note 4:- The powers hid down in this role do not apply to overpayments on account of travelling alloy/nice (including unauthorized provision of conveyance and irregular issue of warrants and credit notes). Save as provided for in [Rule 41](#) such overpayments will be regularized under orders of Government.

163. Audit how regulated, and retrenchments by Audit Officers:- Controllers of accounts are required to retrench or object to any charge which is not duly authorized or is unsupported by proper vouchers, but if such retrenchment would disturb a long existing practice or where the amount is considerable, they will take the orders of Government.

The final decision of an independent audit officer in respect to a charge on the ground that it is inadmissible or that the sanctioning authority was not competent to order it, must be accepted, but

an appeal against such decision may be made through the proper channel (see [rule 167](#) and R. A. I., Instruction 396).

164. M. A. G. cannot be overruled without reference to Auditor General and M. of F:-
The M. A. G. shall not be overruled by the M. of D. on a question of rule or procedure in relation to Defence Services expenditure without the concurrence of the Auditor General and the M. of F.

165. Powers of audit officer to waive objections and to write off irrecoverable amounts:-

(i) An audit officer of or above the rank of deputy controller of military accounts may, in order to save time and trouble over petty sums, waive any audit objection up to a limit of Rs. 10 in each case, and an assistant controller or any gazetted officer in charge of a section of an audit office or in charge of local audit may exercise the same power up to a limit of Rs. 5 only.

Similarly, a controller of accounts in order to save time and trouble over relatively unimportant items, may waive (at his discretion, when he is reasonably satisfied that, all factors considered it is probably in the best interests of Government to do so), any audit objection what-ever up to a limit of Rs. 50 in each case, brief reasons being recorded of the circumstances which, in his opinion, justify the waiver.

Note -1: If irregularity is one that is likely to recur, the officer responsible should be told that it is objectionable, even though no recovery be made in the particular instance.

(ii) Some items are placed under objection, not because the whole or any portion of the expenditure is unjustifiable in itself, but because it is not exactly covered by rule, or the authority for the expenditure is insufficient, or full proof that it has been incurred has not been provided; for example, there may be an absence of one or more sub-vouchers. In such cases, the head of an audit office i.e., the controller, may waive an audit objection up to a limit of Rs. 100 (Rs. 200 in the case of a command controller) in each case, provided

(a) that the expenditure is not of an intrinsically recurring nature; and

(b) where the objection is based on insufficiency of sanction, that he is satisfied that the authority empowered to sanction the expenditure would accord sanction if required;

Or

(c) where the objection is based on insufficiency of proof of payment, that he is of opinion that undue trouble would be caused if the submission of the full proof of the expenditure having been incurred were insisted on, and he sees no reason to doubt that the outlay has actually been made.

In similar circumstances, a Deputy C. of A. not holding charge of an Accounts Office, and any Gazetted Officer of the M. A. D. below the rank of Deputy C. of A., may waive an audit objection up to a limit of Rs. 10 or Rs. 5, respectively in each case.

(iii) In the case of items which have become irrecoverable from any cause, a controller of accounts may write off an amount not exceeding Rs. 100 (Rs. 200 in the case of a command controller) in each case, including amounts outstanding under a debt head if the ultimate incidence of the expenditure is against Defence Services estimates. -

A Deputy C. of A. not holding charge of an Accounts Office, and any Gazetted Officer of the M. A.

D. below the rank of Deputy C. of A may write off an amount not exceeding Rs. 10 or Rs. 5, respectively in each case.

(iv) The provisions of this rule are not affected by any conditions or limitations imposed in any other rule in this volume,

Note-1: The powers under [rule 165](#) cannot be delegated to any subordinate officer.

Note-2: The authority vested in audit officers under the rule is not to be exercised in respect of items in the check or audit of which they have no concern for example where they merely receive bills and forward them to another office for final audit.

Note-3: The powers of waiver under clauses (i) and (ii) above may also be exercised in respect of claims submitted for predate and found to be open to technical and or unimportant objections in whole or in part.

Note-4: The Deputy Military Accountant-General exercises all the powers, that are stated in controllers of accounts under this rule.

Note-5: For the purpose of this Paragraph, the Controller of Military Accounts (Pension) Lahore is regarding as a command controller.

166. Objection Statements: - As a general rule disbursing and stores officers are responsible for their receipts and payments and audit objections there on will be made against them.

167. Appeals:- An appeal against the final disallowance of an audit officer should be submitted as expeditiously as possible, and in no case should it be deferred beyond two months from the date of issue of the intimation of final disallowance, see [rule 120](#).

Every appeal P.A.F.A.-508 must be a self-contained statement of the salient facts with the omission of all extraneous matter and only such documents should be attached thereto as are essential to a decision in the case. The Divisional, Sub-Area or Brigade Commander, in agreement with the C. of A. concerned, in his capacity as financial adviser, empowered to decide whether recovery of the disallowance should be withheld until the appeal has been fully considered and orders passed thereon, such decision being made with due regard to the protection of the interests of Government and to the likelihood of the remission of the disallowance or overpayment by the competent authority.

In cases where it is decided that recovery should not be withheld, the appellant should be informed, and the C. of A. requested to proceed with the recovery forthwith.

168. Retrenchment from contractors' bills and appeals: - When sums are retrenched from controller bills the grounds on which the amounts have been disallowed will be communicated on P. A. F. A.-471. If the claimant is dissatisfied with the decision given, he may, within one month from date of such decision, appeal to the Divisional Commander or the Comdr. 3rd Armd. Bde.

Note:- Power exercisable under the above rule by commander 3rd Armored Brigade are subject to review later.

169.

CHAPTER XIV
PROCEDURE FOR THE PROCUREMENT OF CENTRALLY
PURCHASED STORES.

170. All stores which are not classified as local purchase items shall be centrally purchased. The general rules applicable to the purchase of such stores are given below.

171. Stores indents and estimates: - All Directors/Heads of Services will prepare annually, or as decided by them in consultation with their financial advisers, indents of stores, required for the Armed Forces during the ensuing year, based on known and probable requirements of the year to which they pertain. The indents will be sub-divided under vocabulary Sections or general heads, e.g., in the case of Ordnance Stores 'Arms', 'Ammunition' Wireless Stores etc. in the case of R. P. A. S. C. Stores under 'Provision', 'Materials', 'Gear' and 'Machinery' etc. The indents will be submitted to the supplying authorities as decided by the Government from time to time not later than 1st November each year. Urgent ad-hoc demands may be placed as and when necessary.

172. The indents will be prepared and forwarded to financial authorities concerned for concurrence at least one month before the date of their dispatch to the supplying authorities.

173. The indents will be as complete as possible and should show Part No., full nomenclature specifications, drawings and other particulars governing the supply, estimated cost or last purchase price (if known) and the specific date/dates by which the stores are required. Departmental instructions regarding channel for submission of indents to the supplying authorities will be issued by the Heads of Services/Departments in consultation with the financial authorities concerned.

174. Freight for stores of foreign supply: - A lump sum calculated at the following percentages on the value of the stores to be purchased from abroad will be added to Budget Estimates/Report provided the same is not covered by values at which indent have been costed. 3% in the case of factory stores (other than machinery) P. A. O. C. and Inspection Section Stores. 6% in the case of Air Force Stores other than M. T. 10% in the case of Air Force M. T. Stores and Medical Stores and machinery purchased for factories. This percentage applies to M. E. S. stores also. 5% in all other cases.

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CHAPTER XV SECURITY DEPOSITS

(N.B: - For rules applicable to M. E. S. security deposits see Regulations for the M. E. S.).

190. How calculated: - Security deposits will not be taken from regiments, jails, municipalities or other Government concerns. Exception Gas also be made in the case of large and reliable firms, and individual tractors on the recommendation of the Divisional Commanders or the Comdr., 3rd Armored Brigade and the sanction of the Q. M. G./M. G. O. 'Proposals for such exceptions will be supported by reports from the income-tax officer and other civil authorities, showing that the firms or the individual contractors are financially sound and are known for their business honesty and integrity. In other cases, the amount of the security deposit will be calculated as follows, in tens of rupees, on the value of the estimated quantity of supplies during the period of the contract the rates accepted: -

- (i) for a contract not exceeding Rs. 10,000 in value, 10 per cent. with a minimum of Rs. 25;
- (ii) for a contract between Rs. 10,000 and Rs. 30,000 in value, 7 m per cent. with a minimum of Rs. 1,000 and a maximum of Rs. 2,030;
- (iii) for a contract exceeding Rs. 30,000 in value, 5 per cent, with a minimum of Rs. 2,000. If the security deposit exceeds R\$. 6,000 the amount may be specially fixed by the administrative officer concerned, who may also at his discretion increase or decrease the amount of the security to be furnished with reference to the probable loss or inconvenience that would result to Government from failure on the part of the contractor.

Note-1: *Bonds of States which hive acceded to Pakistan may be accepted as security &posits only if the Local Government concerned would accept them if offered.*

Note-2: *When Government securities, provincial and municipal debentures, port trust bonds, etc., are offered as security deposits, they will be taken at their market value. Administrative officers will satisfy themselves that the value of the security calculated on the basis is sufficient to secure and indemnify Government against any possible loss. In the event of such securities appreciating or depreciating no re-adjustment of the value thereof should be, made unless the rise or fall of the market value is such as to render it necessary to call upon the depositor to produce further security to the extent of at least. Rs. 100 or to enable the officer to return to the depositor security to the same extent. Even then no such adjustment should be made unless after such adjustment there is still a reasonable margin between the market value of the security tendered and the amount of the security necessary.*

Note-3: *Whenever a private person or a firm, contracts with Government to supply or execute a work, he or it should unless exempted by competent authority, be required to give security for the due fulfillment of the contract or regarding the securities should be incorporated in the agreement. When contract, are placed with 'nominee' contractors, security deposits will not ordinarily be taken. In case where there the Political authority concerned cannot accept the responsibility, security will be recovered.*

Note-4: *In the case of contracts concluded by the Directorate General of Defence Purchase or its representatives abroad for the purchase of stores, the recovery Security Deposit s may be waived by the competent purchase officer at his discretion.*

191. Forms of security Registration/Transfer thereof: —The Security taken from a Government officer or a contractor should be in one of the following forms subject to the conditions noted against each, or partly in one and partly in another of these forms when this is specially permitted by the departmental authority authorized to accept the security: -

Forms	Conditions
(i) Cash	Government will not pay any interest on any deposit held in the form of cash.
(ii) Government promissory notes, Municipal debentures or Port Trust bonds	These securities should be accepted at 5 per cent below the market price, or at the face value, whichever is less, and should be dealt within accordance with the rules in Chapter IX of the Government Securities Manual.
(iii) Post Office Savings Bank Pass Books	A pass book for a deposit made under the Post Office Savings Bank Rules, may be accepted as security; provided that the depositor has sinned and delivered to the Postmaster a letter in the prescribed form as required by those rules.
(iv) Post Office Cash Certificates, Pakistan Defence Savings Certificates and Pakistan Saving Certificate.	The certificates should be formally transferred to the departmental authority which takes the deposit with the sanction of the Head Postmaster and should be accepted at their surrender value at the time of tender.
(v) Deposit receipts of recognised banks approved by Government for the purpose	<p>(1) The deposit receipt should be made out in the name of the pledged or, if it is made out in the name of the pledge, the bank should certify on it that the deposit can be withdrawn only on the demand or with the sanction of the pledge.</p> <p>(2) The depositor should agree in writing to undertake any risks involved in the investment.</p> <p>(3) The bank should agree that on, receiving a signed treasury challan and a withdrawal order from the pledge in respect of the deposit or any part thereof, it will at once remit the amount specified into the nearest treasury along with the challan and send the treasury receipt to the pledge.</p> <p>(4) The responsibility of the pledge in connection with the deposit and the interest on it will cease when he issues a final withdrawal order to the depositor and sends an intimation to the bank that he has done so.</p>
(vi) Fidelity bonds from Insurance Companies of reasonable financial standing to forms prescribed by Government	A fidelity bond may be accepted as security form a Government officer but not form a private party.
(vii) Other forms of security specifically approved by Government for acceptance in on any particular Department e.g., mortgage real property, personal security, etc.	Security in any such form may be accepted in accordance with the rules and conditions laid down in the relevant departmental regulations only or by special orders of Government.

Note-1: Every security deposit whether in cash, Government securities, provincial and municipal debentures, port trust bonds, bank deposit receipts or savings bank deposits or otherwise with a Government officer will be recorded in a register (P.A.F.A.-285) in which transactions must be noted at the time of their occurrence. Each depositor will have a separate folio allotted to him and these deposits will be proved annually in P. A. F. A.-287.

Note-2: When a subordinate, who has furnished a security deposit, is transferred from one office to another, his security should be borne on the register of the office to which he is transferred.

Note-3: Security furnished in cash by a Government officer or a contractor may be converted, the cost of the depositor, into any of the interest-bearing forms of security mentioned in items (i) to (v) of this rule provided—

- (i) that the depositor has expressly requested in writing that this be done, and
- (ii) that the acceptance of the new form or forms of security is permissible under the rules and under the terms of the agreement or bond.

Note-4: Subject to any rule or order made by Government in this behalf the form of the security bond to be executed at the time of furnishing security should be determined under orders of the head of the department according to the kind of security furnished. When a Government officer is specially permitted to furnish security partly in one and partly in another of the forms of security specified in this rule, he should execute separate bonds for the different kinds of security.

Note-5: Forms for the execution of different security bonds are given in Appendix VII.

Note-6: The list of Insurance Companies transacting Fidelity Guarantee insurance Business Pakistan, is given in Appendix VIII.

192. Refund:- A security deposit should be restored to the contractor on his executing a no-demand certificate (P.A.F.A.-451) as soon as possible after the delivery of the supplies or the performance of the services contracted for and with due regard to the state of his accounts. If any delay occurs in the audit of these accounts a refund of such portion of his security deposit may be made to him as the executive officer after consultation with the audit officer, and with his concurrence, considers expedient. At the request of the depositor a security deposit or any portion thereof held in respect of an expired or nearly expiring contract may be appropriated in whole or in part towards the security deposit of another contract that has just been or is about to be entered into with the depositor.

If the security deposit or, any other sums due to a contractor are attached by any court, the executive officer may, if there be no claims against the contractor, pay the total amount into court, otherwise the lien of Government on this amount takes precedence on a claim by an attaching creditor; but if the contract be a joint one, i.e., furnished by more than one individual joining in a contract no amount can be attached to satisfy a demand against one of the partners alone. Security deposits or any other sum due to the estate of a deceased subordinate or contractor may be paid without the production of the usual legal authority, under the orders of Commander-in-Chief, Pakistan Army (D. G. M. S. in the case of contracts of Medical Stores Depots/Army Medical Stores) in the capacity of a Local Government on execution of an indemnity bond in the prescribed form (Appendix V.) with such sureties as he may require, if he is satisfied as to the right and title of the claimant, and considers that undue delay and hardship would be caused by insisting on the production of letters of administration. In any case of doubt payment should be made only to the person producing legal authority. A security deposit made by another person on behalf of a contractor will, on fulfilment of the contract, be returned to the depositor.

No security should be refunded (see P. A. F. A.-296) till the particulars of the claim have been verified with the receipt entries in the cash book or security register, and the receipt provided on the reverse of the no-demand certificate (P. A. F. A.-451) duly completed in all respects is signed by the depositor.

Note-1: When payment of securities is made to an official receiver appointed by the court to manage the estate of a contractor adjudicated insolvent, the order of the court appointing the individual as the receiver of the contractor's estate and the receipt given by the receiver on the reverse of the no-demand certificate for the assets made over to him would be a complete answer to any dim by the contractor or a third person on his behalf.

Note-2: If it appears to an executive officer, on receipt of an order of attachment, that non-payment of monies due to a contractor from Government would adversely affect the continuance of services under contract, the executive officer will make due representative to the court concerned with a view to obtaining a modification of the order, which will give authority to the executive officer to continue payments to the contractor as are necessary in the circumstances and at the same time, retain or pay into court a percentage of future sums according up to the limit of the attachment.

193. Final settlement on vacation of appointment: - When a Government servant from whom a security deposit has been taken, vacates his appointment on transfer/ discharge, a final settlement statement of his accounts is to be prepared and signed by him in proof of its correctness. If no debt to Government is discovered, the security deposit may be refunded to him after a non-demand certificate (P.A.F.A.-451 Part B) is issued by the administrative authority concerned which should be done as soon as possible (i.e., after accounts have been audited). In no case security deposits are to be refunded earlier than 6 months after vacation of appointment. Debts due to Government on account of stores, etc., for which the security deposit was lodged, should, if discovered be recovered from the security deposit.

Note-1: The security bond should be retained permanently or until it is certain that there is no further necessity for keeping it.

Note-2: Without the special orders of the competent authority no security deposit should be repaid or re-transferred to the depositor, or otherwise disposed of, except in accordance with the terms of his security bond or agreement. A departmental authority on returning security to the depositor should invariably obtain his acknowledgement duly signed and witnessed. When an interest-bearing security is returned or re-transferred, the acknowledgement should set forth full particulars of the security.

194. Lapsed deposits: - The following procedure will be followed in regard to the disposal of securities tendered as security deposit by contractors and which are not claimed by the depositors after the termination of the latest contract in connection with which the security was lodged: —

Cash security: - At the close of each official year all cash security deposits remaining unclaimed for three years, exclusive of the year of deposit, will be transferred to the credit of Government by the audit officer, who will inform the officer concerned in order that he may make the necessary entries in his security register. Sums so credited cannot be refunded without the sanction of the C. of A.

G. P. Notes: - Deposits in G. P. Notes remaining unclaimed for three years, exclusive of the year of deposit, will be struck off the books by transfer of the notes finally to the State Bank of Pakistan.

Postal Savings Bank deposits: - If a depositor cannot be traced within four years of the termination of the contract, the "pass book" together with a letter of release, or,

if the "pass book" is not available, only the letter of release, will be sent to the "Postal Audit Office" concerned. In the event of a claim being preferred later, it will be dealt with by the Postal authorities.

Postal Cash Certificates: - If a claim is not received for three years after maturity, or extended maturity, the cash certificate together with a letter of release will be forwarded to the "Postal Audit Office" concerned for disposal. The responsibility for dealing with claims preferred subsequently will rest with the Postal Audit Officer.

Bank deposit receipts: - If a claim for refund is not received within a reasonable time (say one year) of the termination of the latest contract in connection with which the receipt was tendered, the amount will be realised on maturity and credited to Government. Subsequent claims for refund of the principal and the interest actually realised will be disposed of under the rules contained in [rule 192](#).

195. Securities furnished by banks as security for regimental funds: - Securities furnished by banks shall be taken at their market value. In the event of fluctuations in the market value of security deposits lodged by private banks or firms in respect of regimental funds lodged with them (vide relevant rules in R. A. I.) the controller of accounts concerned shall in all cases review the position annually, or, if he or the depositor so desires, after an interval of six months from the -date of deposit, or from the date of the last review. In either case, when a considerable difference in value has taken place, the C. of A. shall either call upon the depositor to make up the difference or allow him a refund, as the case may be.

196. Securities held by Government officers as security for performance of a contract, etc.: — In the case of securities held by Government officers for any purpose the following instructions shall be observed: -

(1) In no case shall beater bonds be held as security.

(2) When Government promissory notes are so held it is of great importance that a Government officer shall not receive or in any way deal with such notes in his official capacity if the title of the depositor is not absolutely clear or is in any way defective. Before therefore accepting such a note, he must carefully scrutinize the endorsements on it. If he has reason to think that any of the endorsements (i.e., not only the last endorsement) is irregular, or if, for any other reason, he is not satisfied as to the title of the person presenting a note, he shall refuse to accept it and shall instruct the depositor to get it renewed by the Public Debt Office. In performing this duty, the officer shall in particular, satisfy himself: -

- (a) that the title of the depositor of the note is clear and indisputable, i.e., that he is in fact the lawful owner of it;
- (b) that all endorsements are on the note itself. An endorsement written on a piece of paper attached to the note is invalid and shall not be recognised;
- (c) that every endorsement which consists of two parts, the Pay order, containing the name of the endorsee and
 - (ii) the signature of the endorser, is in order and is written clearly and legibly in one of the endorsement cages provided on the back of the note, and

- (d) that no endorsement signed " for " any other person has been made on the note as such an endorsement is invalid.

(Note: - The Government Securities Manual—Chapter V contains full instructions in this respect).

- (3) Government promissory notes transmitted by post shall invariably be sent uncut and insured as of the value of Rs. 100 irrespective of their face value.
- (4) Government promissory notes to be deposited with officers: -
- (a) for 12 months or less, irrespective of whether interest may or may not be drawn by the depositor during the period of deposit, or,
 - (b) for any period exceeding 12 months if the depositor does not intend to draw interest during the period of deposit, shall be dealt with as follows: -
- (i) The officer receiving the notes shall first satisfy him-self that the notes stand in the name of the depositor (see clause 2 above) and that the contract or other document executed by the depositor conveys authority to Government to appropriate or cancel the notes if the contract is not fulfilled.
 - (ii) The officer shall then lodge the notes for safe custody at the nearest civil treasury, except in the towns of Karachi, Lahore, Dacca and Chittagong where the notes shall be lodged with the local office of the State Bank of Pakistan.
 - (iii) The notes shall remain the name of the depositor and shall not be endorsed to any officer of Government or converted into stock.
 - (iv) The depositor may, in exceptional circumstances, be allowed to draw interest on the notes by tendering receipts in the usual form countersigned by the officer with whom he has deposited them.
- (5) Government promissory notes to be deposited with officers for more than 12 months and if the depositor wishes to draw interest during the period of deposit, shall be dealt with as below: -

The officer receiving the notes shall satisfy him Self that they stand in the name of the depositor (see clause 2 above) and that all interest due on them at the time, has been drawn. He shall then have the notes endorsed by the depositor in favor of the C. of A. to whom he shall forward them. The C. of A. shall re- endorse notes which are deposited for five years or more in favor of the State Bank of Pakistan and notes deposited for less than five years in favor of the treasury officer of the nearest civil treasury and forward them for safe custody to the bank or the treasury, as the case may be, except that in the towns 'of Karachi, Lahore, Dacca and Chittagong the notes shall in any case be received for custody, at the office of the State Bank of Pakistan.

Exception: - It shall be permissible in the case of notes deposited for-five-years or more; for the notes to be retained in the custody of the C. of A. When this option is exercised, the notes shall, however, be converted into stock

certificates, and to enable this to be done the C. of A. shall instead of endorsing them to the State Bank of Pakistan endorse them in favor of the Governor General and send them to the nearest Public Debt Office or to the treasury on which they have been encased for payment of interest. The notes shall then be converted into stock certificates of the loans to which they pertain unless at the written request of the depositor it is desired that they should be converted (in cases where this is permissible) into stock certificates of other loans. For instance, Government promissory notes of any of the non-terminable 31 per cent. loans may be converted into stock certificates of the same or of any other non-terminable 31 per cent loan. In this event they shall be converted into stock of the desired loans subject to the rules and conditions contained in the Government Securities Manual.

- (6) The procedure laid down in clause (4) shall apply mutatis mutandis in the case of treasury bills deposited with a Government officer in his official capacity. A holder of Post Office cash certificates may tender them as security to any department of Government for their current value. Cash certificates so deposited shall be formally transferred to the C. of A. with the sanction of the head postmaster irrespective of the period for which they are pledged and shall be forwarded to the nearest treasury for safe custody.

197. Custody of securities and payment of interest thereon: - (1) Post Office Savings Bank Pass Books, deposit receipts of banks, fidelity bonds and security bonds or agreements should be kept in the safe custody of the departmental authority which takes the security.

All the Post Office Savings Bank pass books, should be sent to the Post Office as soon as possible after the 15th June of each year, so that the necessary entries on account of interest may be made in them.

In the case of deposit receipts of banks, the depositor should receive the interest, when due, direct from the bank on a letter from the pledge authorising the bank to pay it to him.

(2) Government promissory notes, post Office Cash Certificates and Pakistan Defence Savings or Pakistan Savings Certificate, Municipal debentures and Port Trust bonds deposited as security should be lodged for safe custody with the Manager of the State Bank of Pakistan at place where there are offices of that Bank and with the district treasury of other places in accordance with the rules in Chapter IX of the Government Securities Manual.

(3) Interest in respect of promissory notes or stock certificates shall be periodically distributed to depositors on receipt by the C. of A. from the State Bank of Pakistan, the treasury or the Public Debt Office, as the case may be, subject to the following: -

- (a) Deduction of income tax and surcharge at the maximum rate unless exemption or abatement is supported by an Exemption or Abatement Certificate granted by an income tax officer. The deduction shall be made by the C. of A. in the case of notes deposited with the State Bank of Pakistan and, in or cases, by the Public Debt Office or the treasury officer, as the case may be. The person deducting the income-tax is required under section 18(9) of the Income-Tax Act, to furnish to the person to whom the interest is paid, a certificate containing relevant details to enable him to claim a refund, if necessary.

- (b) Deduction of commission at the authorized rate charged by the State Bank of Pakistan for drawal and remittance of interest. This commission is not Charged in the case of security deposits of Government servants and of banks holding regimental funds in respect of securities lodged for such funds.
- (c) In the case of security deposits of subordinates and contraction of departments, which are allowed to make their own disbursements, the C. of A. shall issue authority to executive officers in P.A.F.A.-291 for each depositor separately and the latter shall make the payment and support such payments by the authority in original and the payee's receipt.

198. G. P. Notes—Return and sale of: - (i) When the return or sale of a promissory note is required, application (P. A. F: A.-295) shall be made to the State Bank of Pakistan or the treasury at which the note was deposited for safe custody. In the case of stock certificates, it shall however first be necessary to have them converted into promissory notes. The Public Debt Office, the State Bank of Pakistan, a treasury officer or the C. of A. shall act purely as the agent of the officer who originally received the note and such officer is responsible for taking action for the sale, realisation or return. of the securities in accordance with the conditions of the endowment.

(ii) In addition to any actual outlay in brokerage, a commission of one eighth per cent. is charged by the State Bank of Pakistan for the purchase and sale of promissory notes.

(iii) When a promissory note dealt with under the exception to clause (5) of [rule 196](#) is returned, it will not be the identical note which was sent for custody, but another note of the same loan or of the loan into which the original note was transferred.

(iv) An officer applying for the delivery of a note shall always specify at what treasury or sub-treasury he wishes it to be enfaced for payment of interest.

(v) If a depositor desires that the securities to be returned to him should be in the form of a stock certificate, this may be arranged for through the Public Debt Office or the State Bank of Pakistan concerned.

(vi) The Public Debt Office charge certain fees for the conversion of a security from one form into another and/or from one loan into another, except in the case of conversion into stock certificates.

199. Provincial and municipal debentures and port trust bonds: - Provincial and municipal debentures and port trust bonds deposited with Government officers shall be dealt with generally under the, rules laid down for G. P. notes. All such securities shall be forwarded to the C. of A. concerned with P. A. F. Z.-2139 who will draw the interest and pay or authorize (P. A. F. A.-291) the amount due to be paid to the depositor.

200. Bank deposit receipts: - Bank deposit receipts should be made out in the name of and forwarded (P. A. F. Z.-2139) to the C. of A. for custody. Interest on bank deposit receipts should not pass-through Government accounts, but depositors should make their own arrangements for receiving, when due, direct from the bank on a letter from the officer who received the deposit authorising the bank to pay it.

201. Savings bank deposits: - In the case of savings bank deposits the depositor must himself lodge the money in the savings bank and assign the necessary security deposit form obtainable from the Post Office. It will then deliver the pass book to the officer concerned, who will satisfy himself by an inspection of the entries on page 1 that the amount deposited has been correctly pledged, to the C. of A. or to the military estates officer in the case of contracts executed by him. Such securities cannot be withdrawn from the savings bank without the written permission (P. A. F. Z.-2141) of the officer to whom the security is pledged. Should there be any claim outstanding against the depositor, the amount such claim, if necessary, will be withdrawn by the officer concerned and paid into the treasury to the credit of Government. The post office will pay the deposit money in whole or in part to the officer to whom the security was pledged, even though the depositor refuses to surrender his pass book.

Note: In the case of casual labour employed on military farms (e. g., munshis. chowkidars, deliverymen and other casual labourers) any security required from them will be recovered by the manager of the farms concerned in cash by small monthly deductions from their Pay. These deductions will be deposited in the Post Office savings bank in the name of the employ concerned, the saving bank account being pledged to the manager of the farm.

202. Acceptance of fidelity bonds as securities: - The standard form described for the execution of a fidelity bond is that given in Appendix VII (with necessary changes made when the bond is individual and not collective) to which no variation should be accepted without adequate reason.

In cases where a fidelity bond of any approved insurance company (See list of approved companies given in Appendix VIII) is accepted, under proper authority, in lieu of a cash security from a Government employee holding an appointment for which such security has been prescribed, the officer concerned should before accepting such a bond, have it scrutinized by one of the authorities specified in rule 389, R. A. I., with a view to the deletion of unnecessary reservations, e.g., the insurance company concerned having the right to insist upon prosecution of the said Government servant in the event of his dishonesty. The government servant, from whom a fidelity bond by an insurance company is accepted, shall be required to execute a security bond also, tendering the fidelity bond as security in lieu of cash. The standard form prescribed for the execution of security bond is that given in Appendix VII.

Note: When a Government servant has furnished security in the form of a fidelity bond, the departmental authority receiving the bond should see that the Government servant pays the Premia necessary to keep it alive on the due dates and continues to do so until a period of six month he has elapsed since he vacated his office. If the Government servant fails to deliver the premium receipts to the departmental authority in time, he should be removed from his post at once.

203. Acceptance of security deposits in a lumpsum: - Security in one of the forms specified in [rule 191](#), as prescribed here will be furnished by Clerks /Cashiers / Assistant Cashiers and Store-keepers/Assistant Store-keepers. etc.: -

- (i) *Remount, Veterinary and Farms (Farm Section)*
Clerks holding public money Store-keepers L. D.
Store-keepers U. D.
- (ii) *Remounts, Veterinary and Farms (Remounts Section)*
Godown Overseers
Clerks holding public money

(iii) Army Ordnance Corps	RS.
Store keepers	1,500
Assistant Store-keepers	1,200
Store Supervisors (ETE)	400
Storemen	200
U. D. Clerks (Cashiers)	1,000
L. D. Clerks (Assistant Cashiers)	300
(iv) Electrical and Mechanical Engineering Organisations Store-keepers	500
Cashiers.	1,000
(v) inspection and Technical Development Organizations	
Clerks (Cashiers) holding 'Public' money less than Rs. 10,000	500
Clerks (Cashier) holding Public' money exceeding Rs. 10,000	1,000
Store-keepers holding Public' stores covering a risk up to Rs. 20,000	200
(vi) Medical Stores Depots	
Superintendents	750
Assistant Superintendents	450
Upper Division Clerks.	300
Lower Division Clerks.	180
(vii) Ordnance and Clothing Factories	
Cashiers/Assistant Cashiers holding 'Public' money less than Rs. 10,000	500
Cashiers/Assistant Cashiers holding 'Public' money Rs. 10,000 or more but not exceeding Re. 25,000	1,000
Cashiers/Assistant Cashiers holding 'Public' money exceeding Rs. 25,000	1,500
Godown Keepers/individuals holding charge of stores	500

Note 1: Subject to any special nee or order made by Government in this behalf every cashier, store-keeper and other subordinate who is entrusted with the custody of cash or stores should be required to furnish security, as set out in this rule and to execute a security bond setting forth the conditions under which Government will hold the security and may ultimately refund or appropriate it.

No subordinate official should ordinarily be permitted to handle Government cash or stores before he has furnished adequate security. Until such security is furnished the Head of the office or the Officer nominated by him as Drawing and Disbursing Officer or Officer In-charge of Stores shall be held personally responsible for the safe custody of cash or stores.

Note 2: When an individual who has furnished security takes regular leave or is deputed to other duty, the officer who is appointed to officiate for him should be required to furnish the full amount of security prescribed for the post, unless a competent authority has authorized a relaxation of the rules regarding security applicable to his case.

204. Subject to any special rule or order made by Government in this behalf Heads of Local Administrations are authorized to exercise full power under the provisions of [rules 190 to 203](#) as regards security deposits of Government servants and others employed under them.

CHAPTER XVI

CONTRACTS

Note 1: These rules do not apply to M.E.S. contracts.

Note 2: The term "officers of the administrative services" includes C. O. Os., Chief Inspectors of Armaments, Vehicles and Engineering Equipment, Electronics and Instruments, and Stores and Clothing, Superintendents of factories, District Remount Officers of Areas, O. C. Remount Depots and O. C. Medical Stores Depots.

Note 3: The principles and instructions enunciated in this section apply to the Royal Pakistan Air Force except where they are at variance with the special instructions contained in "Equipment Regulations for the Air Force (A. P. 830)."

205. General: - For instructions and guidance in the making of contracts and in the principles to be observed in dealing with contractors. officers are referred the "Manual for the guidance of officers of the S. and T. Corps in their relations with contractors".

206. Supplies by contract: - Supplies and services required to carry on the public business will be obtained ordinarily by contract on the authorized tender forms, but can also be obtained as follows:

- (a) In an emergency, for immediate delivery: By orders, given on P. A. F. Z.- 2123 (informal Agreement).

Note: Superintendents of ordnance and clothing factories may obtain petty supplies on P.A.F.2.-2123 (Informal agreement) or its departmental equivalent on ordinary occasions also. The general rules in [rule 209 and 210](#) regarding enhancement of rates and modifications relating to conditions of supply will apply mutatis mutandis in the case of supplies obtained on such informal agreements. For supplies which are periodic whether daily, weekly, or monthly, contracts and not informal agreements should be made.

- (b) When the amounts are small and only required from petty dealers: - On verbal offers tendered at public auction, after due notice on P. A. F. Z.-2137 (Call for Tenders). the offer accepted being recorded on P. A. F. Z.-2125 or 2125-A.
- (c) By purchase, either by the officer of the administrative service concerned, or the representative detailed by him when no tenders are received or the tenders are, in his opinion. unacceptable.
- (d) By special contracts, by purchase or in accordance with special orders that may be issued, to meet demands for supplies and services occasioned by the existence of field service conditions.
- (e) In the case of fodder and dairy produce supplies may be arranged departmentally by local purchase. The system of advertising for tenders will, whenever possible, be avoided. Dairy cattle shall, however, be purchased by contract or by local purchase whichever is most suited to the locality concerned.
- (f) By purchase, from time to time. of hospital requirements of R. P. A. S. C. supply for which the demand is so spasmodic that neither central nor local contracts are desirable.

No contract will be concluded without calling for tenders, except with the previous sanction of the Government of Pakistan, but when the Tail or Forest Department can supply articles equal in quality and at not more than the local market rate, it should be invited to undertake the supply and further tenders need not be called for. In the case of building contracts pertaining to Remount Wing of Pakistan Remount Veterinary and

Farms Corps, he D. R. V. & F. may, In exceptional cases, dispense with calling for tenders for any work up to the value of Rs. 20,000, in consultation with the D. F.

A. (M. F.) concerned.

207. Contracts with commercial or non-Government concerns: - All contracts, agreements, understandings, etc., entered into by a military officer with commercial or non-government concerns will be recorded in writing, and a copy signed by both contracting parties will be carefully filed.

Officers of the administrative service concerned who are making contracts are responsible for the correct wording and framing of all conditions and specifications in the Contract Schedule (P. A. F. Z.-2121 or in the case of transport contracts a cyclostyled schedule attached to P. A. F. Z.-2121-A—Special Conditions). In case of any doubt or when any new items have been embodied in the Schedule which did not exist in the previous Schedules and which it is thought necessary for the C. of A to see from an audit or financial point of view, the offices concerned may submit these forms to the C. of A. for remarks and suggestions before tenders are invited. Every care must be taken to avoid ambiguity or redundancy. No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority.

Proposed amendments to the printed forms P. A. F. Z.-2137-A, 2120 or 2124 must receive prior approval of the C. of A. and sanction of the Director at General Headquarters concerned, the Director-General, Medical Services, or Air Headquarters, as the case may be.

208. Executive officers to arrange contracts: - Officers of the administrative services are charged with the arrangement of all details necessary to effect a contract, and will themselves furnish intending contractors with all necessary information, carefully guarding against any interference on the part of their subordinates. No subordinate of any office or department, or any official in receipt of any salary from Government may be, in any way, pecuniarily interested in a contract, nor may he become security for a contractor or assist him in the preparation of any tender or account.

Officers of the administrative services shall maintain a register of approved contractors. The controller of accounts will notify to officers of administrative services, as soon as it comes to his notice, anything that he considers renders any contractor unfit to hold a contract. The administrative officer will investigate the case and obtain the orders of his administrative senior officer whether the contractor is to be struck off the register or otherwise, notifying the decision to the controller of accounts. Officers of administrative services will give tender forms only to such applicants as are shown in the register of approved contractors. A firm, which, though not yet admitted to the register of approved contractors, has submitted an application for admission there to, maybe given tender forms, but only on the understanding that such tenders will not be considered unless the firm has actually been admitted to the register before the opening of the tenders in question.

209. Sanctions and modifications of contracts: - (i) Contracts must be sanctioned by competent authority and once sanctioned no contract rates may be increased without the sanction of the authority next higher to the one which sanctioned the contract.

(ii) Any enhancements in contract rates sanctioned by a lower authority will be communicated to General/Air Headquarters.

(iii) The financial concurrence of the C. of A. in his capacity as financial adviser or the D. F. A. (M. F.) concerned will invariably be obtained in all cases of enhancement of contract rates.

Note: - The provisions of this rule do not apply in cases where (a) an enhancement of contract rates is due to customs or excise duty being imposed or increased as contemplated in the Indian Tariff Act, 1894, or (b) where provision exists in a contract for the enhancement of contract rates under specified circumstance. In such cases enhancement of contract rates May be sanctioned by the authority who sanctioned the contract (See Appendix IV).

210. Modifications in the conditions of an existing contract which do not involve an enhancement of the contract rates may be sanctioned by the authority sanctioning the contract, provided no extra expense to the State be involved and that both parties to the contract are agreed, the contractor's agreement being taken in writing; but the competent authority will invariably consult the controller of accounts concerned (In his capacity of financial adviser) before sanctioning any modification and, if there be any difference of opinion between the competent authority and the financial adviser, the matter will be referred, with full details the next higher competent authority for decision. All amendments must be signed by both parties to the contract.

If at any stage, it is found that the terms of a contract are contrary to the original intentions or otherwise defective, steps should be taken forthwith to revise it in a suitable manner.

Note: - Acceptance of supplies in excess of the quantity ordered will not be held to be a modification in the conditions of a contract provided that the value of the excess supply does not exceed 5 per cent of the original value.

For acceptance of supplies in excess of 5 per cent of the original value, the competent financial authority will be determined by the value of the original order plus the excess value.

This note does not refer to contracts made on an "as required" basis.

211. Supply of contract articles of E. P. A. S. C. supply for operations not termed mobilization: - The following is the chain of financial responsibility in the matter of enhancement of contract rates: -

- | | |
|--|---|
| | Competent authority to
sanction enhancement of contract
rates |
| (1) All contracts sanctioned originally by the station commander or by an authority subordinate to the Brigade or Sub Area Commander | Brigade or Sub-Area commander |
| (2) All contracts sanctioned originally by the brigade or sub-Area Commander | Divisional Commander or
Commander, 3rd Armor Brigade |
| (3) All contracts sanctioned originally by the Divisional Commander or Commander 3rd Armored Brigade | Q.M.G |

Note 1: - Intimation of enhancement of contract rates will be made to G Headquarters.

Note 2: - In all cases of enhancement of contract rates the financial concurrence of the C. of A. on his capacity as financial adviser will invariably be obtained.

Note 3: - Powers exercisable under this rule by the Commander, 3rd Armored Brigade are subject to review later.

212. Contract by a minor invalid: - A contract cannot be made by or on behalf of a minor. but if a contractor dies his legal representative, even though a minor, is bound by the terms of the contract.

Note: - A Pakistani attains his majority at the age 18, unless he is under the jurisdiction of the Court of Wards, or a guardian of his property has been appointed by any court, in which case he becomes a major at the age of 21.

213. Estimating requirements: - Before advertising for tenders the officer of the administrative service concerned will draw up a careful estimate of the probable amount of supplies for which he wants to contract, with reference to past and future requirements. This estimate will be prepared from the forms (P. A. F. O.-1361 or Z.- 2131) in use in the several depts. in which are recorded the amounts of supplies made by contract, purchase, or issue from stock, or on the annual demands. These records also enable the executive officer to watch the supplies under each contract, and to execute a fresh one, if rates are favorable, in time to take effect as soon as the probable requirements under the existing contract have been delivered.

214. Irregular concessions to contractors: - Irregular concessions to contractors should on no account be granted.

If the circumstances are likely to arise which must justify ex-gratia payments to contractors steps should be taken to give such timely notice as would tend to reduce the amounts so payable. Further, before making any such payments, the advice of the Government Solicitor should be obtained in regard to the legal aspect of the case.

215. Advertisements: - The advertisement calling for tenders for a contract should be published by any or all of the following methods with reference to the importance of the contract and the nature of the supplies: —

(i) By advertisement in the Government Gazette and local papers, English papers and, in the case of very important contracts, in the papers of other provinces.

(ii) By notice on P. A. F. Z.-2137, which should be forwarded to the civil authorities to be posted in public places and circulated to likely tenderers.

Advertisements to tender and calls for tenders must be issued sufficiently previous to the date the tenders will be opened as will give would-be tenderers reasonable time to frame and submit their tenders—this should not exceed six weeks. Tenders should be opened on a date sufficiently previous to the date on which the contract is to come into force as will enable the successful tenderer to make adequate arrangements in time for carrying out the contract. The period between the issue of the advertisement or call for tenders and the date from which the contract will come into force, may be as much as six months ahead for very important contracts, and, normally, not less than three months.

In the case of the Remount Wing of Pakistan Remount, Veterinary and Farms Corps, tenders for supplies and services required by depots and areas will be notified by the circulation of notice on P. A. F. Z.-2137 to contractors on the approved list of the remount formation.

216. Tenders: - Tenders for all supplies for which a special form is not prescribed must be submitted on P. A. F. Z.-2120. It will be issued to tenderers free in accordance with the instruction on P. A. F. Z.-2137. Before issue to tenderers the tender and schedules will be carefully filled in and completed leaving only the rates and the tenderer's signature to be added.

217. Opening of tenders: - Tenders should be deposited by tenderers, or if received by post, by the officer of the administrative service concerned, in a securely locked box of which he will keep the key or keys.

No tenders are to be received after the hour stated in the notice to contractors. At the time fixed therein for opening tenders he will, in the presence of another commissioned officer, scrutinize each tender and satisfy himself that the necessary earnest money has been enclosed therewith and that the tender has been properly made out in accordance with the instructions given in the tender forms and, if all be correct, initial and date the tender and allot to it a serial number—this serial number and the rate given in the tender will then be entered by him in the comparative statement of tenders (P. A. F. Z.-2125 or 2125A). He will show on the comparative statement of tenders or on attached statements the following data (not applicable to contracts of C. I. T. D., R. V. & F. and Ordnance Factories Directorates): -

- (i) Contract rates for the current and for the preceding two years. (when available).
- (ii) Average civil local price current rates for the preceding two years (when available), showing when and where those be wholesale or retail. In the case of supplies imported from outside the local area, civil price current rates of the area from which, they are imported will also be attached.
- (iii) Separately for each tenderer, the full estimated cost of the tender or tenders recommended for acceptance and of each lower tender. The costs will be entered at the bottom of each tenderer's column on the comparative statement.

Note.—*Clauses (ii) and (iii) are not applicable to contracts relating to Medical Stores Depots.*

The officer concerned will enter his recommendations (and reasons for the same) in the comparative statement of tenders and send it at once with all necessary attachments and the tender or tenders (if any), of which he recommends acceptance (and the lower tenders, if any) to the competent sanctioning authority, who may, if he considers it desirable, obtain the remarks of the C. of A. (if not already obtained) before giving his sanction.

If the contract be for a period exceeding twelve months or involve a maximum anticipated expenditure of rupees one lakh or more or be of such a nature that its framing and stipulations might lead to audit objections, and, in the case of all contracts of the C. I. T. D. and D. O. F. the comparative statement will be referred to the C. of A. for scrutiny in his capacity as financial adviser before being submitted to the sanctioning authority.

If the Divisional, or 3rd Armored Brigade or Station Commander does not accept the opinion of his financial adviser, his reasons for not doing so will be recorded on the Comparative Statement of tenders.

In the case of the Farms Wing of the Pakistan Remount Veterinary and Farms Corps, the comparative statement will be submitted to the D. F. A. (M. F.) instead of to the C. of A. and the limit will be Rs. 50,000 instead of one lakh.

A tender for assorted supplies may be accepted in whole or in part the object being to prevent a high rate being tendered for articles for which there is a large demand and a low rate for those of which but small quantities are required.

Note: - In addition to the scrutiny over tenders prescribed by this rule, audit officers have Power to examine contracts and to bring to the notice of the Military Accountant General, for the information of the Public Accounts Committee, any cases where competitive tenders have not been sought, or where high tenders have been accepted, or where other irregularities in procedure base come to light.

218. Errors in tenders: - Any tender which does not fulfil the conditions stated in the tender form or notice to contractors may be rejected, but trivial errors such as—

- (a) omission to enter the rates in words,
- (b) omission to initial any alteration in rates,
- (c) omission to sign both tender and schedule(s);

may be corrected in the presence of the officer concerned and will be signed by both parties.

219. Non-receipt of tenders: - If no tenders are received, or if those received for any article are not acceptable, the contract will not be re-advertised except in very special circumstances, e.g., when collusion between tenderers is suspected, or when by the adoption of such a course material gain is likely to accrue to the State; but purchase may be resorted to. In the case of un-important supplies from petty dealers, however, action bids may be taken before resorting to purchase.

220. Earnest money: - Earnest money need not be taken from jails, regiments or large and reliable firms. The earnest money of the accepted tenderer should alone be retained finless the acceptance of the tender rests with higher authority, in which case the earnest money of the lower tenderers will also be retained until sanction is received. No order is required for the forfeiture of earnest money which follows on default and should be at once credited to Government. Earnest money once forfeited cannot be restored without the sanction of the next higher authority.

221. Contract Deeds: - The tender (P. A. F. Z.-2120) becomes a contract on acceptance, which will be communicated to the tenderer on P. A. F. Z.-2124. A special form of contract deed is not required except in the ease of specially important contracts and it should then be drawn up by the Government law officer, half the cost of the deed being payable by the contractor. A tender cannot be made, nor can a contract be signed, by an agent unless he holds a power of attorney expressly authorising him to do so.

222. Power of attorney: - One or more contractors may employ an agent duly authorized by power of attorney (P. A. F. Z.-2133 and 2134) to act for them.

Note: - Letters of authority can be regarded as legal powers of attorney for purposes to this role only if they are properly stamped as powers of attorney under the Indian Stamp Act, 1899.

223. Duration of contracts: - Contracts will normally for the twelve months of the financial year only but may be for shorter periods. If it be considered advisable in the interest of the State to conclude a contract for a longer period than one year but not exceeding three years, the sanction of the next higher authority must be obtained. For periods exceeding three years the sanction of the Q. M. G., the M. G. O. or the D. G. M. S., must be obtained.

Sanction of the Q. M. G. is necessary prior to the concluding of a contract for less than twelve months in the case of R. P. A. S. C. contracts.

If it be in the public interest to extend the period of an existing contract, the approval of the C. of A. and the sanction of the next higher authority is necessary even where there is no intermediate authority between the one originally sanctioning the contract and those referred to in clause 4, *ibid.* Such extension may be carried out either on the original contract or in the form of a supplementary agreement which will be signed by the competent authority after the sanction of the next higher authority to the period of extension and the terms have been obtained.

Sanction of the Q. M. G., the M. G. O. or the D.G.M.S., is necessary in the case of further extension of a contract, the original period of which plus extensions has totaled three years.

Note: In the case of contracts, including extensions thereof sanctioned by a Director at General Headquarters, the sanction of the Q. M. G. or M. G. O. is not required unless the period of the contract exceeds three years or unless an existing contract is extended beyond a period of three years.

224. All officers entering into contracts on behalf of Government, enduring or likely to endure for a period of more than 5 years, should wherever possible, continue to include in the agreements or contracts a provision for an unconditional power of revocation or cancellation of such contracts by Government at any time on the expiry of six months' notice to that effect.

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DEALINGS WITH CONTRACTORS.

230. Transfer of contracts: - When a contractor desires to transfer a contract, the party who is willing to take up the supply should be called upon to execute a fresh contract (P. A. F. Z.-2120).

231. Supplies. All orders for supplies under a contract should be given on P. A. F. Z.-2135 and the contractor's acknowledgment therefor obtained. Supplies should be made at the places provided for in the first schedule, but if this is to corps direct they must be tendered in the presence of a representative of the department concerned. Supplies should be passed without delay, and any objection must be raised before the contractor is granted a receipt. Except in the case of periodical supplies at short intervals when accounts are submitted monthly, a contractor should be paid as soon as possible after his supplies are accepted.

Note: Supplies of ration articles, made direct by contractors to the unit, should, as far as possible, be made in the presence of a representative of the R. P. A. S. C. Although delivered direct, the R. P. A. S. C. is responsible for the quality of the supplies.

232. Advances: - Unless specially provided for by the tender, or authorized under special rules, no cash advances should be made to contractors.

233. Compensation for breach of contract: - Under clauses 7 and 9 of the tender form, a contractor, in certain cases therein specified, becomes liable to pay to Government compensation for loss or inconvenience that may result from his default or from the rescission of his contract under clause 8. Full compensation need not be insisted upon for every default, and executive officers should avoid exacting it for trivial shortcomings.

A clear breach of contract should not, however be passed over, and the loss will then be assessed as follows: -

If rejected supplies have to be replaced, the amount of the loss will be any excess over the contract rate in the price paid for the supplies, together with reasonable compensation for inconvenience caused by the default. If the contract has to be rescinded, a new contract for the unexpired portion of the original contract should be concluded, and if the rates of the new contract exceed those of the old, the amount of the loss sustained will be (a) the total extra expense incidental to the new rates, plus (b) the extra expense incurred in carrying on the service by purchase in the interval between the two con-tracts, plus (c) the cost incidental to effecting a new contract. Otherwise, the amount of the loss will be (b) and (c) alone, or this amount less the saving resulting from the new dates if these are lower. The loss for inconvenience will be assessed according to the circumstances and the nature of the contract.

The following administrative officers shall exercise discretionary powers up to the limit given below, in the matter of waiving compensation for loss due to the failure of a contractor: —

(i)	O.M.G. (with the concurrence of the Ministry of Finance (Military)		10,000
(ii)	A. Divisional Commander, Commander 3rd Armd. Bd the D.O.F. the C-in-C, R.P.A.F.	With the concurrence of regional controllers of	5,000
(iii)	A Bds, or Sub Area Comd. the D.R.V. & F the D.G.M.S (for Medical Stores Depots/ Army, Medical Stores) the D.O.S. the C.I.D.T	accounts concerned.	2,500
(iv)	D.G.M.S. (for X-ray stores only)		1,000

Note: Thy powers exercisable under the above rule by Commander, 3rd Armored Brigade arc subject to review later.

The amount recoverable from the contractor, or the orders of the C. F. A. for waiving the recovery thereof from the contractor shall be communicated to the C. of A.

234. Interpretation of contracts: - Whenever an audit officer is in doubt as to the interpretation of a contract, he should be guided by the opinion of the particular law officer whose duty it is to advise on the institution or defence of any suit to which the contract may give rise.

235. Recoveries from security deposits in default: - If the compensation exceeds the security the full security may be withheld and the balance recovered from any monies due to the contractor. If the amount of the actual damage suffered under the terms of a contract for which the contractor is liable is more than 75 per cent of the security the whole of it will be forfeited. If however the compensation payable by the contractor is 75% of the security or less the balance will be refunded to him. If the defaulting contractor be declared insolvent by a court of law the unrecoverable balance of compensation may be written off under the orders of competent financial authority.

236. Payment of contractor's bills to their bankers: - The following procedure shall be observed with regard to the payment of contractors' bills to banks :—

All bills must be receipted by the contractor under the words "received payment" and be endorsed by him in favor of the bank under a separate signature. If the bank is a collecting agency and is not included in the second schedule to the State Bank of Pakistan Order, 1948, the contractor will be required, in addition, to execute a power of attorney in favor of the bank. If the collecting bank is a schedule bank, payment can be made without a power of attorney. If, however, it is a financing bank, the contractor will have to execute an irrevocable power of attorney or deed of assignment in favor of that bank, provided that if a deed of assignment is executed, it shall specify the debt and be stamped under Indian Stamp Act or bear a certificate of exemption from stamp duty from a competent authority. The power of attorney or deed of assignment will be subject to the approval of Government.

In such cases Government will not, as a rule make any payment to the contractors without the knowledge of the bank. If, however, the contractor presents a bill for payment direct, and does not endorse it in favor of the bank, while every effort will be made to secure payment to the bank, a payment to the contractor will constitute a full acquaintance so far as Government is concerned. The bank should be required to give a written acknowledgment of this condition as part of the arrangement under which Government recognizes the power of attorney or the deed of assignment.

Note :—The above procedure will not, in any way, affect the rights of Government to deduct from bills (whether endorsed in favor of a bank or not) any sums due to then" from the contractors on account of penalties, overpayments, etc. on the contract to which the bills Pertain, or on any other contract with the Government of Pakistan.

Instruction:— Letters from contractors forwarding powers of attorney or deeds of assignment should indicate whether the bank in whose favor such a document has been executed will function as a financing bank or a collecting agency.

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CHAPTER XVII.
REMITTANCES AND FAMILY ALLOTMENTS

250. Family allotments: -The general rules regulating the payment of allotments in Pakistan of officers and others on field service are laid down in the Accounts Manual (War).

251. Family Remittances: - Rules for family remittances of troops on field and foreign service are :—

I. J. C. Os., N. C. Os. and men, and non-combatants (enrolled) of units having a Corps/Regimental Centre in Pakistan, when ordered on field service or service under peace conditions beyond the limits of Pakistan may make remittances through the post office to their families in Pakistan, free of charge for postal commission in accordance with the arrangements detailed below: —

- (i) A register showing the regimental numbers, ranks and names of individuals making allotments, the names and addresses of the allotments and the amounts to be paid monthly will be maintained by the Commandant of the Corps/Regimental Centre, in which any changes in allotments address etc. will be noted, the authority for the changes being cited etc., the remarks column and field separately.
- (ii) The sum to be remitted on behalf of an individual in any month is strictly limited to the amount of his full monthly pay and allowances. The sum to be remitted must not contain any fraction of a rupee less than four annas.
- (iii) The amount of an allotment may be altered or a remittance may be discontinued by the remitter on due intimation being given to the O. C. the unit, who will inform the Commandant of the Corps/Regimental Centre. The death of an individual making an allotment should be reported as soon as possible by telegram to that officer.
- (iv) The Commandant of the Corps/Regimental Centre will pay the remitees residing at the station or in its vicinity in cash. To make these payments he will send a detailed list of the payments to be made, through the unit accountant to the C. of A. concerned in sufficient time to enable that officer to issue a cheque for the amount by the first of the month following that to which the allotments pertain. A separate cash account will be maintained by the Commandant of the Corps/Regimental Centre for these transactions. Undisbursed amounts will be refunded into the treasury. In cases where local payment of family allotments in cash is not convenient, payments may be made by money order on the Blue Money Order Form, at the discretion of the Commandant of the Corps/Regimental Centre.
- (v) Allotments to allottees at out-stations will be paid by the Commandant of the Corps/Regimental Centre by postal money orders. No cash payments will be made by the Commandant to the post office for money orders sent or for the Commission due on these money orders. Blue money-order forms with red-printing. Which are available at the post offices, will be used, special care being taken to give the full names and correct addresses of the payees.

The money order forms will bear monthly serial numbers, and will be sent (through the unit accountant) to the post office for issue together with a list in triplicate (in quadruplicate if presented at a sub-post office) in Form F. A.

M. O-2. All copies of the list should be signed by the Commandant in full. No change in the money orders, or in the list, will be made once they have been accepted by the post office. The money orders and lists will be accompanied by a payment order on the C. of A. concerned, who provides funds for the payment of allotments, for the total amount of the money orders plus money order commission. The original copy of the list in Form F. A. M. O-2 will be receipted by the post office and returned to the Commandant in place, of the usual individual money order receipts granted by the post office. Payees' receipts will be watched by the Commandant, and on receipt will be securely recorded in a guard file in consecutive order. Any wanting receipt will be obtained by the Commandant in communication with the postal authorities. The amounts of any money orders which cannot be disbursed will be refunded by the post office in cash to the Commandant, and these amounts will be remitted into the treasury. The receipt and disposal of such amounts will be recorded in the appropriate columns of the family allotment register (P. A. F. F-1078) maintained by the Commandant.

Note 1: *The necessary particulars as indicated below will be entered by the Commandant of the Corps/Regimental Centre on the acknowledgment portion of the money order form, the address of the Commandant of the Corps/Regimental Centre (not of the O. C. the unit) being given in every case.*

Serial No. of the money order.....
Name of remitter
Regimental No. and rank and name of regiment
Address

Note 2: *Cheques issued in settlement of family allotment money orders should, in all cases be made payable only to the head postmaster within whose jurisdiction a sub-office lies.*

- (vi) The total amount of the remittance paid in any month will be credited in the accounts of the unit, supported by statements in P. A. F. F-1000 for the first credit and P. A. F. F-1000A for subsequent credits.

Note: *The procedure indicated above will be followed of an artillery brigade when a depot is formed for families and details left behind, on several batteries of artillery proceeding on field service, or when a battery of artillery in Pakistan is selected to which details and families are attached on a single battery of artillery proceeding on service without the formation of a depot.*

II. At stations or localities on field service or service under peace conditions beyond the limits of Pakistan where branches of the Pakistan Post Office are created on field service or when they exist at a foreign station, all others who are not regimentally employed such as J. C. Os. of the Special Medical Section, clerks, agents and non-combatants (enrolled), may remit monthly to their families by free postal money orders, sums not exceeding their monthly pay and allowances for the month of remittance. Such money orders will be accepted by the post office without payment of commission, if endorsed by the officer under whom the individual is serving with the following certificate: —

"Certified that the remitter is entitled to make this remittance which does not exceed his pay and allowances for the month of remittance."

III. At stations or localities on field service or service under peace conditions beyond the limits of Pakistan where there are no branches of the Pakistan Post Office, the individuals mentioned in II above will submit applications on P. A. F. F-999 or F- 1000 for the remittances desired to be paid monthly on their account to the C. of A. at the base, who deals with their pay accounts in the case of field service, or the C. of A. of the Division/Sub Area in Pakistan from which they proceeded in the case of service under peace conditions beyond the limits of Pakistan and who will arrange the remittance in communication with the officer under whom the men were last serving in Pakistan on the general procedure indicated in above for Pakistan troops. A remittance may be discontinued or the amount thereof may be altered on due intimation being given by the individual concerned through the officer under whom he is serving to the C. of A. concerned. An intimation on P. A. F. F.-1001 will be sent by those officers both to the payee and to the remitter.

The death of an individual in non-regimental employ making family remittances should be immediately reported by telegram by the officer under whom he is serving to the C. of A. through the Accountant General's office at the base in the case of field service.

Note: —To facilitate the payment of non-combatants' remittances the service books of such non-combatants as are supplied with them, and the nominal rolls in other cases, should be carefully completed on mobilization with all particulars required to ensure the correct preparation of minty orders. When endorsing money orders for non-combatants family remittances the officer under whom the non-combatant is serving will see that the names and addresses of the remitter and payee, as shown in the service books or nominal rolls, are clearly entered on the money order.

252. Remittances of credit balances: - Officers in charge of the field accounts of J. C. Os, N. C. Os. soldiers or non-combatants (enrolled) may also make remittances to the families of these J. C. Os. and men from the credit balance of their accounts through the Post Office free of charge. Such remittances can only be made at the specific request of the person concerned and no one will be allowed to make such remittances more than once in every three months.

The amount of this special remittance will be included in the next monthly remittance, under [rule 251](#), I, following the receipt of the request from the field and the detailed statements referred to in [rule 251](#) I (vii) will be endorsed to the effect that (1) the amount does not exceed the credit balance at date of the men concerned, and that (2) no special remittance has been made on their behalf during the preceding three months.

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CHAPTER XVIII.
MISCELLANEOUS PROVISIONS.

257. Accounts: - Every officer should bear in mind that his accounts form a unit of the entire system of military accounts, and those mistakes made by him do not affect his own accounts alone; it is therefore, necessary that each officer should satisfy himself before despatching his account that it is in strict accordance with the orders issued for his guidance. Anything of the nature of a local fund, unless specially authorized, is prohibited. All monthly accounts will bear the date of the last day of the month to which they relate. All accounts and returns will be endorsed on the back with the date of despatch.

258. Statistics of expenditure: - The duty of preparing all statistical returns of expenditure rests with the M. A. Dept. but the C. of A. is at liberty to call on executive officers for any statistics or assistance he requires when the necessary information is not available in his own office.

259. Cash and store transactions: - All cash and store transactions to which an individual in his official capacity is a party must be brought to accounts, and the appropriation of cash receipts to meet expenditure, except when specially authorized, is strictly prohibited.

260. Expenditure, responsibility for: - All receipts and charges whether they relate to ordinary or special services of each year, should as far as practicable, be brought into the accounts of the financial year" to which they pertain. It will be the duty of every military disbursing officer to pay all outstanding claims against Government, and all payments due in the current year and chargeable to the accounts of that year, before the end of March while every administrative officer will at all times, and specially when field operations are in progress ascertain what liabilities are likely to be incurred, and get them settled with the least possible delay.

261. Fractions in amounts of bills how treated: - In the discharge of all claims against Government; payment is to be made down to the nearest anna, which is to be shown in all bills and accounts; fractions of minas are not to be shown in all bills and the money column of accounts; if they occur in the average rates of purchases, they are of course to be inserted, but in calculating the price all fractional parts if one half and over are to be shown as one anna and all below that amount are to be omitted.

Note 1: When fractions of rupee occur in the totals of contractor's bills (M.F.S) or in the case of works or supplies chargeable to more than one estimate (M.E.S) in the act..... chargeable to each estimate, fractions less than half a rupee should be disregarded rupee and over taken as a rupee.

Note 2: In the case of salaries fixed by statute payment may be made to the higher anna.

Note 3: Recoveries from salaries on account of retrenchments advancesto the postal life Insurance Fund and Family Pension Fund. (including P..S.F.P.I..... and P.M.W.O. Fund) should also be made to the nearest ann... any adjustment being.....in the last instalment or last month of the year.

Note 4: This rule does not apply to transactions passing through the Account in Current.

Note 5: In the case of bills of tradesmen for casual supplies the amount will be round off to the nearest anna in the totals if the claimants have no objection.

Note 6: This rule also applies to (i) receipts, other than revenue receipts which are fixed by or under any law. (ii) amounts converted into Pakistani currency from sterling and other (iii) accounts rendered by one government or department to another, and (iv) amounts claimed from non-military departments and foreign governments on account of leave, pension and passage contributions in respect of Government servants lent to them. in regard to (iv) the rule shall be applied to individual amounts claimed in respect of each Government servant.

Note 7: In the case of daily labour payment should be made to the nearest place.

262. Official rate of exchange: - This rule is under revision and will be published later.

263. Record of service: - Information relating to the pension service of all commissioned officers is available in the Pakistan Army List, and oily additions or corrections affecting the pension service, including cases of overstayed of leave by officers involving forfeiture of service under rule 4, Military Leave Rules, should be promptly reported to the M. A. G., by the administrative and executive authorities concerned.

264. No demand certificate: - Every officer who proceeds or is about to proceed on leave pending retirement or leaves his unit or appointment on retirement, resignation or on being placed half pay or who, being in charge of cash or stores proceeds on leave or furlough ex-Pakistan, when, with reference to [rule 157](#), last pay certificates are not required to be issued, must obtain a no-demand certificate (P. A. F. A.-450) before he hands over his duties or quits his unit or appointment. Ordinarily no officer will be allowed to leave Pakistan until the no-demand certificate is produced.

The officer commanding or the local head of the department under whom the officer concerned is employed will immediately prepare P. A. F. A.-450, completed in so far as regimental and public claims are concerned and clearly endorsed as final no- demand certificate or final certificate of demand outstanding, and will submit it to the controller of accounts responsible for the disbursement of the officer's pay. The controller of accounts after check and amendment where necessary, will forward it in the case of an officer proceeding ex-Pakistan, to the Pakistan High Commissioner or other accredited representative concerned in the country to which the officer is proceeding.

A no demand certificate is required from officers who although, with reference to the above rules, are not required to produce it at the time of their leaving Pakistan, are while on leave abroad, permitted to retire from the service on pension or to reside out of Pakistan, or are placed on half pay. The certificate will be furnished to the controller of accounts concerned, who will, after completing it, transmit it to the Pakistan High Commissioner etc., as soon as possible. (See also instruction 112, R. A. I).

The submission of a "No-Demand Certificate" (P. A. F. A.-450) is not necessary when an officer, after resignation or retirement from the service, is immediately re- employed as a commissioned officer in another branch of the service, any outstanding demands against him being noted on his last pay certificate or otherwise communicated to his new unit or formation for necessary adjustment.

Note 1: The issue of any or half pay as the case may be beyond a period of six months is dependent on an officer obtaining with the period the prepared no-demand certificate.

Note 2: A no-demand certificate on P.A.F.- 450 in the case of a J.C.O. of the special Medical Section who proceeds on retirement will be by the controller of military accounts to enable him to obtain the first payment of his Rule 8 of the Rules relating to the payment of post Office of Pakistan Military Persons.

265. Claims, submission of: - Claims of officers not in regimental employ will be submitted under their own signatures to the audit officer concerned and those of regimental officers and all subordinates should be preferred through the officers under whom they are serving. All pecuniary claims of officers arising from service in Pakistan will be submitted to the audit officer within whose accounts area the claim originated. Those arising during the period of voyage to Pakistan will be submitted to the audit officer in whose payment the officer is posted for service. Claims arising from service or leave ex-Pakistan including the period of voyage from Pakistan should be submitted to the Pakistan High Commissioner or other accredited representative concerned.

Note: Claims relating to arrears of pay, etc., which may have become due to officers while out of Pakistan, will if preferred by them on their return to Pakistan, be submitted to the C. of A. in Pakistan in whose payment they are.

266. Arrear charges: - All charges against Government should be brought forward in the month in which they are incurred, and in the case of daily supplies in the month following that to which they pertain. When charges are brought forward which are over one month in arrears officers incurring the charges will explain the cause of delay on the vouchers in which such arrears are charged. The explanation should be concise and under a separate signature.

267. Contribution to Funds: - Donations and contributions to funds will deducted from the pay bills of the individual concerned, and they are responsible for the proper payment of such donations and contributions.

268. Computation of broken periods: - When a salary or an allowance is fixed at as annual rate, the amount due for a broken period of any division of the year (whether a quarter or a month), for which it is customary to make the payment, will be computed with reference to the number of days in the year during which the broken period occurs. The amounts due for complete quarters or months may be issued at 1/4th or 1/12th of the annual rate respectively and, if the period of payment is less than a complete year, the whole payment from the to the date of closing will be re-adjusted so that 1/365th (or 1/366th in the case of a leap year) is issued for each day in the period. When intermediate issues are made on account of quarterly payments, the broken periods will be calculated with reference to the number of days in the quarter. When the salary or allowance is fixed at a weekly or monthly rate; the broken period will be computed on the basis of the number of days in the week or in the month in which such broken period occurs.

In the case of J. C. Os. and O. Rs., calculations for the broken period in a month, of pay and allowances, which are fixed at monthly rates, will be made on the standard basis of 30 days a month. This method of calculation will apply to current dues as well as to arrears (pertaining to back periods) that may be paid or adjusted (in pay lists or I. R. L. As) on and after the above date.

Note 1: For the purpose of this rule, the calendar year will be taken as the basis of calculation.

Note 2: In the case of P. T. F. personnel of Provincial units, who complete the period of training prescribed in the Regulations for the P. T. F., pay will be admitted as for full calendar month irrespective of when such training commences or ends. In cases where the full period of training prescribed is not completed, pay for shorter period will be calculated at 1.31 of the monthly rates per day.

Notes 3: The amount due to all officers of the Pakistan Army Reserve on account of pay and allowances for periods of less than a month will be calculated 111 of the monthly rates per day.

269. Treasure Guards: - When an officer is on detached duty and in charge of Government treasure, he should, if a military guard is not available, apply through the prescribed channel for a police guard. Police guards will be supplied free of charge but their travelling expenses and any authorized remuneration, over and above their pay, will be borne by the Defence Services estimates and charged in contingent bills by the officer under whom the guard is employed.

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271. Collective fines on units: - When collective fines are levied on a unit, under the operation of the Indian Army Act, for losses or thefts of arms the actual value of the weapons lost or stolen should alone be credited to Government, the balance of the fines exacted should be retained by the unit concerned and applied to the use of the regimental funds. In the event of recovery of the missing arms within six months of date of loss, the amount paid to Government will be re-credited to the unit and the balance of the fine originally levied, less any expenses incurred in the recovery and repair, if necessary, of the arms, should be refunded to the squadron, battery, company or other similar unit on which the fine was imposed.

272. Line Funds: - The rules in regard to the disposal of stable litter are contained in instruction 595, R. A. I.

Litter Funds accruing from the sale of litter are authorized for all units' except training battalions of Pakistan infantry, which have Government animals on their strength, and will be used to meet the cost of petty improvements to unit lines, purchase of seeds (flower, garden and vegetable) purchase of fuel for boiling animals feed in A. T. units, purchase of cleaning material for leather equipment and accoutrements, training animals, improvements to riding schools, sand baths, choppers, paddocks, litter carts, military displays, prizes for authorized competitions and animal shows, which would tend to improve the physique of the men and the care of animals and equipment.

Sanction of the Brigade, Sub-Area or Divisional Commander, the Comdr. 3rd Armd. Bde. the Commander R. P. A., or the Commander A. G. R. P. A. will be obtained before any expenditure is incurred in connection with military displays, prizes for authorized competitions and animal shows.

Expenditure relating to any form of amusement or entertainment for the benefit of personnel will not be met from this fund.

Each unit will maintain a separate litter fund account which will be administered and audited in accordance with the rules applicable to the accounts of regimental funds (see rules 519-522, R. A.)

Note: The powers exercisable under the above rule by Comdr., 3rd Armd. Bde. are subject to review later.

273. Rates-Army Remount Stores: - Rates for stores purchased by remount depots will be fixed by officers commanding at the time of ordering purchase; and immediately entered in the office rate book and in supply orders. A list of the rates passed will be furnished, quarterly on 10th January, 10th April, 10th July and 10th Oct. to the Director of Remounts, Veterinary and farms. On each bill a certificate must be furnished that the rates therein charged have been compared with those entered in the office copy of the supply order or office rate book.

The Director of Remounts, Veterinary and Farms, is responsible that the rates passed by officers commanding are not excessive. He will compile a quarterly statement of these rates and circulate it to his executive officers as a guide to the rates prevailing in other depots. Copies of this list will also be furnished to the audit officer.

274. Rationing of animals transferred from Army Remount Depots.- The grain and fodder required for the journey of animals transferred from one remount depot to another or from remount depots to rail head will be supplied, according to 'Scales of Rations and Supplies issued by the R. P. A. S. C., by the depot from which they are transferred ; from rail head the unit concerned will make necessary arrangements for rations of the animals for the onward road journey The O. C. Remount Depot concerned, when handing over forage for the animals; may exercise his discretion as to whether a smaller or larger scale of forage is necessary subject to the limitations imposed by 'Scales of Rations and Supplies issued by the R. P. A. S. C.'. The Remount Depot concerned will give to the escorting party a statement on P. A. F. R. D-8 showing the description and quantities of articles or rations handed over to the latter and the scale at which these are to be issued daily during the journey to each class of animal taken over, and will send a copy direct to the O. C. remount depot/unit, together with receipt and issue vouchers (P. A. F. Z-2096) for the forage handed over. The receipt and issue vouchers will also include the packing material used. The animals concerned will be struck off the returns of the remount depot on and from the day of their being handed over and will be brought on to the receiving returns from the date. The O. C. Remount Depot/unit will receipt and return the receipt voucher to the O. C. Remount Depot concerned, and will give credit for the quantities of rations received by the escorting party and strike off the quantities issued on the Journey, from his Ration and Forage Return (P. A. F. S-1519).

In the case of issue of animals from one Remount Depot to another the escorting party will be supplied by the issuing depot. In the case of issue of animals to units, the escorting party will be provided by the units concerned.

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276. The estates attached to the ordnance and clothing factories where such exist, will be financed according to the procedure set forth below: -

(i) The expenditure pertaining to the estates will be divided into the following categories: -

(a) Conservancy and estate welfare inside the factory: - To cover that work which is entailed by the existence of the factory as a working organization

(b) Conservancy, road lighting and maintenance: - To cover that work which is entailed by the existence of the factory staff with a view to maintaining the efficiency of the staff.

(c) Estate proper: - To cover that work undertaken with a view to obtaining the proper usufruct of the estate, due to the existence of the estate as distinct from the factory.

Separate syllabus work orders will be opened on each factory for each of these categories.

(ii) The expenditure falling under categories (a) and (b) above is obligatory whether there are receipts from the factory estate or not, and consequently will be charged against production. Provision for this expenditure will continue to be made in the ordinary factory budget under the several minor heads affected.

(iii) The expenditure falling under category (c) "Estate proper", is not obligatory from the point of view of the factory proper, and consequently the syllabus work order pertaining to this head will be credited with all receipts accruing from the estate.

The criterion for determining whether or not individual receipts are creditable to the work order "estate proper" will be whether the items of receipts would or would not have accrued had there been no estate attached to the factory proper. Rents from temporary erections on the estate, the cost of which has been met from State funds allotted to the factories, are not allocated to estate proper but will be credited to general State revenues.

(iv) Expenditure may be incurred by the factories under "Estate proper" within the limits of the income derived from each estate, subject to the condition that no part of the income shall be spent on any purpose other than the direct development and upkeep of the estate in the interests of the State.

(v) If the receipts accruing from the estate exceed the expenditure falling under category (c) in any financial year, such excess will be credited at the end of the year to the general indirect expenditure of the factory concerned.

(vi) No expenditure on an "Estate proper" in excess of the receipts accruing from the usufruct of that estate proper will be admissible unless specially sanctioned by the Director of Ordnance Factories under his financial powers and unless extra funds are placed at the disposal of the superintendent or other officer in charge of the factory.

(vii) The accounts of the "estate proper" will be compiled and dealt with in the ordinary way; probable receipts and expenditure will be included in the factory budget under the minor heads affected.

(viii) All estate funds will be treated as "public funds" and the accounts will therefore be open to check and inspection by the local audit staff of the Military Accounts Department.

Note: "Estate Proper" comprises all area of land attached to an ordnance factory other than the area occupied by residential quarters for staff and workmen and the necessary open spaces forming part of the premises of such quarters, and includes any land available for extension of the factory or its residential quarters or for defence purposes.

(If a doubt arises, the superintendent of the factory will decide whether the disputed area be included in "Estate Proper" or not).

277. Financial irregularities disciplinary action in connection with: - The responsibility for disciplinary action in cases of financial irregularities rests with the administrative authorities and ultimately with Government. These authorized wills inform the audit officers affected of the exact nature of disciplinary action taken by them.

278. Control and inspection of accounts by Cs. of A. Cs. of A.: - will examine and control the offices of account, disbursement or issue in their account area, and will arrange for the prescribed periodical inspection or local audit of the accounts of such units, formations, etc., as they may select.

279. Income-Tax: - Any leave or deputation salary drawn outside Pakistan shall be subject to deductions of Pakistan income tax and supper tax at the rates which would have been applicable if that salary had been drawn in Pakistan. All valid deductions will be made regularly from the pay and allowances of all officials who proceed overseas and only the net amount will be paid to them in the currency of the country of deputation or leave.

For detailed rules regarding income tax see Income Tax Manual.

280. Recovery of passage contribution: - Rules regarding the recovery of passage contribution will be published later.

281. Leave and pension contributions: - The leave and pension contributions and their recovery in respect of the military officers and other ranks lent on foreign service shall be regulated by the Fundamental Rules.

The rates of contributions prescribed by Government will be published later.

APPENDIX I
LIST OF CONTROL HEADS AND CHAIN OF CONTROL
(Referred to in [rules 53 and 54.](#))

Sub and Minor Heads	Control Head	Officer responsible for control at GHQ or Air Hqrs.	Local authorities through whom Budget Control is exercised	
			Intermediate authorities	Primary controlling authority
(1)	(2)	(3)	(4)	(5)
<p>MAIN HEAD 1-PAY ETC., OF THE ARMY FIGHTING SERVICES.</p> <p>SUB-HEAD A-FORCES IN PAKISTAN:</p> <p>(a) Pakistan Armd. Corps (excluding P.A.C School)</p> <p>(b) Royal Pakistan Artillery (excluding R.P. A. School, Centre and Records)</p> <p>(c) Royal Pakistan Engineers (excluding School of Military engineering)</p> <p>(d) Pakistan Signal Corps (excluding School of Signals of Signals)</p> <p>(e) Infantry (excluding Inf. School)</p> <p>(f) Royal Pakistan Army Service Corps (AT) excluding R.P.A.S.C Centre and Records.</p> <p>(g) Royal Pakistan Army Service Corps (MT) (excluding R.P.A.S.C. Centre and Records)</p>	<p>Miscellaneous Expenses.</p> <p>Do.</p> <p>Do.</p> <p>Do</p> <p>Do</p> <p>Do.</p> <p>Do.</p>	<p>D. of O.</p> <p>D. of Arty.</p> <p>E-in-C</p> <p>D. of Sigs.</p> <p>D. of O.</p> <p>D.S. & T.</p> <p>Do.</p>	<p>Divs/Armd. Bde</p> <p>Commanders, A. Gs. R.P.A</p> <p>...</p> <p>Divs/L. of C. Sub Areas.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p>	<p>O.C Unit.</p> <p>Do Commandant R.P.E Centre and Cs. R.P.E</p> <p>O.C. unit.</p> <p>Do.</p> <p>Do.</p> <p>Do</p>

MAIN HEAD 1 -Contd.				
(h) Intelligence Units (excl. Intelligence School)	Miscellaneous Expenses	D. D. M. I.	Div. / Bde.	O. C. Unit
(i) Ministry of Defence Constabulary	Do	D. of Inf.	S. C. O.	O. C. Installation/Depot to which M. O. D. C Pls. are attached.
(j) Ground Liaison Section	Do.	D. M. O.	.....	O. C. Section.
(k) Governor-General's Body Guard	Do.	D. of O.	Station H. Q., Karachi	Comd. Unit
MAIN HEAD 2-ADMINISTRATIVE SERVICES				
SUB-HEAD A-MILL. TRG:				
Minor Head: -				
(a) P. M. A	Misc. Expenses.	D. M. T. & E.	...	O. C. the institution.
(b) Command and Staff College ...	Do.	Do.	...	Do.
(c) Inf. School	Do.	D. of Inf.	...	Do.
(d) Armored Corps School	Do.	C. G. S.	...	Do.
(f) Royal Pak. Artillery School	Do.	D. of Artillery	...	Do.
(g) School of Signals	Do.	D. Sigs	...	Do.
(h) Intelligence School	Do.	D. D. M. I.	...	Do.
(i) Annual Training Grant	Do	D. M. T. & E.	...	Do.

(1)	(2)	(3)	(4)	(5)
(j) School of Military Engineering	Misc. Expenses	E-in-C	...	O. C. the institution.
(h) Officers Training School	Do	D.M.T.&E	...	Do.
(m) Anti-Aircraft Artillery School	Do.	D. Arty.	...	Do.
(o) Pakistan Army School for Clerks (P.A.C.C.)	Do.	D. of. O	...	Do.
(p) Pakistan School of Music	Do.	Do.	...	Do.
(q) Army School of Administration: -	Do.	Do.	...	Do.
BUB-HEAD B-EDUCATION:				
Minor Heads: -				O. C. the
(a) Pakistan Army Educational, Corps	Do.	D.M.T. & E.	...	institution.
(b) Garrison Regimental and Detachment of Troops	...	Do.	...	Do.
(c) Educational Training Grant	Educational Training Grant.	Do.	...	Do.
(d) Pakistan Army School of Education	Misc. Expenses	Do.	...	Do.
(e) King George's Royal Pakistan Military College, Jhelum.	Do.	Do.	...	Do.
(f) Misc. grants, fees and other payments for educational purposes.	Do.	Do.	...	Do.
SUB-HEAD C-RPASC SUPPLY:				Comdt., R.
Minor Heads: -				P.A.S.C.
(a) R.P.A.S.C. Centre and Records	Do.	D. S. & T.	...	C. & R.
(b) Supply Depots, Copy., etc.	Tempy. labour Misc. Expenses	Do.	Cs. R. P. A. S. C. Div	The Depot or Unit.
		Do.	D.A.D.S.T. L of C S Sub-Area	Do

MAIN HEAD 2-contd.					
SUB-HEAD D-REMOUNT AND VETERINARY SERVICES:					
Minor Heads: -					
(a)	Remount Installations and Units other than Breeding operations.	Tempy. labour.	D. R. V. & F.	...	(a) O.C. Depot/Farm.
		Feed of animals.	Do.	...	Do.
		Construction and maintenance of buildings	Do.	...	Do.
		Misc. Expenses	Do.	...	Do.
(b)	Remount Breeding Operation	Temporary Labour.	Do.	...	(b) Dist. Remount
		Feed of animals.	Do.	...	officer
		Construction and maintenance of buildings	Do.	...	Do.
		Misc. Expenses	Do.	...	Do.
(c)	Veterinary Installations & Units	Do.	Do.	...	ADRY & F/DADRY & F of Div./Sub.-Area concerned or O.C. Unit directly under G. H. Q.
(d)	Remount Vt. Farms Centre & Record.	Do.	Do.	...	O. C. Centre
SUB-HEAD F-PAKISTAN ARMY ORDNANCE CORPS:					
Minor Heads: -					
(a)	P. A. O. C. School & Centre	Do.	Do.	...	Comd. P.A.O.C. School & centre.
(b)	Ordnance Depots/Ammunition Depots (Including Mobile Ord. Units.)	Tempy. Labour Misc. Expenses.	Do.	...	Comdt./C.O.Os./O. O's of Centre /Ord./Aminun. Depots & O. C. of Mob. Laundry/Bath/O.F. Ps. Units
			Do.	...	

(1)	(2)	(3)	(4)	(5)
SUB-HEAD G-PAKISTAN ELECTRICAL AND MECHANICAL ENGINEERS:				
Minor Heads: -				
(a) P.E.M.E. Centre	Do.	D.E.M.E.	...	O. C. the Center.
(b) P.E.M.E. School of Instruction	Do.	Do.	...	O. C. the School.
(c) P.E.M.E. Mobile Repair Units	Do.	Do.	...	O. C. the Unit.
(d) P.E.M.E. Static, W/Shops	Tempy. Labour.	Do.	...	O. C. the W/Shop
SUB-HEAD H-MEDICAL SERVICES:	Misc. Expenses.	Do.	...	Do.
Minor Heads: -				
(a) P.A.M.C. Centre	Misc. Expenses.	D. M. S.	A.D.M.S. Div/L. of C Sub-Area.	Comd. the Centre.
(b) P.A.M.C. Hospitals and Other Medical Unit.	Do.	Do.	Do.	O. C. the Hospital or Unit.
(c) Mill. Food Laboratory	Do.	D. G. M. S.	Do.	O. C. the Lab.
(d) Army Medical Stores Depot	Tempy. Labour.	Do.	...	O. C. the Depot.
(e) Anti-Malatial & Anti-fly measures	Misc. Expenses	Do.	...	Do.
	Anti-malarial and Antifly measures.	D.M.S.	A.D.M.S. Div./L. of C Sub-Area.	O. C. Station.
SUB-HEAD I-MILL. ACCOUNTS OFFICES:	Pay and allowances of officers	M.A. G	...	Cs.M.A./D.A.Cs. M.A.
	Pay and allowances of other	Do.	...	Do.
	Transportation and outstation charges	Do.	...	Do.
	Contingent & misc. expenses.	Do.	...	Do.

MAIN HEAD 2-contd.		Payment to other Departments for work in connection with payment and audit of Military pensions; Deduct-Establishment charges recovered from other Governments/Departments, etc.	M.A.G.		Cs.M.A./D.A.CsM.A.
SUB-HEAD L-INSPECTION AND TECHNICAL ORGANISATION:	DEVELOPMENT	Grants-in-aid; miscellaneous expenses; travelling and outstation allowance.	D. M. L. & C.	D.D.M.L. & C.	Military Estates Officers.
(a) Armaments		Temporary labour; Misc. Expenses.	C.I.T.D.	...	Chief Inspector of Armaments.
(b) Vehicles and Engineering Equipment		Do.	Do.	...	Chief Inspector of Vehicles and Engineering Equipment.
(c) Stores and Clothing		Do.	Do.	...	Chief Inspector of Stores and Clothing
(d) Electronics and Instruments.		Do.	Do.	....	Chief Inspector of Electro or Instruments.

(1)	(2)	(3)	(4)	(5)
SUB-HEAD M-MISC. SERVICES UNDER A.G.:				
Minor Heads: -				
(b) Recruiting Staff.		D. of O.	Division L. of C. Sub	Recruiting Officer.
(i) Recruiting Offices	Misc. expenses		Area.	Chairman, Board.
(ii) Service Selection Boards	Do.	Do.	...	O. C. Unit.
(f) Corps of Military Police/Provost Units	Do.	Do.	Do.	O.C. Depot.
(g) Stationery Depot	Do.	Do.	Do.	Command Organization
(i) Resettlement measures-M.F.R.O.	Do.	Do.	Do.	O. C. Units
(j) Amenities to troops	Misc., expenses	Secy., Pak. S.S. & A.Ba.	Do.	Secy., D.S.S. & A. Bs.
Contribution to D.S.S. & A. Boards.	Contributions	D. of O.	Secy., Pak. S.S. & A.	O. C. Records.
(i) Central Officers Record Office	Misc. expenses	Do	Bs	Do.
(m) P.A.C.C. Record Office	Do.	Do.	Divs/L. of C.	O. C. the Camp.
(n) Reinforcement Camps	Do.		Sub-area	
SUB-HEAD N-MISC. SERVICES UNDER C.G.S.			Do.	
			Do.	
2. Payments for supply of maps and connected service	...	E-in-C	...	...
3. Interrogation Centres	...	D.D.M.I	...	O. C. the Centre
1. Special emergency measures.	...	D.S.D	...	...
SUB-HEAD O-MISC. SERVICES UNDER Q.M.G.	Misc. expenses	Q.M.G.	...	O. C. the Gamp
Transit Camps	Do.	Do.		
Inland Water Transport Company, R.P.E.			...	O. C. the Unit.

MAIN HEAD 3-MANUFACTURING ESTABLISHMENTS:

SUB-HEAD A-FACTORIES:

Minor Heads: -

(a) Ordnance Factories.

Pay of temporary staff. Misc. expenses.
 Transportation.
 Material Purchased Centrally. Expenditure on bldges.
 non-chargeable to Capital.
 Deduct-sale proceeds of scrap & waste. Deduct-value of work done for the M.E.S. & on cost charges debitible to Capital Work

Director of Ordnance Factories.

...

Officer-in-Charge/
 supdt. Factory.

(b) Clothing Factories.

Pay of temporary staff. Misc. expenses.
 Transportation.
 Material purchased locally material centrally
 Expenditure on buildings not chargeable to Capital.
 Deduct-value of work done for the M.E.S and on cost charges debitible to capital works.

Director of Ordnance Factories.

....

Officer-in-Charge/
 supdt. Factory.

(1)	(2)	(3)	(4)	(5)
SUB-HEAD B-MILL. FARMS	Pay of temp. staff. Misc. expenses. Transportation. Production charges. Purchase of diary product Purchase of fodder. Deduct.-receipts from the sale of condemned buildings- materials cattle, etc,	D.R.V. & F.	A.D.M.F. G.H.Q. A.D.M.F. Okara	O. C. the Farm
MAIN HEAD 4- STAFF OF G.H.Q., ETC. SUB-HEAD A-G.H. Q:				
Minor Head: -		P.S. to C-in-c	...	...
(a) C-in-C. and personal staff	Tour expenses.		...	...
(b) General Staff Branch	Unforeseen grant. Special police establishment and other expenditure Printing Stationery & Forms.	D.D.M. I	...	...
(i) Printing, Stationery and Forms	Printing Stationery & Forms	C.A.O.	...	...
(f) Misc., expenses	Misc. expenses.	C.A.O.	...	...
(k) Telephone Grant for G.H. Q	...	D. Sigs.	...	...
SUB-HEAD C-STAFF OF DIVS., L. OF C SUB AREAS, BRIGADES AND STATION.	Misc. expenses.	D. S. D.	...	H.Q. Divs/L. of C. Sub Areas/Bdes/Station Staff.

<p>MAIN-HEAD 5-PURCHASE & SALE OF STORES. SUB-HEAD A-R.P.A.S.C.STORES: Minor Heads: -</p>	(a) Provision	Local purchase	D.S. & T.		Cs. R.P.A.S.C/D.A.
		Central purchase			
		Customs duty	Do.	...	...
		<i>Deduct-Value of stores issued on payment to M.E.S. and other Depots. of the central Government.</i>			
			Do.	...	Cs. R.P.A.S.C./D.A.
	(b) Grain and salt of animals	Local purchase			D.S.T., DIVS/L of C. Sub Area.
		Central Purchase			
		Customs duty	Do.	...	...
		<i>Deduct-value of stores issued on payment to M.E.S. & other depots. of the Central Government.</i>			
				...	Cs. R.P.A.S.C./D.A.
			Do.		D.S.T., DIVS/L of C. Sub Area.
	(c) Petrol Oil and Lubricants	Local purchase	Do.		
	Central purchase		...		
	Customs duty	Do.		...	
	<i>Deduct-value of stores issued on payment to M.E.S. and other depots. of the Central Government.</i>				

(1)	(2)	(3)	(4)	(5)
(d) Coal and firewood	Local purchase Central purchase Customs duty <i>Deduct</i> -value of stores issued on payment to M.E.S. and other deptts. of the Central Government.	D.S. & T Do	..	Cs. R.P.A.S.C./D.A. D.S.T., DIVS/L of C. Sub Area.
(e) Other RPASC stores	Local purchase Central purchase Customs duty <i>Deduct</i> -value of stores issued on payment to M.E.S. and other deptts. of the Central Government.	Do	..	Cs. R.P.A.S.C./D.A. D.S.T., DIVS/L of C. Sub Area.
SUB-HEAD B-ANIMALS	Purchase of animals <i>Deduct</i> - value of animals issued on payment to other Deptts. of Central Government	D.R.V. & F. Do.	.. ..	.. ..
SUB-HEAD C-PAOC STORES: Minor Heads: -			..	..
(a) Ordnance stores	Local purchase Central purchase Customs duty <i>Deduct</i> -value of stores issued on payment to M.E.S. and other deptts. of the Central Government.	D.O.S. Do.	.. ..	Ordnance Estabs, Ordnance representative with H.Q. Divs/L. of C. Sub Area ..

<p>MAIN HEAD 5- contd. SUB-HEAD C-PAOC STORES-contd. Minor Head-contd. (b) Clothing stores</p>	<p>Local purchase</p> <p>Central purchase Customs duty</p> <p><i>Deduct</i>-value of stores issued on payment to M.E.S. and other deptts. of the Central Government.</p>	<p>D.O.S.</p> <p>Do</p>	<p>..</p>	<p>Ordnance representative with H.Q. Div/L. of C.S Sub Area.</p>
<p>(e) M.T. vehicles and connected stores</p>	<p>Local purchase of M.T. stores</p> <p>Purchase of vehicles Central purchase of M.T. stores Customs duty</p> <p><i>Deduct</i>-value of stores issued on payment to other deptts. of the Central Government.</p>	<p>Do</p>	<p>..</p>	<p>Cs. R.P.A.S.C./D.A. D.S.T., DIVS/L of C. Sub Area.</p>
<p>SUB-HEAD D-MEDICAL & VETERINARY STORES</p>	<p>Local purchase Central purchase Customs duty</p> <p><i>Deduct</i>-value of stores issued on payment to M.E.S. & other deptts. of the Central Government.</p>	<p>D.R.V. & F.</p> <p>Do</p>	<p>..</p> <p>..</p>	<p>..</p> <p>..</p>

(1)	(2)	(3)	(4)	(5)
SUB-HEAD F- EXPENDITURE IN ENGLAND: <i>Minor Heads:</i> - (b) Ordnance stores (c) Clothing stores (d) M.T. vehicle and connected stores	Purchase of stores	D.O.S.	...	D.O.S. (G.H.Q. provisioned items) C.O.D. (Other than G.H.Q provisioned items)
MAIN HEAD 7- TRANSPORTATION CHARGES SUB-HEAD A- TRANSPORTATION				
<i>Minor Heads:</i> - (a) Embarkation staff (b) Movement Control Units (c) Sea Transport Establishment (d) Traveling and outstation allowances	Misc. expenses Do. Purchase of stores Misc expense Tour expenses, Other travelling and out station allowances Transportation and outstation allowances in respect of Military Lands and Cantonment service only.	Q.M.G. Do Do Do D.M.L & C	.. ... ... .. D.D.M.L. & C	Embarkation commandant Q.C. Mov. Control Unit Senior Sea Transport Officer .. Military Estate Officer
(e) Raul charges	Movement of personnel Movement of stores maintenance, depreciation etc. charges of Mill. stock.	Q.M.G. Do Do	.. .. ...	... .. ..
(f) Sea and Inland Water charges	Movement of personnel Movement of stores	Do Do	... ..	.. ..

MAIN HEAD 7- contd. SUB-HEAD A- contd. Minor Head-contd.				
(g) Sea passage money	..	Q.M.G	..	Military Estate Officers
(h) Leave passage concessions	..	Do.	..	..
(i) Air transportation charge	..	Do.	..	..
SUB HEAD B- HIRED TRANSPORT, ETC	Hired transport	D.S.& T	..	Cs. R.P.A.S.C. Div/L. of C. Sub-Area
	Road warrants Misc	Do.	..	Do.
SUB-HEAD 7-C CONSERVANCY HOT WEATHER ESTABTS AND TELEPHONES		Do.	..	Do.
<i>Minor Head: -</i>				
(a) Conservancy charges	Conservancy charges	Q.M.G.	Comdts. Divs/L of C. Sub- Areas	Station Commander
(b) Hot weather Estabs	Hot weather estabs			
(c) Administration of non-cantt, stations	Administration of non- cantt. stations Telephones	Do	Comdts. Divs/L of C. Sub- Areas	Station Commander
(d) Telephones (except those at G.H.Q)	(except those at G.H.Q.)	D. Slips	..	H.Q.. Divs/Bdes/L of C. Sub- Areas. Station Staff
SUB HEAD 7-E EXPENDITURE IN ENGLAND:				
Minor-Head (e) Publications	Publications	C.A.O	H.Q.Div/L. of C. Sub-Area and Cs. M.F.S	..

(1)	(2)	(3)	(4)	(5)
Main Head S-M.E.S Sub-Head 8-A Works <i>Minor Heads: -</i> (a) Major works (b) Minor works (c) Furniture (d) Losses	Works in progress New works Minor works Furniture Losses	Q.M.G.	D.C.E. Quetta and Cs. M.E.S. Divs/L of C. Sub Area	G.Es.
SUB-HEAD 8-B-MAINTENANCE OF BUILDING COMMUNICATION ETC. Minor-Heads- (a) Buildings (b) Mill. roads (c) Furniture (d) Miscellaneous (e) Abnormal repairs and renewals	Permanent building Temporary, huttet buildings Other tempy. buildings Hired, leased, etc building Roads in Cantts. Roads ex-Cantts. Furniture Misc. Abnormal repairs and renewals	E-in-C Q.M.G./E-in-C	D.C.E. Quetta and Cs. M.E.S. Divs/L of C. Sub Area H.Q. Div/L. of C. Sub-Area and D.C. E. Quetta/Cs. M.E.s	G.Es Do

MAIN HEAD 8-CONTD.				
SUB-HEAD 8-C- MAINTENANCE AND OPERATIONS OF INSTALLATIONS				
<i>Minor Head: -</i>				
(a) Water Supply	Expenditure Deduct-recoveries	E-in-C	D.C.E, Quetta and Ca. M.E.S	G.Es.
(b) Electricity	Expenditure Deduct recoveries	Do	Do	Do.
(c) Ice	Ice.			
(d) Manufactures	Manufactures			
(e) Workshops	Workshops	Do	H.Q. Div/L of C Sub-Area, D.C.E Quetta and Cs. M.E.S	Do.
(f) Refrigerator and Air Conditioning	Refrigerator and Air Conditioning			
(g) Miscellaneous	Misc			
(h) Abnormal repairs and renewals	Abnormal repairs and renewals	Q.M.G./E-in-C	Do	Do.
SUB-HEAD 8-D- GENERAL CHARGES:				
<i>Minor Heads:-</i>				
(a) Rent for buildings	Rent for buildings			
(b) Rent for land	Rent for land	D.M.L. & C	D.D.M.L. & C.	M.E.Os.
(c) Rates and Taxes	Rates and taxes			
(d) Payments for Railway sidings, etc.	Payment for Railway sidings, etc.	E-in-C	D.C.E. Quetta and Cs. M.E.S. Div/L. of C. Sub Area	G.E.

(1)	(2)	(3)	(4)	(5)
SUB-HEAD 8- ESTABLISHMENT	Pay of officers Pay of others Travelling and out station allowances Miscellaneous Printing and stationery Telephones	E-in-C	D.C.C and Cs. M.E.S	G.E.O.C. P.S.Ds & E 7 (E-in-Cs Branch)
SUB HEAD 8 F- TOOLS, PLANTS AND MACHINERY <i>Minor Heads: -</i> (a) Tools and plants (b) Machinery	Payments to other departments Deduct- Credit from other departments New supplies Repairs/Renewals Payment to other departments Deduct- credits from other departments Cost of machinery supplied to Units	E-in-C Do	Do. C.M.E.S of E.S.D. Mayo Road, Lahore	G.Es. O.C.E.S.D. & S.D.O.T & P. Rawalpindi
SUB-HEAD 8-G- STORES Minor Heads: - (a) Stores purchases	Purchase by E-in-C (inclusive of seat freight) Purchase by M.E.S lower formations Customs duty and Rly Freight.	do Do Do	D.C.E. Quetta & Cs. M.E.S. Div/L of C. Sub-Area --	C.M.E.S. E.S.D. Mayo Road, Lahore & O.C. E.S.D Karachi C.M.E.S. E.S.D. Mayo Road, Lahore & O.C. E.S.D Karachi and Garrison Engineers

<p>MAIN HEAD 8-CONTD. SUB-HEAD 8-G- CONTD. <i>Minor Heads- contd.</i></p> <p>(b) Operating charges of Depots, Parks & Divisional Stores</p> <p>(e) E.S.D. Mayo Road Lahore W/Shop</p> <p>(d) Credit</p> <p>SUB-HEAD 8-H- ACQUISITION OF LAND COMPENSATION FOR DAMAGE TO RE- QUESTIONED PROPERTY: <i>Minor Heads: -</i></p> <p>(a) Acquisition of land (b) Acquisition of other property (c) Compensation for damage, etc. to property</p> <p>SUB-HEAD 8.I- EXPENDITURE IN ENGLAND</p> <p>SUB-HEAD 8-J-EXCHANGE</p> <p>SUB-HEAD K-M.E.S. ADVANCES</p>	<p>Pay & allowances of tempy, labour & work charged staff.</p> <p>Miscellaneous expenses</p> <p>Pay & allowances of tempy and work charge staff.</p> <p>Cost of materials, Misc expenditure Deduct credits</p> <p>Deduct- Cost of stores for Ministry of Defence works</p> <p>Deduct-cost of stores for Civil & Deposit works</p> <p>Acquisition of land. Acquisition of other property. Compensation for damage, etc. to property</p> <p>..</p> <p>..</p> <p>..</p>	<p>E-in-C</p> <p>Do</p> <p>Do</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>D.M.L & C</p> <p>E-in-C</p> <p>Do.</p> <p>Do.</p>	<p>D.C.E. Quetta & Cs. M.E.S. Div/L. of C. Sub-Area Do. D.C.E. Quetta & Cs. M.E.S. Div/L. of C. Sub Area Do. D.D.M.L. & C -- -- D.C.E. and Cs. M.E.S</p>	<p>C.M.E.S. E.S.D. Mayo Road, Lahore & O.C. E.S.D Karachi and Garrison Engineers C.M.E.S. E.S.D Mayo Road, Lahore Do. Do. Do. C.M.E.S. E.S.D. Mayo Road, Lahore & O.C. E.S.D Karachi & Garrison Engineers Do M.E.Os. G.Es</p>
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(1)	(2)	(3)	(4)	(5)
MAIN HEAD 9-AUXILIARY AND TERRITORIAL FORCES SUB-HEAD 9-A MUJAHID FORCE SUB-HEAD 9B- TERRITORIAL FORCES	Transportation Instructors. Transpiration-Members under training incidental charges Grant. Miscellaneous	D.M.T. & E		O.C. Units
Sub-head 9.C-P.N.G Main Head 10-AIR Force (including stores and works)	Pay and allowances of Trainees (including D.A. if admissible. Transpiration charges. Misc. expenses	Director of Infantry	G.S.O. II/III P.N.G. H.Q. Divs/ L.of C. Sub-Area	O.C. Ba.
SUB-HEAD 10-A- GROUP, WING SQUADRON HEAD QUARTERS AND SQUADRONS	Misc. expenses	Director of Administration	Group Commander	O.C. Squadron Head Quarters
SUB-HEAD 10-B- TRAINING EDUCATION AND OTHER MISC. ADMIN, SERVICE <i>Minor Heads:-</i>				
(a) Training Establishments	Misc. Expenses Minor Trg. Grant	Director of Training and Reserve	Do	Do.
(b) Education-Establishments	misc. expenses Educational Grant. Science Laboratories Correspondence courses Central Library Psychological Research Center Psychological Research Library Aircraft Modelling Hobbies Club		..	..
SUB-HEAD 10-C- MAINTENANCE UNITS SUB-HEAD 10-D, AIR H.Q	Misc. expenses Do.	Director of Admin Do	Group Commander ..	O.C. Squadron H.Q. A.O. (Co-ord) Air H.Q.

SUB-HEAD 10-E- PURCHASE AND SALE OF STORES OTHER THAN THOSE PROCURED THROUGH THE ARMY (Expenditure in Pakistan)				
<i>Minor Heads: -</i>				
(a) M.T. Vehicles and Stores	(1) Local purchases (2) Other heads	Director of Maintenance and Supply		C.Eq.Q., Air H.Q.
(b) Provisions	(1) Local purchases (2) Other heads	Do.	..	Group comdr O.C. Stn. Supply Depot. C.EqO. Air H.Q.
(c) Coal and Firewood	(1) Local purchases (2) Other heads	Q.M.G. Director of Maint. and supply	.. ..	C.Eq.O. Air H.Q.
(d) P.O.L (including kerosene oil and oil for machinery)	(1) Local purchases (2) Other heads	Do.	..	Do
(e) Ordnance stores (including explosives and Ammunitions)	(1) Local purchases (2) Other heads	Do.	..	
(f) Clothing stores	(1) Local purchases (2) Other heads	Do. Do.	.. ..	O.C. Squadron H.Q. C.Eq. O., Air, H.Q.
(g) Medical stores	(1) Local purchases (2) Other heads	Do.	..	Do.
(h) Other Miscellaneous stores	(1) Local purchases (2) Other heads	Do. Do.	.. ..	O.C. Squadron H.Q. C.Eq. O., Air, H.Q.
SUB HEAD 10-F TRANSPORTATION:				
<i>Minor Heads: -</i>				
(a) Travelling and outstation allowances	..	Director of Admin	..	..

(1)	(2)	(3)	(4)	(5)
(b) Rail Charge	(1) Movements of personnel (2) Movements of stores	Director of Admin Director of Maintenance and Supply	....	....
(e) Sea and Inland Water charges (Coastal and River craft in Pakistan)	(1) Movements of personnel (2) Movements of stores	Director of Admin Director of Maintenance and Supply	....	....
(d) Air Tpt. charges	(1) Movements of personnel (2) Movements of stores	D. of Admin D. of Maint and Supply	....	....
(e) Hired Tpt. charges	(1) Movements of personnel (2) Movements of stores	D. of Admin D. of Maint and Supply	....	....
SUB-HEAD 10-G-MISC Minor Heads: -				
(c) Conservancy	Conservancy charges	D of Admin	Gp. Commander	O.C. Squadron H.Q.
(d) Hot Weather Estabts.	Hot Weather estabts	Do.	Do.	
(e) Printing and Stationery	Printing Standard forms Typewriters and Duplicators Publications Stationery	D of Maint. & Supply Do. Do. Do. Do.	.. .. .. .. ..	Do. Do. Do. .. O.C. Squadron H.Q.
(f) Telephones	(1) Expenditure at Air H.Q.	Director Administrations	of ..	..

<p>MAIN HEAD 10-CONTD SUB-HEAD 10-G- CONTD. <i>Minor Heads: - contd.</i></p> <p>(g) Anti-malarial and anti-fly mousers</p> <p>(h) Amenities</p> <p>(i) Other miscellaneous charges</p> <p>SUB-HEAD 10-H- WORKS <i>Minor Heads: -</i></p> <p>(a) major works (not exceeding Rs. 1 lakh in costs)</p> <p>(b) Minor works</p> <p>(c) Furniture</p> <p>(d) Losses</p> <p>(e) Maintenance of buildings, communication, furniture, etc.</p>	<p>(2) Expenditure at other than Air H.Q. Anti-malarial and anti-fly measures Amenities Publicity and advertisements R.P.A.F Maternity Clinic</p> <p>(1) Works in progress (2) New works Minor works Furniture (units)</p> <p>Losses</p> <p>(1) Maintenance of permanent building (2) Maintenance of temporary hutted building (3) Maintenance of other temporary buildings (4) Maintenance of hired/leased/requisitioned buildings</p>	<p>Director of Administration</p> <p>Director of Training and Reserves</p> <p>Director of Admin/ E-in-C Director of Admin Director of Admin</p> <p>Director of Admin/ E-in-C</p>	<p>Group commander</p> <p>Do</p> <p>D.C.E. Quetta or commander M.E.S. Group comdr. D.C.E. Quetta or commander M.E.S.</p> <p>D.C.E. Quetta or commander M.E.S.</p>	<p>O.C. Squadron H.Q.</p> <p>Do</p> <p>G.E. Station Comdr. G.E.</p> <p>G.E.</p>
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(1)	(2)	(3)	(4)	(5)
	<ul style="list-style-type: none"> (5) Maintenance of airfields runways, taxi-tracks, hard standing Aprons, etc. (6) Maintenance of roads (7) Maintenance of furniture (8) Maintenance of misc. constructions (9) Abnormal repairs and renewals 	Director of Administration/E-in-C	D.C.E. Quetta or Commander, M.E.S.	G.E.
(f) Maintenance and operations of installations	<ul style="list-style-type: none"> (1) Water supply expenditure Deduct- Recoveries from other departments of Central Government (2) Electricity expenditure Deduct- Recoveries from other departments of Central Governments (3) Abnormal repairs & renewals (4) Refrigeration and air conditioning 	Director of Administration/E-in-C	D.C.E. Quetta/ Ca. M.E.S	G.Es.
(g) General charges	<ul style="list-style-type: none"> (1) Rent for hired/leased/ requisitioned building, including annual recurring compensations. 	D,M.L. & C	D.D.M.L & C	M.F.Os.

<p>MAIN HEAD 10-CONTD SUB-HEAD 10-G- CONTD. <i>Minor Heads: - contd.</i></p>	<p>(2) Rent for hired/leased/requisitioned buildings, including annual recurring compensation (3) Rates and taxes (4) Payment for railway sidings and platforms (5) Miscellaneous</p>	<p>D.M.L.& C</p>	<p>D.D.M.L. & C</p>	<p>M.E.Os.</p>
<p>(h) Tools, plants and machinery</p>	<p>(1) Tools and plants (2) Machinery</p>	<p>Director of Administration/ E-in-C</p> <p>Do</p>	<p>D.C.E. Quetta/Cs. M.E.S</p> <p>Do.</p>	<p>G.Es</p> <p>Do.</p>
<p>SUB-HEAD 10-I-ACQUISITION OF LAND AND COMPENSATION FOR DAMAGE TO REQUISITIONED PROPERTY</p>	<p>(1) Acquisition of land. (2) Acquisition of other property (3) Compensation for damage, etc, to property</p>	<p>D.M.L. & C</p>	<p>D.D.M.L. & C</p>	<p>M.E.Os.</p>
<p>MAIN HEAD 12-INTER SERVICE ORGANISATION</p>				
<p>SUB-HEAD 12-A- INTELLIGENCE</p>	<p>Misc. expense</p>	<p>D.D.M.I</p>	<p>..</p>	<p>O.C. the F.S. Section</p>
<p>SUB HEAD 12-G- PUBLIC RELATIONS ETC.</p>	<p>Misc. expense</p>	<p>Director of Public Relations</p>	<p>..</p>	<p>D.P.R./Editor Mujahid</p>

(1)	(2)	(3)	(4)	(5)
<p>MAJOR HEAD 86-CAPITAL OUTLAY MAIN HEAD 1-EFFECTIVE CHARGES <i>Sub-Head A.-Works</i> <i>Minor Head (a)- Army Works: -</i> 1. Works in progress 2. New works <i>Minor Head (b)- Factory works</i> 1. Works in progress 2. New works <i>Minor Head (c)- Air force works</i> 1. Works in progress 2. New works <i>Sub Head B.-Equipment plant and machinery.</i> <i>Minor Head (a)-Army</i> Ordnance and M.T. Engineers Minor Head (b) Factories Minor Head (c) R.P.A.F.</p>	<p>Works in progress New works Works in progress New works Works in progress New works Value of equipment, plant & machinery Customs duty Value of equipment, plant & machinery Customs duty Value of equipment, plant & machinery Customs duty Value of equipment, plant & machinery Customs duty</p>	<p>Q.M.G D.O.F/E-in-C Director of Admin/ E-in-C D.O.S. E-in-C D.O.F. Director of Maintenance and Supply Air H.Q.</p>	<p>H.Q. Div/L of C. Sub-Area Cs. M.E.S D.C.E. Quetta/Cs. M.E.S </p>	<p>G.Es. Do. Do. Chief Equipment Officer Air H.Q.</p>

APPENDIX II
FORMS OF REGISTER TO BE MAINTAINED BY CONTROLLING AUTHORITIES FOR WATCHING EXPENDITURE
AGAINST ALLOTMENT (REFERRED TO IN [RULE 54](#))

(a) Register to be maintained by primary controlling authority for watching expenditure against allotment.

Main Head	Sub-Head	Allotment Minor Head	Control Head	Allotment for the year			
				Reference	Amount of original allotment	Subsequent charges +Increase -Decrease	Total

EXPENDITURE-PART A
(as recorded by the controlling authority)

1	2											
	April	May	June	July	August	Sept	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total for the month	Vr	Amt	Vr	Amt	Vr	Amt	Vr	Amt	Vr	Amt	Vr	Amt
Progressive Total to end of the month												
Balance of allotment												

EXPENDITURE-PART B

(as reported by 'H' Section of the M.A.G. through the monthly expenditure statements)

1	2											
	April	May	June	July	August	Sept	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total for the month												
Progressive Total to end of the month												
Balance of allotment												

INSTRUCTIONS

1. This register will be maintained by all primary controlling authorities (See Appendix I).
2. Amounts should be rounded off to the nearest rupee for purposes of completing this register.
3. All abnormal items will be underlined in red ink so that by deducting such items from the progressive total the monthly average normal expenditure can be ascertained. Allowance must also be made for known or anticipated abnormal items likely to come forward in the remaining month in considering the adequacy or otherwise of the unspent balance of the allotment.

(b) Budget Allotments register

Original allotment received from
 under
 his No. Dated

Budget Allotment Register
 Main Head Sub-
 Head Control-Head

authority to whom allotted	Original Allotment and distribution	SUBSEQUENT				MODIFICATIONS				Particulars of Additional allotments, or surrenders or re-appropriations
		Month		Month		Month		Month		
		Amount +Increase -Decrease	Allotment as modified to date	Amount +Increase -Decrease	Allotment as modified to date	Amount +Increase -Decrease	Allotment as modified to date	Amount +Increase -Decrease	Allotment as modified to date	
1	2	3	4	5	6	7	8	9	10	11

INSTRUCTIONS

1. This register will be maintained by all primary controlling authorities who distribute allotments to other controlling authorities.
2. The initial distribution of the total original allotment and the amount retained in reserve will be entered in column 1 and 2.
3. The succeeding columns are provided for the purpose of recording (1) changes in this initial distribution and (2) additions to or reductions in the total original allotment, whether by supplementary grants from higher controlling authorities, surrenders, or re-appropriations.
 It will be clear that mere changes in the distributions of the original allotment within a control head will not effect the aggregate amount of the allotment (including the portion head in reserve). Additions to or reductions in the original allotment will cause increases or decreases in the total allotment and the amounts of such increase or decreases will be brought out in the totals of the add-numbered columns concerned.
4. Reference will be given in column 11 to the authority for the additional allotment, surrender or re-appropriation, as the case may be.

APPENDIX III
LIST OF BANS AND AGENTS WHO HAVE EXECUTED -A GENERAL BOND OF INDEMNITY TO COVER THE LEAVE ALLOWANCES, ETC., OF THEIR CONSTITUENTS.

(Referred to in [rule 142](#))
SECTION 1.

List of agents 11 ha have executed general bonds on or after the 1st April, 1937.

1. Nath Bank Ltd.
2. Chartered Bank of India, Australia and China.
3. Comilla Union Bank Ltd.
4. Eastern Bank Ltd.
5. Calcutta National Bank Ltd.
6. United Commercial Bank Ltd.
7. Comilla Banking Corporation Ltd.
8. The Habib Bank Ltd.
9. Australasia Bank Ltd.
10. Central Bank of India Ltd.
11. Muslim Commercial Bank Ltd.
12. National Bank of Pakistan.
13. National Overseas and Grind lays Bank, Limited.

SECTION 2.

List of agents whose bonds executed prior to the 1st April 1937 continue to be valid under Treasury Rules: —

(Part I constitutes the list of agents who internationally have secured the title to draw, on behalf of their constituents, pensions payable in Pakistan on behalf of Colonial and other Governments as well, while Part II mentions these who are not so entitled).

PART I

1. The Imperial Bank of India.
2. The Allahabad Bank Ltd.
3. Messrs. Grindlay & Co. Ltd.
4. Lloyds Bank Ltd.
5. The Mercantile Bank of India Ltd., Delhi.

PART II

1. The National Bank of India Ltd.
2. The Bank of India Ltd.
3. The Central Bank of India Ltd.
4. The Mercantile Bank of India Ltd., Madras.
5. The Punjab National Bank Ltd.
6. The American Express Company, Incorporated, Bombay.
7. The Bengal Central Bank Ltd.

APPENDIX IV
CONTRACTS—BY WHOM SANCTIONED
(Referred to in Note to [rule 209](#))

A.—SUPPLY SERVICES.

1. Contracts for the supply of articles are arranged as follows:—

(a) "Central purchase" articles.—Contracts for these articles are made for the Q.M.G. by the Director of Purchase (Defence), Ministry of Food.

Note.—In case of emergency, such articles may be purchased locally, in accordance with standing orders but all such purchases (which should be made only to the extent necessary to meet immediate requirements) together with rates and full reasons, should be reported to the D.S. & T. monthly.

(b) The C.R.P.A.S.C. Division acting under the orders of the Divisional Commander, will consider, as necessary, the various local purchase supplies for which it is desirable to make contracts and decide, in consultation with the C.M.A. which of these, having due regard to the advantage of the State, should be for individual stations or for groups of stations, for individual articles or for suitable groups of articles such as any particular- class of contractors would be willing to tender for.

Contracts, the anticipated value of which exceeds Rs. 2,00,000 but does not exceed Rs. 3,00,000/ will be treated as Divisional Contracts to be made by CRPASC and sanctioned by Div. Commander. Those of which the value exceeds Rs. 1,00,000 but does not exceed Rs.2,00,00 will be treated as area contracts to be made by C.R.P.A.S.C.; D.A.D.S. & I., Brigade/Sub-area and sanctioned by Brigade Sub-Area Commander. Those of which the value is not expected to exceed Rs. 1,00,030 may be treated as Station Contracts to be made by O.C. Supply Depot, if considered sufficiently experienced and competent by Div. Commander/Comdr. 3rd Armored Brigade.

"Local purchase" articles.- Contracts for these articles are made, where necessary, by the RPASC officers concerned as under, subject to the rules in these Regulations.

Nature of contract	Made by	Sanctioned by	Periods	Value limit
1. Station	O.C. Supply Depot	Station Comdr.	1 year	Rs. 1,00,000
2. Brigade/ Sub Area	C.R.P.A.S.C/ D.A.D.S. & T	Brigade/sub Area comdr.	1 year	2,00,000
3. Division	C.R.P.A.S.C Div/3rd Armd. Bde.	Div. Comdr. or Comdr. 3rd Armd Bde.	1 year	3,00,000
4. G.H.Q	Q.M.G.	Q.M.G. with the concurrence of Ministry of Finance (Mill)	3 years	5,00,000

2. In the case of contracts for articles of "local purchase" the Q.M.G. or the Div. Commander/Comd. 3rd Armd Bde. will exercise supervision by calling up for that purpose, before completion, such proportion of contracts as they may direct.

3. Government sanction will be necessary in respect of contracts of the following types :-

- (a) Contracts involving an uncertain or indefinite liability condition of an unusual character.
- (b) Any proposal to create as 'agency' type of supply.
- (c) Taking under control or on lease a private firm.
- (d) Grant of bonus or subsidy to a firm.

4. The classification of articles authorized for supply by the R.P.A.S-C. is contained in S & T Regulations.

B.—TRANSPORT SERVICES

5. The adoption of any particular mode of conveyance for military personnel and stores over any road, or any alteration in the existing mode of conveyance, requires the sanction of the Division & Commander who will ensure that no contract is entered into for M. T. on a road hitherto open to A. T. without the prior concurrence of the local Government concerned. When once such sanction has been obtained the actual contract with the carrying company, whether for one year or, for a longer period, if deemed desirable and advantageous to the State, will be made and sanctioned by the Commander of the Division, acting under the advice of the C. R. P. A. S. C. or D. A. D. S. & T., of the area, and in consultation with the C. M. A. concerned.

Renewals or extensions of A. Tpt. contracts, the period of which exceeds one year, will be sanctioned by the next higher authority to that sanctioning the original contract, subject to the limitations imposed by [rule 223](#). No new A. Tpt. and A. Tpt.- cum-M. T. contracts will be entered into by commanders for periods longer than one year without sanction of General Headquarters.

6. Executive officers of the Ordnance and Clothing Factories may when suitable Government transport is not available make their own arrangements for the supply of hired transport required for use in those factories or obtain it through the local R. P. A. S. C. Before, however making their own arrangements for the supply, the officer concerned must consult the C. R. P. A. S. C./D. A. D., S. & T. of the Division/ Sub- Area in which they are situated and ensure that such arrangements will not infringe the terms of any contracts made by the C. R. P. A. S. C./D. A. D. S. & T. of the Division/Sub-Area.

Officers Commanding Air Force units may, in similar circumstances, and with the prior sanction of the C-in-C, R. P. A. F. hire private transport for the performance of Air Force duties. Such hiring shall be arranged in consultation with the C. R. P. A. S. C./D. A. D. S. & T. of the Division/Sub-Area in which the units are situated or through the Station Transport Officer when time does not permit of a reference to the former.

The -M. E. S. authorities may, in consultation with the C. R. P. A. S. C./D. A. D., S. & T.; Division/Sub-Ares, also make their own arrangements for the transportation of machinery and articles which require special stacking.

C.— CONTRACTS FOR THE -R.P.A.S.C. (INCLUDING M. T. SERVICES), OTHER THAN THOSE MENTIONED AT A AND B ABOVE—BY WHOM SANCTIONED.

7. Contracts for the above may-be executed by the following authorities on behalf of the Governor-General :—

- | | |
|---|---|
| (1) Contracts for supply of stores and repairs to or for building bodies, for motor transport vehicles, and for conveyance of military passengers on hill roads by motor vehicles | By the Secretary Joint Secretary or Deputy Secretary Ministry of Defence, the Q.M.G. Divisional Sub-Area, Brigade and Station Commanders, or officers of the R.P.A.S.C. |
| (2) All instruments connected with the re-conveyance of property given as security | |
| (3) Agreements, other than those entered into in Pakistan, with civilian employees for a specified period of service in the R.P.A.S.C. | |
| (4) Agreements for the maintenance of subsidised civil mechanical transport section | By the Secretary, Joint Secretary of Deputy Secretary, Ministry of Defence. |
| (5) Contracts for the supply of labour at ports | By the Secretary Joint Secretary or Deputy Secretary, Ministry of Defence, the Q.M.G. Divisional Sub-Area, Brigade and Station Commanders, or Embarkation Commandants. |

D.—CONTRACTS FOR THE SERVICES UNDER THE M. G. O.—BY WHOM SANCTIONED

8. Officers of the Ordnance Department, who are empowered to enter into contracts for the purchase of stores (see below), may sanction contracts up to limits of budget allotments sanctioned for the purpose.

9. The following officers may execute contracts, deeds, etc.:—

- | | |
|--|--|
| (1) Contracts for washing of- textiles and repairs to garments and tentage | By the Secretary Joint Secretary or Deputy Secretary, Ministry of Defence, the Q.M.G. Divisional Sub-Area, Brigade and Station Commanders, or officers of the P.A.O.C, other than departmental officer's officers of the P.E.M.E. or the C.I.T.D |
| (2) Contracts for the repair of screens, cooling, chicks coarse and fine, to all units in Pakistan . | |
| (3) Contracts for the repair of scientific instruments and all other typos of service equipment, i.e., repair of vehicles or their components, electrical motors, etc. | |
| (4) All other contracts, deeds and instruments, other than leases of houses, land and other immovable property for the C.I.T.D. | |
| (5) Agreements entered into in Pakistan with all categories of Civilian Gazetted Officers (except Civilian Assistant Security Officers) for a specified period of service in the Army. | By the M.G.O |
| (6) Agreements entered into in Pakistan with the civilian Assistant Security Officers for a specified period of service in the Army. | By the Chief or the General Staff |
| (7) All instruments connected with the re-conveyance of property given as security. | By the D.O.S. or Chief Ordnance Officers. |
| (8) Agreements entered into in Pakistan with non-gazetted civilian employees for a specified period of service in the services under the M.G.O. | By the O.C. P.A.O.C Records; the O.C. P.E.M.E. Records; or the C.I.T.D |

E—CONTRACTS FOR THE ORDNANCE AND CLOTHING FACTORIES UNDER THE D. O. F.—BY WHOM SANCTIONED.

10. Contracts for the above may be executed by the following authorities :—

- | | |
|--|--|
| <ul style="list-style-type: none"> (1) Contracts for the manufacture of clothing and ordnance stores including components. (2) Contracts for washing of textiles, repairs and installation of machinery. (3) All other contracts, deeds and instruments, other than leases of houses, lands and other immovable property. (4) Agreements entered into in Pakistan with gazetted and non-gazetted civilian employees for a specified period. of service in the Ordnance and Clothing Factories. | By the Deputy Secretary, Ministry of Defence, or the D.O. F

 By the D.O.F. |
|--|--|

F.— CONTRACTS FOR THE FARMS WING OF THE P. R. V. & F. CORPS—BY WHOM SANCTIONED

11. Contracts for the above may be executed by the following authorities

- | | |
|--|--|
| <ul style="list-style-type: none"> (1) Agreements entered into in Pakistan with civilian employees for a specified period of service in the Farms Wing of the P.R.V. & F. Corps. (2) Leases of land, purchases or leases of harvesting or cutting rights and renewal of such leases, where the period of each lease or each separate renewal does not exceed :— <ul style="list-style-type: none"> (i) five years (ii) twelve months (3) Contracts for supplies and services to, and purchases from, the Farms Wing of the P.R.V. & F.C. | By the Q.M.G.

 By the D.R.V. & F
 By Assistant Director of Military Farms.

 By the Secretary Joint Secretary or Deputy Secretary, Ministry of Defence, the Q.M.G.the D.R.V. & F. or Assistant Directors of Military Farms. |
|--|--|

G.—CONTRACTS FOR THE REMOUNT WING OF THE P. R. V. & F. CORPS— BY WHOM SANCTIONED.

12. Contracts for the above may be executed by the following authorities :—

- | | |
|--|---|
| <ul style="list-style-type: none"> (1) Agreements with shippers for landing horses at By the Q.M.G. the Remount and Veterinary Installation, Karachi. (2) Sale by public auction of Government animals rejected from P.R.V. & F.C. (Remounts). (3) Contracts for forage or stores. (4) Contracts for petty works at Remount Depots and Breeding Areas. | By the Q.M.G

 By Officers Commanding Remount Depots, or District Remount Officers of Breeding Areas.

 By the D.R.V. & F. officers commanding Remount Depots, or District Remount Officer of Breeding Areas. |
|--|---|

- (5) All instruments connected with the necessary of property given as secured By Officers Commanding
- (6) Leases of land, harvesting or cutting rights and renewal of such in Remount Depot, Farms, Sargodha. By THE O.C. Remount Depot, Sargedha
- (7) Appointment of contractor for petty stores contracts in Remount Depot. Mone By the D.R.V. & F
- (8) Appointment of local contractors for supplying grain to horse/donkey stallions and testing ponies in Montgomery Breeding Area By the District Remount Officer Breeding Area Montgomery.
- (9) Leases of land for breeding purposes, and subsequent renewal thereof: -
 - (i) to individual breeders under Ghoripal system By District Remount Officer. By the
 - (ii) to Stud Grantees Q.M.G.

H- CONTRACTOR FOR THE MEDICAL SERVICES- BY WHOM SANCTIONED

13. Contracts for the above may be executed by the following authorities

- (1) Agreements entered into in Pakistan with nursing officers of the Pakistan Military Nursing Services and lady sub-assistant surgeons. By the D.G.M.S.
- (2) Agreements with matrons of Military Families Hospitals By t h e O . Chospital concerned.
- (3) Contracts for the supply of X-Ray apparatus, X-Ray accessories, films and chemicals procured in the local markets for use of the X-Ray department of military hospitals. By the D.G.M.S.
- (4) Agreements of service with civil Medical Practitioners By the D.G.M.S.

I.-CONTRACTS FOR THE R.P.A.F.- BY WHOM SANCTIONED

14. Contracts for the above may be executed by the following authorities:-

Contracts for the recovery of exploded practice bombs or expended bullets from the R.P.A.F. bombing ranges. By the O.C. R.P.A.F Station Unit

J-GENERAL INSTRUMENTS AND CONTRACTS- BY WHOM SANCTIONED

15. General instruments and contracts may be executed by the following authorities:-

- (1) Agreements with clerks, copyists, draughtsman accountants, cashiers, agents and store-keepers when the officer is empowered to appoint. By any military commissioned officer
- (2) Contracts for the supply of hot weather establishment and other temporary labour. By O.C. a unit. O.C. a sanatorium or O.C. a hospital
- (3) Contracts for petty supplies to hospitals By O.C. a hospital
- (4) Contracts for the supply of dairy produce where Military Farms do not functions. By Divisional Sub-Area Brigade or Station Commander
- (5) Cinema Contracts By Station Commander or O.C. a unit.
- (6) Contracts for the operation of Canteen Service for the troops of Canteen Contracts; after approval of the contract by the Q.M.G. in all cases:-
 - (i) Station contract:- Bycommander or Administrative Commander.
 - (ii) Unit contracts By O.C. Unit
 - (iii) Garrison institute (..... By O.C. station or Depot.

APPENDIX V

INDENENITY BOND TO BE EXECUTED BY HEIRS OF. DECEASED CONTRACTORS FOR PAYMENT OF THEIR SECURITY DEPOSITS.

(Referred to in [rule 192.](#))

KNOW ALL MEN by these presents that we and of..... are held and firmly bound unto the Governor General of Pakistan in the sum of.....Rupees of lawful money of Pakistan to be paid to the said Governor-General, his certain attorney, successors or assigns, for which payment well and truly to be made we bind ourselves, our heirs. executors and administrators jointly and binds himself, his heirs, executors and administrators severally and firmly by these presents WHEREAS son of was before his death ona (.....) at and as such lodged with Government Rs as a security deposit AND WHEREAS the said claim(s) to be the heir(s) of the said and as such entitled to his estate and having represented that there would be undue delay and hard ship if Government insisted on legal representation being taken out before sanctioning payment of the said deposit Government have agreed to pay the said sum of Rs.to the said on the execution of this Bond.

NOW THE CONDITION of the above written bond is such that if the above boundenand..... their executors administrators or legal representatives do and shall from time to time and at all times hereafter well and sufficiently save, defend and keep harmless and indemnified the said Governor-General his successors and assigns and the for the time being and other officers and servants of the Government and each and every of them from and against all and all manner of action or actions suit or suits and other legal proceedings costs charges damages and expenses whatever which shall or may at any time or times hereafter be brought commenced or used by any person or body corporate against or happen or to be occasioned to the said Governor-General his successors or assigns or the for the time being or any or other of the officers or servants of the Government for or on account or in respect or by reason of the said payment as aforesaid the above written bond shall be void and of no effect otherwise the same shall be and remain in full force and virtue.

As WITNESS our hands the day of 19

Signed by the said in the presence of

Signed by the said in the presence of

APPENDIX VI

INSTRUCTIONS FOR THE GUIDANCE OF OFFICERS 'WHO ARE REQUIRED TO MAKE PURCHASES OF STORES UNDER THE PROVISIONS OF THE RULES FOR THE SUPPLY OF ARTICLES REQUIRED FOR THE PUBLIC SERVICE.

(See [rule 81](#)) PREAMBLE TO THE RULES.

The policy of the Government of Pakistan is to make their purchases of stores for the public service in such a way as to encourage the development of the industries of the country to the utmost possible extent consistent with economy and efficiency, and the following rules, which are applicable to the purchase of stores (other than printing and stationery stores) for the Government of Pakistan and for Provinces other than Governor's provinces are prescribed in accordance with this policy. These rules supersede all previous orders on the subject.

In order to give effect to the above policy preference in making purchases will be given in the following order :—

First, to articles which are produced in Pakistan in the form of raw materials, or are manufactured in Pakistan from raw materials produced in Pakistan provided that the quality is sufficiently good for the purpose;

Secondly, to articles wholly or partially manufactured in Pakistan from Imported materials provided that the quality is sufficiently good for the purpose;

Thirdly, to articles of foreign manufacture held in stock in Pakistan provided that they are of suitable type and requisite quality;

Fourthly, to articles manufactured abroad which need to be specially imported from U.K. or other "soft currency" areas.

Fifthly, to articles manufactured abroad which need to be specially Imported from United States or other "hard currency" areas.

Ministries of the Government of Pakistan; or officers specially authorized in this behalf, may, when they are satisfied that such a measure is justified, allow a limited degree of preference in respect of price to, articles produced or manufactured in Pakistan either wholly or in part.

The revised rules express a definite preference for articles which are produced in Pakistan in the form of raw materials or are manufactured in Pakistan from raw materials produced in Pakistan, and also for articles wholly or partially manufactured in Pakistan from imported materials. They also extend a preference (but not price) to articles of foreign manufacture stocked in Pakistan over those which have to be specially imported.

2. The difference in the character of the preferences which may be given should be carefully noted. In the case of the first two categories mentioned in the preamble the condition is that the quality is sufficiently good for the purpose, and for the third category that the articles are of suitable type and requisite quality. This means that articles coming under the first two categories should be accepted unless it is considered that the quality is definitely not up to the standard required even though imported article, may be considered to be of better quality.

3. The other kind of preference referred to in the revised rules is a price preference and it is enjoined that a limited price preference may be given to articles produced or manufactured in Pakistan either wholly or in part by officer specially authorized. It should be noted that no price preference should be given to articles falling in the third category over those which come within the last two categories.

4. A strict comparison with prices prevailing abroad is not required, but the underlying principle is that the preference to be accorded to Pakistan products or to imported stocks is to be tempered by the consideration of economy.

5. The degree of price preference that may be allowed to Pakistan products has not been specially provided for in the rules because the Government of Pakistan intend to retain entirely in their own hands, for the present, the power to grant such a preference. Ordinarily a limited degree of price preference in favor of articles produced or manufactured in Pakistan will be justified for one or other of the following reasons:-

- (a) when the industry in question is expected to fill a vital gap in the economic life of the country and is likely to take a firm root in the soil in the near future;
- (b) strategically necessity;
- (c) to prevent any sudden..... of the labour market on a large scale;
- (d) to regulate and control foreign competition especially during periods of temporary trade depression abroad.

6. Every proposal for the grant of a price preference should be referred by the purchasing officer concerned through the proper channel to the Ministry of Defence. The latter will before passing final orders, consult the Ministry of Industries. It will devolve on the latter to co-ordinate the action to be taken under the head by the different department of the central Government.

Rule 1.- Save as provided in rules 7 and 8 all articles required to be purchased through the Ministry of Ind.....Karachi, (Director General, Supply and Development, Coal Commissioner, Textile Commissioner, Iron and Steel Controller, etc.) shall be purchased condition that delivery shall be made in Pakistan for payment in Pakistan.

7. It should be carefully noted by all purchasing officers that under the revised rules the purchase in Pakistan of all articles (with the exception of the classes of stores specified in Rules 7 and 8) required for the Public Service is obligatory.

8. It should be clearly stated will beto tender, issued by purchasing officer in Pakistan that must provided in their tenders for delivery in Pakistan and that payment for the articles will be made in rupees in Pakistan.

9. With reference to the principles of preference mentioned in the preamble, renderers should be requested to furnish information in regard to the country of manufacture and or origin of the material used in the manufacture of the articles.

10. Purchasing officer may exercise full -discretion regarding the point or place of delivery to be specified in their invitations to tender. They may specify C.I.F., or F.O.R., port in Pakistan, F.O.R., place of despatch in Pakistan or Free Delivery receiving station in Pakistan. Where tenders are invited for plant, and equipment, in which the erection of the plant at site is to be undertaken by the successful tenderer, appropriate terms in regard to delivery at site should be included in the invitation to tender or in the general specification.

11. When specifying the point or place. of delivery purchasing officers should endeavor to lay down terms which will give all tenderers equal opportunities to put forward their lowest prices. For instance, in many cases tenderers abroad may be unable to tender for delivery F.O.R., port. in Pakistan or Free Delivery receiving station in Pakistan and may only be able to tender on the basis of delivery C.I.F., port in Pakistan with payment in rupees in Pakistan against shipping documents. Such tenders should be considered as coming within the meaning of Rule 1 and should be accepted if satisfactory in other respects.

12. Except in special cases full payment for the stores should not be made against shipping documents but only after delivery of stores has been taken by the receiving officer and they are found to be satisfactory in every respect.

RULE 2.—Indents for stores the value of which does not exceed Rs. 500 will not, however, be paid on the purchasing authority mentioned in. Rule 1, except :—

- (a) *where Rate end Running Contract exists, or*
- (b) *the stores cannot conveniently be obtained by the indenters direct.*

13. In the case of indents falling within the exceptions mentioned above, the exception under which the particular indent falls should specially be mentioned on the indent and in the case of the exception at (b) details of the efforts made by the indentors to secure the supply from the market should be stated.

RULE 3.—Tenders shall be invited in Pakistan for the supply of all articles which are purchased under rules 1- to 4, unless the value of the order to be placed is small or sufficient reasons to be recorded exist which indicate that it is not in the public interest to call for tenders. No tender which fails to comply with the condition as to delivery and payment prescribed in rule 1 shall be accepted.

14. If the response to any invitation to tender indicates that, owing to inadequate publicity or some other reason, favorable tenders have not been received, then fresh tenders should be invited and measures taken to bring. the invitation to tender to the notice of all possible tenderers.

15. It should be made clear on every tender form that the stores must be delivered in Pakistan, that payment will be made in Pakistan in rupees and that any tender does not comply with these conditions will not be considered. Tenderers abroad should also be required to specify their agents in Pakistan through whom delivery will be arranged and payment received, and' who; when so required, will arrange for erection at site and for the carrying out of such tests on completion as may be specified in the contract.

16. No account adjustments will be made between the High Commissioner's office and the Purchasing Department in Pakistan for the value of tender forms sent to London, and issued on behalf of the purchasing authorities in Pakistan and the expenditure on advertisements, postage, charges, etc., in the High Commissioner's office.

17. When considering the desirability of calling for tenders abroad it is important that purchasing officers in Pakistan should bear in mind the necessity of allowing sufficient time for the receipt and publication of invitations to tender, the receipt of the tender forms by tenderers, and the preparation and despatch of the tenders to Pakistan.

18. [Rule 3](#) does not preclude the use of limited or single tenders, nor does it require that tenders should be called for where it is clearly not in the public interests to do so. The following procedure for obtaining tenders should be followed as far as practicable :—

Tenders should be obtained :—

- (1) By advertisement ('open tender')
- (2) By direct invitation to a limited number of firms ('limited tender')
- (3) By invitation to one firm only ('single tender' or 'private purchase').

19. The 'open tender' system, *i.e.*, invitation to tender by public advertisements should be used as a general rule and must be adopted subject to the exceptions noted below in all cases in which the estimated value of the tenders to be received is Rs. 5,000 or over.

20. The 'limited tender' system should ordinarily be adopted in the case of all orders the estimated value of which is less than Rs. 5,000.

21. For the purposes of the limited tender and single tender procedure, the purchasing officer will maintain a list of firms, both Pakistani and foreign, of known reliability who have been able to satisfy them that they possess the necessary equipment and facilities for the supply of stores which they offer. The list should be subjected periodically to examination and revision, and any application from a firm for inclusion in the list should be considered on its receipt. Before the name of a firm is added to the list such enquiries as may be considered necessary should be made by the purchasing officer to ascertain the ability of the firm to execute contracts satisfactorily. From this list the names of firms to be invited to tender should be selected.

22. Such a list is already maintained by the D.G.,S. & D. who will, on receipt of a request, furnish purchasing officers with such information as he may possess regarding the capability and standing of any firm approved by him.

23. The 'single tender' system may be adopted in the case of small orders, or when the articles required are of a proprietary character and competition is not considered necessary. A 'small order' shall be interpreted to mean for this purpose an order the total value of which does not exceed Rs. 100. In all such cases, however, the purchasing officer should consider whether it is not feasible to enter into a rate or running contract for the articles in question or to utilize the rate or muting contracts entered into by the D.G.,S. & D.

24. The 'limited tender' system may, however, be adopted instead of the 'open tender' system even when the estimated value of the tenders to be received is not less than Rs. 5,000 in the following cases :—

- (a) When sufficient reasons exist which indicate that it is not in the public interest to call for tenders by advertisement. In every such case the reason must be recorded by the purchasing officer and communicated to the Accounts and or Audit Officer concerned, confidentially if necessary;
- (b) When the indenting officer certifies that the demand is urgent and any additional expenditure involved by the elimination of open competition must be incurred. In all such cases the indenting officer must place on record the nature of the urgency and why the demand could not be anticipated.

25. When tenders are invited by public advertisement the issue of the tender forms need not be restricted to firms whose names are on the list of approved contractors. Firms not on the list should, on enquiry, be informed that they are at liberty on payment of the prescribed fee to tender for advertised requirements. When a tender which appears to be satisfactory has been received from an unknown firm steps should be taken before any order is placed to ascertain whether the firm is capable of executing the work in a proper manner. If the enquiries prove satisfactory the order, or a portion of it, may be placed with the firm. If the order or the, portion thereof is satisfactorily executed the name of the firm should be added to "the list of approved contractors.

RULE 4.—,411 articles, whether manufactured in Pakistan or abroad, shall be subject to inspection before acceptance, and articles for which specifications and or tests have been prescribed by competent authority shall be required to conform to such specifications and or to satisfy the prescribed test or tests which may be carried out during manufacture or before or after despatch from the suppliers' premises.

RULE 5.—In the case of important construction works let out on contract, articles required for the construction of such works may be supplied by the constructing firm provided that when specifications and or tests have been prescribed for such articles they shall conform to such specifications and or shall satisfy such tests.

26. The object of Rules 4 and 5 is to emphasize the importance of ensuring that articles purchased for the public service conform to the specifications which may be prescribed by competent authority, and the necessity for careful inspection of all stores before acceptance. The appropriate specifications should be annexed to or quoted in the invitations to tender and it should be stipulated in the conditions of contracts that the articles supplied will be subject to inspection and or test prescribed in the specifications before acceptance.

27. When tenders for important construction works are invited the officer concerned should also stipulate in the invitations to tender that the articles required for the construction of such works must comply with the specifications prescribed for such articles. The articles should be inspected and or tested in accordance with the provisions of the specifications before acceptance.

28 All purchasing officers should pay special attention to these points, and should take steps to ensure that adequate inspection arrangements are made in each case.

29. When articles are obtained from..... which require inspection and or test during manufacture and before shipment arrangements should be made by the purchasing officer concerned for such inspection and or tests to be carried out by the Pakistan C.C. Defence Service Stores Department London. Any further inspection and tests considered necessary or desirable after receipt of the articles in Pakistan should be arranged for by the Purchasing Department. The services of the D.G.S. & D. can be utilised in connection with such inspection and tests.

30. As soon as a contract for articles which require inspection and or test during the manufacture or before shipment from abroad has been awarded, four complete copies of the accepted tender with specific: Plans, drawings, conditions of contract, and all other relevant documents, should be sent to the C.C., D.S.S.D. London, with complete instructions for inspection and the full address of the manufacturers. The contractors should be informed that inspection during manufacture or before shipment will be carried out by the C.C., D.S.S.D., London, and he should be asked to instruct his representatives in the country of manufacture to communicate directly with that officer.

31. With regard to the inspection of articles obtained or manufactured in Pakistan all purchasing officers can, if they so desire, utilise the services of the D.G.S. & D. for the inspection and or test during manufacture and before despatch.

32. In the case of orders for plant and machinery, whether purchased in Pakistan or obtained from abroad, which include erection and test at site of work, arrangements for inspection and test after erection at site can also be made through the D.G.S. & D.

RULE 6.—Nothing in these rules shall be deemed to prohibit the purchase of articles by one Department or Railway from another.

(No instructions.)

RULE 7.—War-like stores and specialised stores peculiar to the Defence Services which are not usually required by the Civil Government and which may not be available in Pakistan may be obtained without reference to the preceding rules by indent on the Chief Controller, Defence Services Stores Department, Office of the High Commissioner for Pakistan in U.K. Exclusive of war-like stores, articles, which not being available in Pakistan at present; are available in the U.K. are as follows :—

- (a) Battle and service dress garments, parachute clothing.
- (b) Personal equipment including web equipment, tins mess, helmets steel and ground sheets.
- (c) Engineering stores; viz., military craft, balky bridging, military railway bridging and miscellaneous military bridging.
- (d) Works Services Stores—Airfield and Road Track.

If the Chief Controller, Defence Services Stores Department, London, obtains these articles through the Civil Office or Military of Supply in the U.K., payment shall be made by the Chief Controller. If the articles are purchased by him from private trade, payment will be arranged through the High Commissioner for Pakistan in the U.K.

RULE 8.—Such war-like stores and other specialised stores peculiar to the Defence Services which are not available in Pakistan and the U.K. and other "soft currency" areas may be purchased from dollar or "hard currency" areas. Indents will be placed on the Ambassador for Pakistan in Washington in the case of purchases

in dollar areas and on the Chief Controller, Defence Services Stores Deptt., Office of the High Commissioner for Pakistan, London, for purchases in " hard currency" territories other than the dollar area.

33. Rules 7 and 8 are in the nature of exceptions to the principle enunciated in Rule 1. Before availing himself of the discretion given by these Rules it will be incumbent on every purchasing officer to take all possible steps to assure himself that the stores of the requisite qualities cannot be obtained in Pakistan at suitable prices in accordance with the provisions of Rule 1. In order to ensure that the underlying principles of the Rules are not violated, a copy of all orders for stores placed abroad, under these Rules, should be forwarded to the D.G.; S. & D. for scrutiny.

34. If orders are placed, abroad under the provisions of Rules 7 and 8 on the basis of delivery free on board vessel at port of despatch, arrangements for the shipment of stores should be entrusted to the Chief Controller, Defence Services Stores Department, London or the Ambassador for Pakistan in Washington. The indenting officer should inform the supplier of this arrangement and should send a copy of this order to the C.C., D.S.S.D., London, or the Ambassador for Pakistan in Washington; as the case may be, for information.

APPENDIX VII

(See note 5 under [rule 191](#) and [rule 202](#))

Forms for the execution of different security bonds.

(i) Form of Cash Security Bond

KNOW all men by these presents that I, A. B. of.....am held and firmly bound unto the President in the sum - of rupees(Rupees.....) to be paid to the President for which payment, well and truly to be made I bind myself, my heirs, executors, administrators, and legal representatives by these presents.

2. WHEREAS the above bounden A. B. was on the day of 19 appointed to and now holds the office ofin the office of and whereas the said A.B. by virtue such office is bound to collect,..... nature of the Cashier's. Store-keeper's,'(here describe the Sub-store- keeper's/Subordinate's duties) and to keep and render true and faithful accounts of his dealings with all property and money which may come into his hands or possession, or under his control, such accounts to be kept in the form and manner that may, from time to time be prescribed by duly constituted authority, and also to prepare and submit such returns, accounts and other documents as may from time to time be required of him.

3. AND WHEREAS the said A. B..... has, in pursuance of note I under [rule 203](#) of Financial Regulations, Pt. 1 delivered to and deposited with the above-mentioned sum of Rupees (Rupees) in cash as security for the due and faithful performance by the said A. B. of the duties of his said office and of any other office requiring security to which he may be appointed at any time and of other duties which may be required of him while holding any such office as aforesaid and for the purpose of securing and indemnifying the President against all loss, injury, damage, costs or expenses which the President may; in any way, suffer, sustain or pay, by reason of the misconduct, neglect, oversight or any other act or omission of the said A. B. or of any person or persons acting under him or for whom he may be responsible.

4. Now the condition of the above written bond is such that if the said A. B. has whilst he has held the said office of as aforesaid, always duly performed and fulfilled the duties of his said office and if he shall, whilst he shall hold the said office or any other office requiring security to which he may be appointed, or in which he may act, always duly perform and fulfill, all and every, the duties thereof respectively and other duties which may, from time to time, be required of him while holding any such office as aforesaid, and shall duly pay into the Government Treasury at all such money as are payable to President and shall come into his Possession or control by reason of the said office and shall duly account for and deliver up all moneys, papers and other property which shall come into his possession or control by reason of the said office and if the said A. B., his heirs, executors or administrators shall pay or cause to be paid unto the President the amount of any loss or defalcation in the accounts of the said within 24 Louis after the amount of such

loss or defalcation shall have been demanded from the said A. B. by the
.....such demand to be in writing and left at the office or last known place of residence of the said A. B. and shall also at all times indemnify and save harmless the President from all the every loss, injury, damage, costs, expenses which has been or shall or may at any time or times hereafter during the service or employment of the said A. B. in such office as aforesaid, or any such offices aforesaid, be sustained, incurred, suffered, or paid by the President by reason of any act, embezzlement, defalcation, mismanagement, neglect, failure, misconduct, default, disobedience, omission or insolvency of the said A. B. or of any person or persons acting under- him or for whom he may be responsible, then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force. Provided always and it is hereby declared and agreed that the said sum of Rs.....

(Rupees so delivered and deposited as aforesaid shall be and shall remain with the President for the time being, as such security as aforesaid with full power to the President for the time being as occasion shall require, to apply the said sum of Rs Rupees.....or any part thereof, in and towards the indemnity of the President or otherwise as aforesaid.

5. AND it is hereby further agreed that in the event of the death of the said A. B. or on the final termination of the service of the said A. B. whether as such as aforesaid, or otherwise or in the event of the said A. B. ceasing to hold any office requiring security the said sum of Rs. (Rupees for or so

much thereof as shall then.....remain in deposit and shall not have been applied or appropriated as aforesaid shall be returned to the said A. B. or his legal representative as the case may be without interest and this bond shall remain with the President for six calendar months thereafter for recovering any loss, injury, damage, costs or expenses, that may have been sustained, incurred or paid by the President owing to the act, neglect or default of the said A. B. or any such other person or persons as aforesaid and which may not have been discovered until after his death or the termination of his said service, or ceasing to hold any office for which the security was required. Provided always that the return at any time of the said security shall not be deemed to affect or prejudice the right of the President to take proceedings upon or under this bond against the said A. B. or against his heirs, executors, administrators, or legal representatives after his death in case any breach of conditions of this bond shall be discovered after the return of the said security and the responsibility of the said A. B. or his estate as the case may lx, shall at all times continue and the President shall be fully indemnified against all such loss or damage as aforesaid at any time.

6. PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said A. B. in respect of matters aforesaid to the forfeiture of the said sum of Rs (Rupees.....) or any part or parts, thereof and that should the said sum be insufficient to indemnify the President in full for any loss and damage sustained by them in respect of matters aforesaid the said A. B. shall pay President on demand as such further sum as shall be deemed by the to be necessary, in addition to the said sum of Rs (Rupees) to cover such loss or damage as aforesaid and that the President shall be entitled to cover such further sum payable as aforesaid in any manner open to him.

IN WITNESS whereof the said A. B. has herein to set his hand this day of.....
.....19.....Signed and delivered by the above named A. B. in the presence of

Signature.

(ii) *Form of personal Security Bond*

Know all men by these presents that I of..... am held and firmly bound unto the President of Pakistan hereinafter referred to as " the President " which expression shall include his successors in office and assigns where the control so admits in the sum of Rupees (Rupees) to be paid to the President for which payment, well and truly to be made, i bind myself, my heirs, executors, administrators, and legal representatives by these presents.

WHEREAS the above bounden was on the day of 19 appointed to and now holds the office of in the office of and whereas the said by virtue of such office is bound to collect (here describe the nature of the Cashier's Store-keeper's Sub-Store-keeper's/ Subordinate's duties) and to keep and render true and faithful accounts of his dealing with all property and money which may come into his hands or possession or under his control, such accounts to be kept in the form and manner that may, from time to time be prescribed by duly constituted authority, and also to prepare and submit such returns, accounts and other documents as may from time to time be required of him.

AND WHEREAS the said has, in pursuance of note 1 under [rule 203](#) of Financial Regulations Part I been called upon to execute a bond with two sureties in favor of the President in the above mentioned sum of rupees (Rupees) for the due and faithful performance by the said of the duties of his office, and of any other office to which he may be appointed at any time and of other duties which may be required of him, and for the purpose of securing and indemnifying the President against all loss, injury, damage, costs or expenses which the President may, in any way, suffer, sustain or pay, by reason of the misconduct, neglect, oversight or any other act of the said or of any person or persons acting under him or for whom he may be responsible.

Now the condition of the above written bond is such that if the said has whilst he has held the said office.....as aforesaid, always duly performed, and fulfilled the duties of his said office and if he shall, whilst he shall hold the said office or any other office to which he may be appointed, or in which he may act, always duly perform and fulfill all and every the duties thereof respectively and other duties which may from time to time be required of him and shall duly pay into the Government Treasury at all such moneys as are payable to the President and shall come into his possession or control by reason of the said office and shall duly account for and deliver up all moneys, papers and other property which shall come into his possession or control by reason of the said office and if the said by the such demand to be in writing to be paid unto the President the amount of any loss or defalcation in the accounts of the said within 24 hours after the amount of such loss or defalcation, shall have been demanded from the said. by thesuch demand to be in writing and left at the office or last known place of residence of the said..... and shall also at all times indemnify and save harmless the President from all and every loss, injury, damage, costs or expenses which has been or shall or may at any time or times hereafter during the service or employment of the said in such office as aforesaid or any such other offices as aforesaid, be sustained, incurred, suffered, or paid by the President by reason of any act, embezzlement, defalcation, mismanagement, neglect, failure, misconduct, default, disobedience, omission or

insolvency of the said..... or of any person of persons acting under him or for whom he may be responsible, then this obligation shall be void and of no effect; otherwise the same shall be and remain in full force and virtue.

And it is hereby further agreed that in the event of the death of the said or on the final termination of the service of the said whether as such..... as aforesaid or other-wise,-this bond shall remain with the President forcalendar months thereafter for recovering any loss, injury, damage, costs or expenses that may have been sustained incurred or paid by the President owing to the act, neglect or default of the said or any such other person or persons as - aforesaid and which may not have been discovered until after his death or the termination of his said, service.

Provided always that without prejudice to any other rights or remedies for recovering the loss or damage as aforesaid it shall be open to the President to recover the amount payable under this bond as an arrear of land revenue.

In witness whereof the said has hereunto, set his hand., this..... day of 19..... Signed and delivered by the above named in the presence of

Signature.

We (a) and (b) residents of..... hereby declare ourselves as sureties for the above said that he shall do and perform all that he has above undertaken to do and perform and in case of his making default therein, we hereby bind ourselves jointly and severally to pay to the President the sum of..... in which the above said has bound myself, or such other sum as shall be deemed to be sufficient by the..... to cover any loss or damage which the. President may sustain by reason of such default.

And We agree. that the. President may, without prejudice to any other rights-Dr remedies of the President recover the said sum. as an arrear of land revenue.

And we also agree that neither of us shall be at liberty to terminate his surety ship, except upon giving to thesix calendar months' notice in writing of his intention so to do, and our joint and several liability under this bond shall continue in respect of all acts, embezzlements, mismanagement, neglects, failures, misconducts, defaults, disobedience, omissions and insolvencies on the part of the said until the expiration of the said period-of six months.

Dated this the day of 19.

Signature of sureties in respect of

1.

2.

(Signature)

In the presence of 1.

2.

(Signature)

(iii) Form of Fidelity Bond Deposited as Security

KNOW all men by these presents that I of am held and firmly bound unto the President of Pakistan (hereinafter referred to as " President ") which expression shall include his successors in office and assigns where the context so admits in the sum of Rupees (Rupees) to be paid to the President for which payment, well and truly to be made, I bind myself, my heirs, executors, administrators, and legal representatives, by these presents.

2. WHEREAS the above bounden was on the day of.....19.....appointed to and now holds the office of in the office and whereas the said by virtue of such office is bound to collect..... (here describe the nature of the Cashier's/Store Keeper's/Sub-Store-keeper's/ Subordinate's duties) and to keep and render true and faithful accounts of his dealings with all property and money which may come into his hands or possession or under his control, such accounts to be kept in the form and manner that may, from time to time be prescribed by duly constituted authority. and also to prepare and submit such returns, accounts and other documents as may from time to time be required of him.

3. AND WHEREAS the saidhas, in pursuance of note 1 under [rule 203](#) of Financial Regulations, Part I delivered to and deposited with.....a fidelity bond issued by Company for the sum of Rupees (Rupees) as security for the due and faithful performance by the saidof the duties of his said office and of any other office requiring security to which he may be appointed at any time an of other duties which may be required of him while holding any such office' as afore said and for the purpose of securing the indemnifying the President against all loss, injury, damage, costs or expenses which the President may in any way, suffer, sustain, or pay, by reason of the misconduct, neglect, oversight, or any other act or omission of the said or of any person or persons acting under him or for whom he may be responsible.

AND WHEREAS the said has entered into the above bond in the sum of conditioned for the due performance by himof the duties of the said office of and of other duties appertaining thereto or which may lawfully be required of him and to indemnify the President (his successors and assigns and the servants of the President) against loss from or by reason of the acts or defaults of the said and of all and every person or persons aforesaid.

4. Now the condition of the above written bond is such that if the said has whilst he has held the said office of.....always duly performed and fulfilled the duties of his said office and if he shall, while he shall hold the said office or any other office requiring security to which he may be appointed or in which he may act, always duly perform and fulfill, all and each of the duties thereof respectively and other duties which may, from time to time be required of him while holding any such office as aforesaid, and shall duly pay into the Government Treasury at all such money as are payable to the

President and shall come into his possession of control by reasons of the said office and shall duly account for and deliver up all moneys, papers and other property which shall come into his possession or control by reason of the said office and the said.....

his heirs, executors or administrators shall pay or cease to be paid unto the President the amount of any loss or defalcation in the accounts of the said within 24 hours after the amount of such loss or defalcation shall have been demanded from the saidby thesuch demand to be in writing and left at the office or last known piece of residence of the said and shall also at all time or times hereafter indemnify and save harmless the President from all and every loss, injury, damage, costs, expenses which has been or shall or may at any time or times hereafter during the service or employment or the said in such office asaforesaid, or any such offices as aforesaid, be sustained, incurred, suffered, or paid by the President by reason of any act, embezzlement, defalcation, mismanagement, neglect, failure, misconduct,' default, disobedience, omission or insolvency or the said or of any person or persons acting under him or for whom he may be responsible, then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force and virtue.

5. PROVIDED ALWAYS and it is hereby declared and agreed by the between the parties hereto that the said fidelity bond No delivered and deposited as aforesaid shall be and remain at the disposal of the as additional security (over and above this bond) to the President (his successors, and assigns) for the indemnity and other purposes aforesaid with full power to the President Oils successors or assigns or the servants of the President duly authorized in that behalf) to obtain and receive payment of the sum or sums of money recoverable or to be received upon or by virtue of the said fidelity bond or a sufficient portion thereof and all benefits and advantages thereof and to apply the same in and towards the indemnity as aforesaid of the President (his successors, and assigns and the servants of the President as the case may require).

6. AND it is hereby further agreed and declared by and between the parties hereto that the amount of the premia which become due from time to time on the said fidelity bond according to the said rules shall be deducted from the salary of the said and paid to-the said Company to keep the fidelity bond, in full force. In case the amount of premia is large enough to cause inconvenience to the Cashiers, the amount may be paid out of the permanent advance of the imprest to pay in lump-sum to the Insurance Company which may be recouped by monthly Cash recoveries from the Cashiers in suitable installments, which should not normally exceed the amount of special pay of the Cashiers concerned.

PROVIDED ALWAYS that the cancellation or lapse at any time of the said fidelity bond shall not be deemed to affect the right of the President to take proceedings upon or under this said bond against the said in case any breach of the condition of this bond shall be discovered after the cancellation or lapse of the said fidelity bond but the responsibility of the saidshall at all times continue and the President shall be fully indemnified against all such loss or damage as aforesaid at all times.

IN WITNESS whereof the said. has hereunto set his hands this day of

19

Signed and delivered by the above named in the presence of.....

Signature

APPENDIX VIII
FORM OF CASH SECURITY-BOND

(See [rule 191](#), Note 7)

KNOW all men by these presents that I. A.- B. of.....am held and firmly bound to the Governor-General in the sum of rupees (Rupees.....) to be paid to the Governor-General for which payment, well and truly to be made, I bind myself, my heirs, executors, ministrations, and legal representatives by these presents.

2. WHEREAS the above bounden A. B. was on the day of.....19 appointed and now holds the office of in the office of And whereas the said A. B. by virtue of such office is bound to (here describe the nature of the Cashier's/S ore keeper's/St b Sure Keeper's/Subordinate's duties) and to keep and render true and faithful corn s of his dealings with all property and money which may come into his hands or possession or under his control, such accounts to be kept in the form and manner that may, from time to time, be prescribed by duly constituted authority, and also to prepare and submit such returns, accounts and other documents as may from time to time be required of him.

3. AND WHEREAS the said A. B. has, in pursuance of rule..... delivered to and deposited with the above mentioned sum of rupees (Rupees.....) in cash as security for the due and faithful performance by the said A. B. of the duties of his said office and of any other office requiring security to which he may be appointed at any time and of other duties which may be required of which holding any such office as afore said and for the purpose of securing and in..... the Governance General against all loss, injury, damage, costs of expense with the Governor General may, in any way, suffer, sustain or pay, by reason of the misconduct, neglect, oversight or any other act or omission of the said A. B.

4. Now the condition of the above written bond is such that if the said A. B. has, whilst he has held the said office of..... as aforesaid, always duly performed and fulfilled the duties of his said office and if he shall, whilst he shall hold the said office or any other office requiring security to which he may be appointed, or in which he may act, always duly perform and fulfill, all and every, the duties thereof respectively and other duties which may, from time to time, be required of him while holding any such office as aforesaid, and shall duly pay into the Government Treasury at all such moneys as are payable to Governor-General and shall come into has or control by reason of the said office and shall duly account for and deliver up all moneys, papers and other property which shall come into his possession or control by reason of the said office and if the said A. B. his heirs, executors or administrators shall pay or cause to be paid unto the Governor-General the amount of any loss or defalcation in the accounts of the said within 24 hours after the amount of such loss or defalcation shall have been demanded -from the said A. B. by the such demand to be in writing and left at the office or last known place of residence of the said A. B. and shall also at all times indemnify and save harmless the Governor-General from all and every loss, injury, damage, costs, expenses which has been or shall or may at any time or times hereafter during the service or employment of the said A. B. in such office as aforesaid, or any such offices as aforesaid, be sustained, incurred, suffered,

or paid by the Governor-General by reason of any act, embezzlement, defalcation, mismanagement, neglect, failure, misconduct, default, disobedience, omission or insolvency of the said A. B. then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force, Provided always and it is hereto; declared and agreed that the said sum of Rs (Rupees) so delivered and deposited as aforesaid shall be and shall remain with the Governor General for the time being, as such security as aforesaid with full power to the Governor-General for the time being as occasion shall require, to apply the said sum of Rs. (Rupees.....) or any part thereof, in and towards the indemnity of the Governor-General or otherwise as aforesaid.

5. And it is hereby further agreed that in the event of the death of the said A. B. or on the final termination of the service of the said A. B. whether as such as aforesaid, or otherwise or in the event of the said A. B. ceasing to hold any office requiring security the said sum of Rs (Rupees) or so much thereof as shall then remain in deposit and shall not have been applied or appropriated as aforesaid shall be returned to the said A. B. or his legal representative, as the case may be, without interest and this bond shall remain with the Governor-General for six calendar months thereafter for recovering any loss, injury, damage, costs or expenses, that may have been sustained, incurred or paid by the Governor-General owing to the act, neglect or default of the said A. B. and which may not have been discovered until after his death or the termination of his said service, or ceasing to hold any office for which the security was required. Provided always that the return at any time of the said security shall not be deemed to affect or prejudice the right of the Governor-General to take proceedings upon or under this bond against the said A. B. or against his heirs, executors, administrators, or legal representatives after his death in case any breach of conditions of this bond shall be discovered after the return of the said security and the responsibility of the said A. B. or his estate, as the case may be, shall at all times continue and the Governor-General shall be fully indemnified against all such loss or damage as aforesaid at any time.

6. Provided further that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said A. B. in respect of matters aforesaid to the forfeiture of the said sum of Rs (Rupees) or any part or parts thereof and that should the said sum insufficient to indemnify the Governor-General in full for any loss and damage sustained by them in respect of matters aforesaid the said A. B. shall pay the Governor general on demand such further sum as shall be deemed by the to be necessary, in addition to the said sum of Rs (Rupees) to cover such loss or damage as aforesaid and that the Governor-General shall be entitled to cover such further sum payable as aforesaid in any manner open to him.

IN WITNESS whereof the said A. B. has hereunto set his hand this day of
.....19

Signed and delivered by the above named A. B. in the presence of

Signature.