



केन्द्रीय विद्यालय संगठन / Kendriya Vidyalaya Sangathan
18. संस्थानिक क्षेत्र / 18, Institutional Area
शहीद जेत सिंह मार्ग / Shaheed Jeet Singh Marg
नई दिल्ली-16 / New Delhi - 16
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F.No.125-29/2011/KVS (HQ)/Budget/233

Dated: 2.11.2014

The Dy. Commissioner/Director,
Kendriya Vidyalaya Sangathan,
All Regional Offices/ZIETs

Sub: Revision of Accounts Code for Kendriya Vidyalayas.

Madam/Sir,

The draft copy of revised Accounts Code for Kendriya Vidyalayas (updated upto Dec.2013) is uploaded at Kendriya Vidyalaya Sangathan official website.

You are requested to go through the contents brought in the chapters and furnish your comments/views to the undersigned and intimate the omission/correction/deletion if any required latest by 20th Nov.2014.

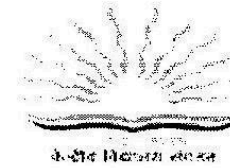
Yours faithfully

(S.Muthusivam)

Asstt. Commissioner (Fin.)

Copy to:

1. PS to Commissioner, KVS (Hq.).
2. PS to Additional Commissioner, (Admn. /Acad.) KVS (HQ.).
3. PA to Joint Commissioner (Fin.) KVS (HQ.).
4. PA to Joint Commissioner (Acad., Admn. & Pers.) KVS (HQ), New Delhi.
5. PA to Deputy Commissioner (Fin.), KVS (HQ)
6. All the Branch Officers of KVS (HQ).
7. S.O.(EDP) KVS(HQ).



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*Accounts code
For the
Kendriya Vidyalayas*

**Kendriya Vidyalaya Sangathan
18, Institutional Area
Shaheed Jeet Singh Marg
New Delhi-110016**

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Chapter 1

DEFINITIONS

Page No.	Article No.	Specific Reference	Existing Clause	Proposed Clause	Remarks of KVS HQ
1.	1.		In this part of the Code, the following terms have the significance shown against each, except where it is stated to be contrary or is repugnant to the context:	In this part of the Code, the following terms have the significance shown against each, except where it is stated to be contrary or is repugnant to the context:	
		(i)	<i>Audit Authority</i> means the Comptroller & Auditor General of India and/or his nominees viz. Director General of Audit, Central Revenues and State Accountants General, etc.	<i>Audit Authority</i> means the Comptroller & Auditor General of India and/or his nominees viz. Director General of Audit, Central Revenues/ Expenditure and State Accountants General (Audit), etc.	
		(ii)	Bank means the State Bank of India or one of its subsidiaries, Canara Bank or any other	<i>Bank</i> means the State bank of India or any other scheduled bank of Indian origin	

			nationalized bank, the Post Office savings bank or any other bank with which funds of the school are specifically authorized to be kept.	with which funds of the school are specifically authorized to be kept.	
		(iii)	<i>Cadre</i> means the strength of a service or a part of a service sanctioned as a separate unit. For example, P.G.Ts., T.G.Ts.	<i>Cadre</i> means the strength of a service or a part of a service sanctioned as a separate unit. For example, P.G.Ts., T.G.Ts. etc.	
		(iv)	<i>Compensatory Allowance</i> means an allowance granted to meet personal expenditure necessitated by the special circumstances in which duty is performed. It includes Travelling Allowances, Transport Allowance, House Rent Allowance, Compensatory City Allowance, etc.	<i>Compensatory Allowance</i> means an allowance granted to meet personal expenditure necessitated by the special circumstances in which duty is performed. It includes Travelling Allowances, Transport Allowance, House Rent Allowance, etc.	
		(v)	<i>Competent Authority</i> means the authority specified in the relevant rules or the Kendriya Vidyalaya Sangathan in case no such authority has been specified.	<i>Competent Authority</i> means the authority specified in the relevant rules of Government of India or the Kendriya Vidyalaya Sangathan in case no such authority has been specified.	
		(vi)	<i>Contingencies</i> means and include all incidental and other expenses which are incurred for the management or running of a school other than those items of expenditure which fall under the head 'Works' and 'Stock' or for which separate funds are provided under the 'norms' of expenditure (e.g. Laboratory equipment, Library books, etc.)	<i>Contingencies</i> means and include all incidental and other expenses which are incurred for the management or running of a Vidyalaya/office, Regional offices, ZIETs and KVS Headquarters etc. other than those items of expenditure which fall under the head 'Works' and 'Stock' or for which separate funds are provided under the 'norms' of expenditure (e.g. construction of school building & staff quarters, Laboratory equipment, Library books, etc.).	

		(vii)	<p><i>Controlling officer</i> means an officer entrusted with the responsibility of controlling the incurring of expenditure. The authority who is to act as the 'Controlling Officer' is different for various purposes and has been specified in the respective rules.</p>	<p><i>Controlling officer</i> means an officer entrusted with the responsibility of controlling the incurring of expenditure. The authority who is to act as the 'Controlling Officer' is different for various purposes and has been specified in the respective rules.</p>	
		(viii)	<p><i>Drawing and disbursing officer</i> means an officer who is entrusted with the duty of drawing, checking and disbursing claims in accordance with the prescribed rules.</p>	<p><i>Drawing and Disbursing Officer</i> means an officer who is entrusted with the duty of drawing, checking and disbursing claims in accordance with the prescribed rules.</p>	
		(ix)	<p>Duty includes:</p> <ul style="list-style-type: none"> (a) Service on probation provided such service is followed by confirmation. (b) Joining time on transfer from one school to another, provided it is in the interest of the Sangathan. (c) The period spent in a course of instruction or training undertaken on the orders of competent authority. 	<p>Duty includes:</p> <ul style="list-style-type: none"> (a) Service on probation provided such service is followed by confirmation. (b) Joining time on transfer from one school/office to another, provided it is in the interest of the Sangathan. (c) The period spent in a course of instruction or training undertaken on the orders of competent authority. 	

		(x)	<i>Family</i> means family as defined in the respective rules, viz. Travelling Allowance Rules, Leave Travel Concession Rules, Medical Attendance Rules, Compensatory Allowance Rules, Provident Fund Rules and Pension Rules.	<i>Family</i> means family as defined in the respective rules, viz. Travelling Allowance Rules, Leave Travel Concession Rules, Medical Attendance Rules, Provident Fund Rules and Pension Rules.	
		(xi)	<i>Fee</i> means a recurring or non-recurring payment received by an employee with the approval of the competent authority from a source other than the funds of the Sangathan whether received directly or indirectly through the intermediary of the Sangathan.	<i>Fee</i> means a recurring or non-recurring payment received by an employee with the approval of the competent authority from a source other than the funds of the Sangathan whether received directly or indirectly through the intermediary of the Sangathan.	
		(xii)	<i>Foreign service</i> means service rendered by an employee of a State Government or the Central government in the Kendriya Vidyalaya Sangathan (including the Kendriya Vidyalayas) with proper sanction.	<i>Foreign service</i> means service rendered by an employee of a State Government or the Central government, State and Central Autonomous Bodies in the Kendriya Vidyalaya Sangathan (including the Kendriya Vidyalayas) with proper sanction.	
		(xiii)	<i>Honorarium</i> means a recurring or non-recurring payment granted to an employee from the funds of the Sangathan as remuneration for special work of an occasional or intermittent character.	<i>Honorarium</i> means a recurring or non-recurring payment granted to an employee from the funds of the Sangathan as remuneration for special work of an occasional or intermittent character.	
		(xiv)	<i>Leave</i> means regular leave other than casual leave, special casual leave and quarantine leave.	<i>Leave</i> means regular leave other than casual leave, and special casual leave.	

		(xv)	<i>Leave salary</i> means the monthly amount paid to an employee on regular leave. It will be equal to the pay drawn immediately before proceeding on leave or half thereof, according to the nature of the leave.	<i>Leave salary</i> means the monthly amount paid to an employee on regular leave. It will be equal to the pay drawn in the Pay Band and the Grade Pay immediately before proceeding on leave or half thereof, according to the nature of the leave.	CCS [RP] Rules 2008
		(xvi)	<i>Month</i> means a calendar month. In calculating a period expressed in terms of months and days, complete calendar months, irrespective of the number of days in each, should first be calculated and the odd number of days calculated subsequently.	<i>Month</i> means a calendar month. In calculating a period expressed in terms of months and days, complete calendar months, irrespective of the number of days in each, should first be calculated and the odd number of days calculated subsequently.	
		(xvii)	Non-recurring expenditure means expenditure sanctioned as a lump sum charge whether the money be paid as a lump sum or by installments.	<i>Non-recurring expenditure</i> means expenditure other than recurring expenditure.	GFR Definitions Rule 2(xx)
		(xviii)	Pay means the amount drawn by an employee as- (a) basic; (b) special pay; (c) charge allowance for TGTs / PGTs / Vice-Principals acting as Principals or for primary teachers appointed as supervisors of primary departments of Kendriya Vidyalayas;	Pay means the amount drawn by an employee as- (a) Pay in the Pay Band; (b) Grade Pay; (c) special pay; (d) charge allowance for TGTs / PGTs / Vice-Principals acting as Principals or for primary teachers appointed as supervisors of primary departments of Kendriya Vidyalayas;	

			<p>(d) personal pay granted either to protect a drop in pay consequent on revision or fixation of pay or on personal considerations in exceptional circumstances.</p> <p><i>Note:</i> Unless specified otherwise, items (a) to (d) above shall be taken into account for the purpose of reckoning dearness allowance, compensatory allowance, children's educational allowance and other allowances.</p>	<p>(e) Personal Pay granted either to protect a drop in pay consequent on revision or fixation of pay or on personal considerations in exceptional circumstances.</p> <p><i>Note:</i> <i>Unless specified otherwise</i>, items (a) and (b) above shall be taken into account for the purpose of reckoning dearness allowance, compensatory allowance, children's educational allowance and other allowances.</p>	
		(xix)	<i>Permanent post</i> means a post carrying a definite rate of pay sanctioned without limit of time.	<i>Permanent post</i> means a post carrying a definite rate of pay sanctioned without limit of time.	
		(xx)	<i>Recurring expenditure</i> means all expenditure which is incurred at periodical intervals including that of contingent nature and which is not non-recurring.	<i>Recurring expenditure</i> means the expenditure which is incurred at periodical intervals.	<i>GFR Definitions Rule 2(xxvi)</i>
		(xxi)	<i>Stores</i> means all articles and materials purchased or otherwise acquired for the use of the school, including not only expendable and issuable articles in use or accumulated for specific purposes, but also articles of dead stock of the	<i>Stores</i> means all articles and materials purchased or otherwise acquired for the use of the School, Regional Offices, ZIETs and KVS (Hq) including not only expendable and issuable articles in use or accumulated for specific purposes, but also articles of dead stock of the nature of	

			nature of plant, machinery, instruments, furniture, equipment, fixtures, etc.	plant, machinery, instruments, furniture, equipment, fixtures, etc.	
		(xxii)	<i>Temporary post</i> means carrying a definite rate of pay sanctioned for a limited time.	<i>Temporary post</i> means post carrying a definite rate of pay sanctioned for a limited time.	
		(xxiii)	<i>Tenure post</i> means a permanent post which an individual employee may not hold for more than a limited period.	<i>Tenure post</i> means a permanent post which an individual employee may not hold for more than a limited period.	
		(xxiv)	<i>Travelling allowance</i> means an allowance granted to an employee to cover the expenses which he incurs in travelling in the interest of the Sangathan. The expenses incurred on hiring a conveyance in the interest of the Sangathan is called conveyance hire and the same is debitable to 'Contingencies'.	<i>Travelling allowance</i> means an allowance granted to an employee to cover the expenses which he incurs in travelling in the interest of the Sangathan. The expenses incurred on hiring a conveyance in the interest of the Sangathan is called conveyance hire and the same is debitable to 'Contingencies'.	
		(xxv)	<i>Works</i> include the acquisition or extension of concrete assets called Capital Works and also repairs (ordinary and special), renewals and replacement of existing assets. In its application to buildings, this term includes the acquisition and clearance of site, construction of roads and pathways, provision of sanitary, water supply, electric installations and air conditioning equipment.	Works means all new constructions, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodelling or replacement. Repair works means works undertaken to maintain building and fixtures.	<i>GFR Rule 123</i>
		(xxvi)	<i>Year</i> means:	<i>Year</i> means:	

			<p>(a) in relation to accounting of funds, twelve months from 1st April to 31st March (financial year);</p> <p>(b) in relation to academic matters, twelve months from 1st April to 31st March (academic year);</p> <p>(c) in relation to specific administrative matters (for example, grant of casual leave, twelve months from 1st January to 31st December (calendar year).</p>	<p>(a) in relation to accounting of funds, twelve months from 1st April to 31st March (financial year);</p> <p>(b) in relation to academic matters, twelve months from 1st April to 31st March (academic year);</p> <p>(c) in relation to specific administrative matters (for example, grant of casual leave, twelve months from 1st January to 31st December (calendar year).</p>	
		(xxvii)		<i>Re appropriation means transfer of funds from one primary unit of appropriation to another such unit.</i>	

Chapter 2

TERMS AND CONDITIONS OF SERVICE OF EMPLOYEES

Page No.	Article No.	Specific Reference	Proposed Amended Clause	Remarks by KVS HQ
1.	2.		The employees of Kendriya Vidyalaya Sangathan are mainly governed by the following terms and conditions of service. Detailed instructions in amplification of these terms and conditions which are based on the corresponding provisions followed in respect of Central Government employees have been enumerated at appropriate places in the Education Code as well as in this Code.	
		(1)	<i>Appointment</i> – Except in cases where ad-hoc arrangements are made for recruitment of part time contractual staff, the appointee will be on probation for a period of two years, which may be extended to three	

			<p>years by the appointing authority. During the period of probation and thereafter, for so long as the appointee holds the appointment in a temporary capacity, the services of the appointee is liable to be terminated by giving one month's notice or payment of one month's salary in lieu thereof, without assigning any reason.</p>	
		(2)	<p><i>Confirmation</i> – Persons, who have completed their probation satisfactorily, will be eligible for confirmation in accordance with the rules of the Sangathan from time to time.</p>	
		(3)	<p><i>Pay Scale</i> – The scales of pay will be as determined by the Sangathan from time to time. (The existing scales of posts in Kendriya Vidyalaya Sangathan are as indicated in Appendix '9').</p>	
		(4)	<p><i>Allowances and benefits admissible in addition to pay:</i></p> <p>(a) <i>Dearness Allowance</i> – At Central Government rates, as decided from time to time.</p> <p>(b) <i>City Compensatory Allowance</i> – The Compensatory (City) Allowance (CCA) stands ABOLISHED.</p> <p>(c) <i>House Rent Allowance</i> – At Central Government rates, as decided from time to time.</p> <p>(d) <i>Medical benefits as per the provisions of CS(MA) Rules 1944 or Central Govt. Health Scheme wherever applicable.</i></p> <p>(e) <i>Children's Education Allowance</i> – At Central Government rates, as decided from time to time. It includes Reimbursement of tuition fees paid for children in Secondary / Senior Secondary Schools.</p> <p>(f) <i>Transport Allowance</i> – As introduced by Govt. as per 6th CPC.</p> <p>(g) <i>Hostel subsidy</i> - At Central Government rates, as decided from time to time.</p>	<p>The Compensatory (City) Allowance (CCA) stands ABOLISHED.</p> <p>Children Education Allowance and Reimbursement of Tuition Fee hitherto payable separately is now merged and will henceforth be known as 'Children Education Allowance Scheme'.</p>

			<p>(h) <i>Assistance towards house rent to be paid by deputationists</i> – If a Central Government employee, appointed on deputation, in the Sangathan is in occupation of Central Government residence, excess of rent, if any, charged by the Director of Estates, over the standard rent of the accommodation or 10 per cent of emoluments of the Officer concerned (whichever is less) will be met by the Sangathan.</p> <p>(i) <i>Assistance towards monthly contribution to Central Government Health Scheme</i> – In respect of employees who are allowed the benefits of the Central Government Health Scheme in Delhi, the excess of monthly contribution payable on behalf of the employees, over the amount of contribution normally paid by the Central government servants drawing the same pay, will be met by the Sangathan.</p>	
		(5)	<i>Leave Rules</i> – As applicable to Central Government Departments.	
		(6)	<i>T.A. Rules</i> – As applicable to Central Government Departments.	
		(7)	<i>Terminal Benefits</i> – As available to Central government Employees excepting those who were in KVS Service as on 01.01.1986 and allowed to retain C.P.F. benefits.	
		(8)	<i>Discipline</i> – In accordance with the Central Civil Services (Classification, Control and Appeal) Rules, 1965, as applicable <i>mutatis mutandis</i> to all the employees of KVS.	
		(9)	<i>Age of Retirement</i> – The age of retirement shall be 60 years, provided that in individual cases, on merit, an extension of service can be granted thereafter for a period not exceeding two years to those National Awardees on year to year basis subject to the physical fitness and mental alertness & with the permission of the Commissioner for Kendriya Vidyalayas in respect of teaching staff, if he is satisfied that such an extension is in the interest of the Sangathan. No extension shall be granted beyond the age of 62 years.	
		(10)	<i>Foreign Service Terms</i> – The Central Government employees or State Governments employees or employees of Autonomous Bodies / Public Sector Undertakings, appointed on deputation on foreign service, to posts in the Organization, will be entitled to Deputation (Duty) Allowance at 5 or 10 per cent of pay (pay in the Pay Band + Grade Pay) as the case may be subject to the condition that pay plus deputation allowance does not exceed the maximum of the Pay Band PB-4 (Rs.67,000) plus the grade pay of the post	CCS [RP] Rules 2008 – Rule No.

			held on deputation subject to the grade pay not exceeding Rs.10,000 as per OM dated 03-11-2009. In case the post held on deputation is in HAG or HAG + pay scales, pay plus Deputation (Duty) Allowance should not exceed Rs.79,000 and Rs.80,000 respectively. { OM dated 17-06-2010}	
	3.		Unless in any case it is otherwise distinctly provided, the whole time of a Kendriya Vidyalaya Sangathan employee is at the disposal of the Sangathan which pays him / her and he / she may be employed in any manner required by proper authority, without claim for additional remuneration.	
	4.		Assumption of Office, Relinquishing of Office and their Effect on Pay and Allowances An employee shall begin to draw the pay and allowances attached to his post with effect from the date when he / she assumes the duties of that post, and shall cease to draw them as soon as he / she ceases to discharge those duties.	
	5.		If an employee of a Kendriya Vidyalaya assumes duties of his/her post within two hours of the commencement of the school work or exactly at the end of two hour after the commencement of the school work, he/she shall be deemed to have joined the post in the forenoon and shall be eligible to draw pay and allowances for the day. If however he / she assume duties of his/her post later, he / she shall be deemed to have joined the post in the afternoon in which case he/she shall be eligible to draw the pay and allowances only from the next day.	
	6.		An employee who is absent from duty without any authority shall not be entitled to pay and allowances during period of such absence.	
	7.		(a) No employee shall be granted leave of any kind for a continuous period exceeding five years. (b) Where an employee does not resume duty after remaining on leave for a continuous period of five years or where an employee after the expiry of his/her leave remains absent from duty otherwise than on account of suspension, of any period which together with the period of leave granted to him exceeds five years, he/she shall, unless the Sangathan in view of the exceptional circumstances of the case otherwise determines, be removed from service after following the procedure laid down in the	

		Central Civil Services (Classification, Control and Appeal) Rules, 1965 as adopted by the Sangathan.	
	7A.	<p>Retirement</p> <p>Every employee of the Sangathan shall retire on the afternoon of the last day of the month in which he attains the age of sixty years.</p> <p>Notwithstanding anything contained in this Article, the appropriate authority shall, if it is of the opinion that it is in the Sangathan's interest to do so, have absolute right to retire an employee after he has attained <u>the age of fifty-five</u> years by giving him notice of not less than three months in writing.</p> <p>Any employee may by giving notice of not less than three months in writing to the appropriate authority retire from service after he has attained the age of <u>fifty-five years</u>.</p> <p>Provided that it shall be open to the appropriate authority to withhold permission to an employee under suspension who seeks to retire under this clause.</p> <p><i>Note:</i></p> <p>(1) The services of teachers superannuating on or after 30th November can be retained on re-employment terms upto 31st March of the following year on academic grounds. Librarians and Laboratory Assistants/Lab. Attendants/Sub Staff are, however, not covered by this provision.</p> <p>(2) The three months' notice referred to in this clause may be given before the employee attains the age of <u>fifty-five years</u>, provided that the retirement takes place after he has attained that age.</p> <p>(3) Appropriate authority means the authority which has the power to make substantive appointments to the post or service from which the employee is required to/wants to retire.</p>	
	7B.	<p>(1) At any time after a Sangathan employee has completed <u>twenty years'</u> qualifying service, he may by giving notice of not less than three months in writing to the appointing authority, retire from service;</p>	

		<p>(2) The notice of such voluntary retirement shall require acceptance by the appointing authority.</p> <p><i>Note:</i> This rule does not apply to those employees who retire from Sangathan service for being absorbed permanently under the Government, or in any other Autonomous Body or a Public Sector Undertaking to which he is on deputation at the time of seeking voluntary retirement.</p>	
	8.	<p style="text-align: center;">Appointment in Posts and Acquisition of Lien</p> <p>(a) Two or more employees cannot be appointed substantively to the same permanent post at the same time.</p> <p>(b) An employee cannot be appointed substantively to a post on which another employee holds a lien.</p> <p>(c) An employee on substantive appointment to any permanent post acquires a lien on that post. Lien means title of an employee to hold substantively, either immediately, or on the termination of a period or periods of absence, a permanent post to which he has been appointed substantively.</p>	
	9.	<p>Transfer</p> <p>The Sangathan may transfer an employee from one post to another in the interest of KVS or on his/her written request provided that an employee shall not be transferred substantively to a lower post (carrying less pay) than the pay of the lower permanent post on which he / she hold a lien except on account of his / her on request or on account of imposition of a penalty</p> <p>OM No. F.125-29/2004-05/KVS (Budget) Dated 14-03-2005.</p>	<p>OM No. F.125-29/2004-05/KVS (Budget) Dated 14-03-2005</p>
	10.	<p>Joining Time</p> <p>(1) Joining time means the time allowed to an employee to join a new post or to travel to or from a station to which he is posted.</p>	

			<p>(2) No joining time is permissible in the case of fresh appointees.</p> <p>(3) Joining time shall be granted to an employee on transfer in the Sangathan interest to enable him to join the new post either at the same or a new station. No joining time is admissible in cases of temporary transfer for a period not exceeding 180 days. Only the actual transit time as admissible in case of journeys on tour, may be allowed.</p> <p>(4) For appointment to posts under the Sangathan on the results of a competitive examination and / or interview open to Sangathan employees and others, Sangathan employees and permanent/provisionally permanent Government employees will be entitled to joining time, Joining Time Pay & Travelling Allowance.</p> <p>(5) No travelling allowance or joining time is permissible in the case of fresh appointees.</p> <p>(6) Existing teachers of Kendriya Vidyalayas holding regular appointments shall, however, be eligible, on their selection through one of the Central Selection Committees and on appointment to a higher post, to travelling allowance as on transfer. Joining time shall, however, be <u>restricted to two</u> days for preparation in addition to the actual journey period involved in transit.</p>	
	11.		<p>(1) The joining time shall commence from the date of relinquishment of charge of the old post if the charge is made over in the forenoon or the following date if the charge is made over in the afternoon.</p> <p>(2) The joining time shall be calculated from old headquarters in all cases including</p> <p>(a) where an employee received his transfer orders in place other than his headquarters; or</p> <p>(b) makes over charge of the old post in a place</p>	

- other than his old headquarters, or
- (c) Where the headquarters of an employee is changed while on tour to the tour station itself or
 - (d) where his temporary transfer is converted into permanent transfer. Rule 5 (2).

(3) Not more than one day's joining time shall be allowed to an employee to join a new post within the same station or which does not involve a change of residence from one station to another. For this purpose, the term 'same station' will be interpreted to mean the area falling within the jurisdiction of the municipality or corporation including such of sub-urban municipalities, notified areas or cantonments as are contiguous to the named municipality etc.

(4) In cases involving transfer from one station to another and also involving change of residence, the employee shall be allowed joining time with reference to the distance between the old headquarters and the new headquarters by direct route and ordinary mode(s) of travel as indicated in the following schedule.

Distance between the old Headquarters and the new Headquarters	Joining time admissible	Joining time admissible the transfer necessarily involves by Road for more continuous than <u>200 Kms</u>
1,000 kms. or less	10 days	12 days
More than 1,000 kms & Up to 2,000 kms.	12 days	15 days
More than 2,000 kms.	15 days	15 days

		<p><u>In the cases of stations in a remote locality, additional days of joining time over and above the number of days indicated will be granted under Rule 5 (5)- GIO (1).</u></p> <p><i>Note:</i></p> <ol style="list-style-type: none"> 1. Distance means actual distance and not weighted mileage for which fare is charged by the Railway in certain ghat / hill stations. 2. When holiday(s) follow(s) joining time, the normal joining time may be deemed to have been extended to cover such holiday(s). <p>(5) Extension of joining time beyond the limits indicated in Article 11 (4) can be granted up to the maximum limit of 30 days by the Sangathan and beyond 30 days by the Deptt. Of School Education & Literacy, Ministry of Human Resource Development, Government of India, the guiding principle being that the total period of joining time should be approximately equal to 8 days for preparation plus reasonable transit time plus holidays, if any, following the extended joining time. While computing the transit time, allowance could be made for the time unavoidably spent due to disruption of transport arrangements caused by strike or natural calamities, or the period spent awaiting the departure of the steamer.</p>	
	12.	<ol style="list-style-type: none"> (1) If an employee is ordered to join the new post at a new place of posting without availing full joining time to which he is entitled or he proceeds alone to the new place and joins without availing full joining time and takes his family later within the permissible period for claiming transfer T.A., the unavailed period (full JT limited to a maximum of 15 days <i>minus</i> availed JT), will be credited to his Earned Leave account. If the addition results in the total EL at credit exceeding 300 days, the excess will be ignored. This concession is not admissible for transfer in the same station – <i>Rule 6 (1) and GIO (6)</i>. (2) Joining time may be combined with vacation and / or regular leave of any kind or duration except casual leave. (3) If an employee in transit on transfer is directed to proceed to a place different from that indicated in the initial transfer orders; he shall be 	(4)

			entitled to joining time already availed of up to the date of receipt of revised orders plus fresh spell of joining time in such cases, shall be calculated from the place at which he received revised orders as it he is transferred from that place.													
	13.		<p>Joining Time with Leave [North –Eastern Region etc.,]</p> <p>Sangathan employees proceeding on leave from the place of posting in the Region to a place outside the Region are entitled for the joining time as follows:-</p> <p>(a) <i>If the place of posting in the Region is not a remote locality –</i></p> <table border="1"> <tr> <td>(i)</td> <td>When the journey time between the place of posting and the place outside the Region is 2 days or less.</td> <td>No joining time is admissible.</td> </tr> <tr> <td>(ii)</td> <td>When the journey time referred to in (i) above is more than 2 days.</td> <td>Journey time in excess of 2 days is allowed as joining time.</td> </tr> </table> <p>(b) <i>If the place of posting in the Region is a remote locality -</i></p> <table border="1"> <tr> <td>(i)</td> <td>Period of travel from the remote locality to the specified station.</td> <td>Journey time as prescribed is allowed as free joining time.</td> </tr> <tr> <td>(ii)</td> <td>Period of travel from the specified station to a place outside the Region.</td> <td>Journey time in excess of 2 days is allowed as additional joining time.</td> </tr> </table> <p>This concession is also admissible when the Sangathan employees return from leave.</p> <p><i>Note :</i></p>	(i)	When the journey time between the place of posting and the place outside the Region is 2 days or less.	No joining time is admissible.	(ii)	When the journey time referred to in (i) above is more than 2 days.	Journey time in excess of 2 days is allowed as joining time.	(i)	Period of travel from the remote locality to the specified station.	Journey time as prescribed is allowed as free joining time.	(ii)	Period of travel from the specified station to a place outside the Region.	Journey time in excess of 2 days is allowed as additional joining time.	<p>Special Facilities for North –Eastern Region etc.,</p> <p>E.</p>
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			1. Where the outward journey falls in one calendar year and the return journey falls in the succeeding calendar year, the concession shall be counted against the calendar year in which the leave commences. In calculating transit time, holidays falling before or at the end of it shall be excluded while those falling during transit time shall be included.	
	14.		The joining time to remote localities on transfer shall be regulated wherever necessary as per sub-para 5 under Article 11 by the Sangathan.	
	15.		By whatever route an employee actually travels, joining time shall be calculated by the route which travellers ordinarily use.	
	16.		When an employee applies for leave before proceeding on transfer to a new post, he shall, if the leave is granted, avail the leave and then avail the joining time.	
	17.		If an employee is appointed to a new post while on leave of not more than six months' duration, his joining time will be calculated from his old station or from the place in which he received the order of appointment, whichever calculation will entitle him to less joining time. If, however, such an employee actually performs the journey to his old headquarters for winding up his personal affairs, etc. his joining time will be calculated from the old headquarters to the new headquarters, irrespective of the place where he spends leave or receives posting orders.	
	18.		Not more than one day is to be availed by an employee who has the charge of stores or who has to take charge of stores for the purpose of handing over and taking over charge respectively. This limit is also applicable to <u>Principals who have to hand over or take over charge on transfer.</u>	
	19.		When an employee is transferred from one Kendriya Vidyalaya to another Kendriya Vidyalaya on the grounds other than Sangathan's interest no joining time is admissible. Regular leave may be availed of to cover the period from the date of relinquishing charge at the old station to the date of assumption of charge at the new station. If, however, holiday(s) intervene (s) between the date of relieve at the old station and joining at the new station, the intervening holidays may be availed as holiday and the employee need not take any leave for such period. The pay and allowances for the period so availed will be borne by the Kendriya	OM No. F.125-29/2004-05/KV S (Budget) Dated 14-03-2005

		Vidyalaya / Office where the official joins after transfer at the rates admissible at the old station / post.																									
20.		<p>Joining Time Pay</p> <p>An employee on joining time shall be regarded as on duty during that period and shall be entitled to be paid joining time pay equal to the pay which he drew before relinquishment of charge in the old post. He will also be entitled to Dearness Allowance, if any, appropriate to the joining time pay. In addition, he can also draw House Rent Allowance as applicable to the old station from which he was transferred. He shall not be allowed conveyance allowance or permanent travelling allowance.</p>	Deleted Compensatory Allowances like City Compensatory Allowance. Etc.,																								
21.		An employee who does not join his post within his joining time is entitled to no pay after the end of his joining time. Wilful absence from duty after the expiry of joining time may be treated as misbehaviour for the purpose of Article 9.																									
22.		<p>Fixation of Pay</p> <p>The initial pay of an employee on his direct appointment to a post on or after 01.01.2006 in revised pay structure ordinarily shall be fixed in the Pay Band of the particular post carrying a specific Grade Pay as per following tables (Section II of Part A of the First Schedule of CCS (Revised Pay) Rules 2008) :-</p> <p>PB-1 (Rs. 5,200-20,200)</p> <table border="1"> <thead> <tr> <th>Grade Pay</th> <th>Pay in the Pay Band</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>1,800</td> <td>5,200</td> <td>7,000</td> </tr> <tr> <td>1,900</td> <td>5,830</td> <td>7,730</td> </tr> <tr> <td>2,000</td> <td>6,460</td> <td>8,460</td> </tr> <tr> <td>2,400</td> <td>7,510</td> <td>9,910</td> </tr> <tr> <td>2,800</td> <td>8,560</td> <td>11,360</td> </tr> </tbody> </table> <p>PB-2 (Rs. 9,300-34,800)</p> <table border="1"> <thead> <tr> <th>Grade Pay</th> <th>Pay in the Pay Band</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Grade Pay	Pay in the Pay Band	Total	1,800	5,200	7,000	1,900	5,830	7,730	2,000	6,460	8,460	2,400	7,510	9,910	2,800	8,560	11,360	Grade Pay	Pay in the Pay Band	Total				(Section II of Part A of the First Schedule of CCS (Revised Pay) Rules 2008) :-
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22A.	<p>Where an employee holding a non-tenure post in a substantive or temporary or officiating capacity on promotion/ appointment in substantive, temporary or officiating capacity to a post carrying duties and responsibilities of greater importance, the fixation of pay will be done as under:-</p> <p>i) One increment equal to 3% of the sum of the pay in the pay band and the existing grade pay will be computed and rounded off to the next multiple of 10. While rounding off, paise should be ignored but any amount of a rupee or more should be rounded off to next multiple of 10. This will be added to the existing pay in the pay band. The grade pay corresponding to the promotion post will thereafter be granted in addition to this pay in the pay band. In cases where promotion involves the change in the pay band also, the same methodology will be followed. However, if the pay in the pay band</p>	CCS (Revised Pay) Rules 2008 – Rule 13																																		

		<p>after adding the increment in less than the minimum of the higher pay band in which promotion is taking place, pay in the pay band will be stepped to such minimum.</p> <p>ii) In the case of promotion from PB-4 to HAG+, after adding one increment in the manner prescribed in Rule 9, the pay in the pay band and existing grade pay will be added and the resultant figure will become the basic pay in HAG+. This shall not exceed Rs.80,000/- the maximum of the scale.</p> <p>iii) Except in cases of appointment on deputation to an ex-cadre post or to a post on direct recruitment basis, an employee on promotion from one grade to another/financial up gradation under ACP/MACP, has an option under FR 22 (I)(a)(1) to get his pay fixed in the higher post either from the date of promotion, or from date of his next increment viz. 1st July of the year. The pay will be fixed in the following manner:-</p> <p>a) In case the employee opts to get his pay fixed from his date of next increment, then, on the date of promotion, pay in the pay band shall continue unchanged, but the grade pay of the higher post will be granted. Further, re-fixation will be done on the date his next increment i.e., 1st July. On that day, he will be granted two increments; one annual increment and the second on account of promotion. While computing these two increments, basic pay prior to the date of promotion shall be taken into account. To illustrate, if the basic pay prior to the date of promotion was Rs. 100/-, first increment would be computed on Rs. 100/- and second on Rs. 103/-.</p> <p>b) In case the employee opts to get his pay fixed in the higher grade from the date of his promotion, he shall get his first increment in the higher grade on the next 1st July if he was promoted between 2nd July and 1st January. However, if he was promoted between 2nd January and 30th June of a particular year, he shall get his increment on 1st July of next year.</p>	
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			<p>Fixation of pay on promotion on or after 01-01-2006 is done as per GOI Order No.(1) to (5) under FR 22.</p> <p><i>Note:- An option clause may be incorporated in the promotion order itself which will enable the employee to exercise the option within one month.</i></p>	
	22B.		<p>Where an employee is transferred to another post not involving higher responsibilities, his pay will be fixed at the stage of the time-scale of the new post which is equal to his pay in the old post held by him on regular basis, if there is such equal stage in pay scale of the new post, as he will draw his next increment on the same date on which he would have drawn increment in the old post.</p>	FR 22(I)(a)(2)
	22C.		<p>The appointment to the Selection Grade of post held by an employee on a regular basis does not constitute a promotion or result in assumption of higher responsibilities. The pay on appointment to non-functional selection grade will, therefore, also be regulated in the manner described in Article 22B above. In the case of an employee drawing the maximum of the ordinary grade for a year or more at the time of appointment to selection scale, the pay in the selection grade will be fixed at the next higher stage even when there is a stage in the selection grade equal to the maximum of the ordinary grade.</p>	
	23.		<p>In all the cases covered by Articles 22A, 22B and 22C above, the employee has an option, to be exercised within one month from the date of appointment, for fixation of his pay in the new post either straightway from the date of his appointment to the new post or from the date of his next increment in the old post.</p> <p>Option clause may be incorporated in the orders itself.</p> <p>This option is available even in cases where the next increment due is “stagnation increment”, i.e., an employee can opt to have his pay fixed on promotion from the date of accrual of stagnation increment in the lower post.</p>	

	24.	<p>In case of appointment of an employee to post carrying lower Grade pay under FR 15 (a) on their own request, the pay in the pay band of the employee will be fixed at the stage equal to the pay in the pay band drawn by him prior to his appointment against the lower post. However, he will be granted grade pay of the lower post. Further, in all cases he will continue to draw his increment based on his pay in the pay band plus grade pay (lower). <u>Where transfer to a lower post is made subject to certain terms and conditions, then the pay may be fixed according to such terms and conditions.</u></p>	FR 15[a] Clarification,
	25.	<p>The pay of an employee fixed under Article 22A on promotion to a higher post may sometime turn to be lower than the pay drawn by a junior person who is subsequently promoted to an identical post. Whenever, such anomaly occurs, the following action will be taken to safeguard the interest of the senior person:-</p> <p>(a) The pay of the senior person in the higher post will be stepped up to a figure equal to the pay as fixed for the junior person in the higher post. The stepping up will, however, be done with effect from the date of promotion or appointment of the junior person and will be subject to the following conditions namely:-</p> <p>(i) Both the junior and the senior persons should belong to the same cadre and the posts to which they have been promoted or appointed, shall be identical and in the same cadre.</p> <p>(ii) The scales of pay of the lower and higher posts, in which they are entitled to draw pay, should be identical.</p> <p>(iii) The anomaly should be directly as a result of the application of Article 22A.</p> <p>(iv) The stepping up of pay is admissible with reference to first junior (not necessarily immediate junior) only on one occasion but if the junior concerned gets his pay stepped up at par with his junior, then the pay of the senior may again be stepped up.</p>	

		<p>(v) The junior should not have been drawing more pay than the senior from time to time in the lower post.</p> <p>(vi) Advancement of date of next increment of the senior is admissible if only he was drawing more pay than the junior in the old scale and his pay in the new scale is fixed at the same stage as that of his junior.</p> <p>The following instances do not constitute commonly for stepping up of pay :-</p> <p>(i) Extraordinary leave resulting in postponement of the date of next increment with consequent drawal of less pay than the junior in the lower post.</p> <p>(ii) A senior foregoing / refusing promotion leading to the promotion of the junior and drawing higher pay than senior.</p> <p>(iii) A senior joining higher post later than the junior and drawing less pay.</p> <p>(b) The order of re-fixing the pay of the senior person in accordance with the procedure indicated above should be issued under <u>FR 27</u> reproduced as Article 31B. The next increment of the senior person will be drawn on completion of requisite qualifying period with effect from the re-fixation of pay.</p>	Deleted 12 months
	26.	<p>The fixation of pay of re-employed pensioners should be done in accordance with the provisions of Central Civil Services (Fixation of pay of Re-employed Pensioners) Orders, 1986 as under:</p> <p>(a) Re-employed pensioners shall be allowed to draw pay only in the prescribed pay band and grade pay for the posts in which they are re-employed. No protection of the scales of pay / pay structure of the posts held by them prior to retirement shall be given.</p>	

		<p>(b) (i) In all cases where the pension is fully ignored the initial pay on re-employment shall be fixed as per entry pay in the revised pay structure of the re-employed post applicable in case of direct recruits appointed on or after 01.01.2006 as notified vide section II, Part A of 1st Schedule to CCS (RP) Rules 2008.</p> <p>(ii) In cases where the entire pension and pensionary benefits are not ignored for pay fixation, the initial basic pay on re-employment shall be fixed at the same stage as the last basic pay drawn before retirement. However he shall be granted the grade pay of the re-employed post. The maximum basic pay cannot exceed the grade pay of the re-employed post plus pay in the pay band of Rs. 67,000, i.e., the maximum of the pay band P.B.-4. In all these cases, the non-ignorable part of the pension and pension equivalent of retirement benefits shall be reduced from the pay so fixed.</p> <p><i>In the revised pay structure, basic pay is pay in the pay band plus the grade pay attached to the post.</i></p> <p>(iii) The re-employed pensioner will in addition to the pay as fixed under para (ii) above shall be permitted to draw separately any pension sanctioned to him and to retain any other form of retirement benefits.</p> <p>(iv) Once the initial pay of a re-employed pensioner has been fixed in the manner indicated above, he may be allowed to draw normal increments as per the provisions of rule 9 & 10 of the CCS (RP) Rules 2008.</p> <p>(c) The quantum of pension to be ignored for initial fixation of pay in the re-employed post - in respect of those who retired before attaining the age of 55 years is –</p> <p>(i) Entire pension and pension equivalent of retirement benefits in the case of civilian pensioners who held posts below Group</p>	<p>Section II, Part A of 1st Schedule to CCS (RP) Rules 2008.</p>
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		<p>'A' and Ex-Servicemen who held posts below commissioned officer rank at the time of retirement.</p> <p>(ii) The first Rs. 4000/- of the pension and pension equivalent of retirement benefits in the case of civilian pensioners who held Group 'A' posts and service officers of the Defence Forces.</p> <p><i>Note: It should be noted that the benefit of ignoring the all pension or first Rs. 4000/- of pension, including PEG and other retirement benefits, as the case may be, is admissible only in the case of pensioners who retired before attaining the age of 55 years. In other cases, the whole amount of pension will be taken into account for the purpose of initial fixation of pay in the re-employed post.</i></p>					
	27.	<p>Once the initial pay of re-employed pensioner has been fixed in the manner indicated above, he may be allowed to draw normal increments in the prescribed pay band and grade pay of the post to which he is appointed as if the pay has been fixed at the minimum or the higher stage, as the case may be (i.e. before an adjustment on account of pension and pension equivalent of other forms of retirement benefits is made) provided that the pay and gross pension / pension equivalent of other retirement benefits taken together do not at any time exceed Rs. 67,000/- per month.</p>					
	28.	<p>An employee on deputation may elect to draw pay in the scale of pay of the deputation post fixed under the normal rules or his basic pay in the parent department from time to time plus personal pay, if any, and deputation (duty) allowance at the following rates:</p> <table border="1" data-bbox="622 1062 1357 1217"> <tr> <td>Within the same station</td> <td>5% of basic pay subject to ceiling of Rs. 2000/- per month.</td> </tr> <tr> <td>In other cases</td> <td>10% of basic pay subject to ceiling of Rs. 4000/- per month.</td> </tr> </table> <p><i>Note: Basic pay from time to time plus Deputation (duty) allowance should not exceed the maximum of the pay band P.B.-4 (Rs. 67,000/-) plus the grade pay of the post held on deputation in case the grade pay of the post</i></p>	Within the same station	5% of basic pay subject to ceiling of Rs. 2000/- per month.	In other cases	10% of basic pay subject to ceiling of Rs. 4000/- per month.	
Within the same station	5% of basic pay subject to ceiling of Rs. 2000/- per month.						
In other cases	10% of basic pay subject to ceiling of Rs. 4000/- per month.						

		<p>held on deputation is upto Rs. 10,000/-. In case the post held on deputation is in the HAG or HAG+ pay scales, the basic pay from time to time plus deputation (duty) allowance should not exceed Rs. 79,000/- and Rs. 80,000/- respectively.</p> <p><i>*Basic pay means the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other type of pay like special pay etc.</i></p> <p>The rates of deputation (duty) allowance as above will be applicable from 01.09.2008.</p>	As per CCS [RP] Rules 2008
29.		<p>Drawal of Increment</p> <p>An increment shall ordinarily be drawn as a matter of course <i>from the 1st July of every year, unless it is withheld.</i> An increment may not be withheld except as a disciplinary measure by the competent authority after instituting the appropriate disciplinary proceedings under the C.C.S. (C.C.A.) Rules, 1965 as adopted by the Sangathan. Where under the orders of the competent authority, an increment is withheld without cumulative effect, the normal increment may be drawn after the period for which the orders are effective. An order for withholding of an increment with cumulative effect shall have the effect of permanently postponing the next increment by as many stages as contemplated in the orders.</p> <p>Note: The increment of an employee shall be admitted from the 1st of the July with effect from 01.01.2006. Those completing 6 months and above as on 1st July will be eligible for the next increment.</p>	As per CCS [RP] Rules 2008 Rule 10
30.		<p>Where an efficiency bar is prescribed in a time-scale, the increment next above the bar shall not be given to an employee without the specific sanction of the authority empowered to withhold the increments.</p> <p>Note: There is no efficiency bar in the pay scales introduced from 01.01.1996 under C.C.S. (R.P.) Rules, 1997.</p>	
31.		The following provisions prescribe the conditions on which service counts for increments in a time-scale:-	

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| | | <p>(a) All duty in a post on a time-scale, including period of training treated as duty, counts for increments in that time-scale;</p> <p>(b) Service in another post, other than a post carrying less pay referred to in Article 9, whether in a substantive or officiating capacity and leave, except extraordinary leave taken otherwise than on medical certificate, shall count for increments in the time-scale applicable to the post on which the employee holds a lien;</p> <p>(c) All leave, except extraordinary leave, taken otherwise than on medical certificate shall count for increment in the time-scale applicable to a post in which an employee was officiating at the time he proceeded on leave and would have continued to officiate but for his proceeding on leave : provided that the Chairman of the Sangathan may, in any case in which he is satisfied that the extraordinary leave was taken for any cause beyond the employee's control or for prosecuting higher scientific and technical studies, direct that extraordinary leave shall be counted for increment under clause (b) or (c).</p> <p>(d) If an employee, while officiating in a post or holding a temporary post on a time-scale of pay, is appointed to officiate in a higher post or to hold a higher temporary post, his officiating or temporary service in the higher post shall, if he is re-appointed to the lower post or is appointed or re-appointed to a post on the same time-scale of pay, count for increments in the time-scale applicable to such lower post. The period of officiating service in the higher post which counts for increment in the lower post is, however, restricted to the period during which the employee would have officiated in the lower post but for his appointment to the higher post.</p> <p>(e) Joining time taken under Articles 10 to 19 counts for increment in the time-scale applicable to the post on which an employee holds a lien as well as in the time-scale applicable to the post, the pay of which is received by an employee during the period of joining time.</p> | |
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		<p>(f) Service in a higher scale in an ex-cadre post, on reversion to parent cadre in a different post from the one held at the time of transfer, subject to the conditions stipulated in Proviso 1 (iii) to FR 22.</p> <p>(g) Foreign Service counts for increment in the substantive post, and in the officiating post held by KVS employee earlier subject to the certificate that he would have continued in the officiating post but for foreign service.</p> <p>(h) Foreign Service also count for increment in any post in a lower scale of pay to which the KVS employee is appointed on reversion, subject to the fulfilment of the conditions in proviso 1 (iii) to FR 22.</p> <p>(i) Periods of training undergone before formally taking over charge of the post, whether on stipend or otherwise.</p>	As per CCS [RP] Rules 2008
	31A.	<p>Stagnation Increment</p> <p>All the employees drawing pay in the revised scales of pay introduced under CCS Revised pay Rules 2008 on reaching the maximum of the pay band will be granted an increment after one year and placed in the next higher pay band. Thereafter, he will continue to move in the higher pay band till his pay in the pay band reaches the maximum of P.B.-4, after which no further increment will be granted.</p>	As per CCS [RP] Rules 2008
	31B.	<p>Advance Increment</p> <p>An authority may grant a pre-mature increment to a Sangathan employee on a time scale of pay if it has power to create a post in the same cadre on the same time scale of pay.</p>	
	32.	Suspension, Dismissal and Removal	

			The pay and allowances of an employee who is dismissed or removed from service cease to be drawn from the date of such dismissal or removal.	
	33.		An employee is kept under suspension if disciplinary proceedings are intended to be taken against him or if he has been arrested for debt or on a criminal charge.	
	34.		<p>An employee under suspension shall be entitled to the following payments:-</p> <p>(a) A subsistence allowance at an amount equal to the leave salary which the employee would have drawn if he had been on leave on half pay and in addition dearness allowance, if admissible, on the basis of such leave salary. Where the period of suspension exceeds three months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first three months as follows :-</p> <p>(i) The amount of subsistence allowance may be increased by a suitable amount not exceeding 50% of the subsistence allowance admissible during the period of the first three months, if in the opinion of the said authority, the period of suspension has been prolonged for reasons to be recorded in writing, not directly attributable to the employee. In case the authority is of the opinion that the period of suspension has been prolonged for reasons directly attributable to the employee, the amount of subsistence allowance may be reduced by a suitable amount not exceeding 50% of the subsistence allowance admissible during the first three months.</p> <p>(ii) The rate of dearness allowance will be based on the increased or the decreased amount of subsistence allowance admissible under sub-clause (i) above.</p> <p>(b) Any other compensatory allowance admissible from time to time on the basis of pay of which the employee was in receipt of on the date of suspension subject to the fulfilment of other conditions laid down for the drawal of such allowances: provided that the employee shall not be entitled to the compensatory allowances unless the authority is satisfied</p>	

		<p>that the employee continues to meet the expenditure for which they are granted.</p> <p><i>Note:</i> It is open to the authority which placed an employee under suspension to make a second or subsequent review at any time at its discretion and to pass orders to increase or decrease the rate of subsistence allowance up to 50% of the amount of subsistence allowance initially granted according to the circumstances of each case.</p>	
	35.	<p>An employee under suspension should not be engaged in any employment, business, profession or vocation. No payment under Article 34 above shall be made unless the employee furnishes a certificate that he is not engaged in any other employment, business profession or vocation.</p>	
	36.	<p>(i) when an employee, who has been suspended or dismissed, removed or compulsorily retired, is re-instated or would have been re-instated but for his retirement on superannuation while under suspension, the authority competent to order the re-instatement shall consider and make a specific order:-</p> <p>(a) Regarding the pay and allowances to be paid to the employee for the period of absence from duty or for the period of suspension ending with the date of his retirement on superannuation as the case may be; and</p> <p>(b) Whether or not the said period shall be treated as a period spent on duty.</p> <p>(ii) Where the authority mentioned in clause (i) is of opinion that the employee has been fully exonerated or in the case of suspension, that it was wholly unjustified, the employee shall be given full pay and allowances to which he would have been entitled before suspension, had he not been dismissed, removed, compulsorily retired or suspended, as the case may be. In such a case, the period of absence from duty shall be treated as a period spent on duty for all purposes.</p>	

		<p>(iii) In other cases, the employee shall be given such proportion of such pay and allowances not less than the amount of subsistence allowance and other allowances as the competent authority may prescribe:</p> <p>Provided that payment of allowances shall be subject to all other conditions under which such allowances are admissible. In such a case the period of absence from duty shall not be treated as a period spent on duty, unless the competent authority specifically directs that shall be so treated for any specified purpose. If the employee so desires, such authority may direct that the period of absence from duty shall be converted into leave of any kind due and admissible to the employee.</p> <p><i>Note:</i> The order of the competent authority regarding the treatment of the period of absence from duty as leave of the kind due is absolute and no higher sanction would be necessary for the grant of extra-ordinary leave in excess of three months in so far as temporary employees are concerned.</p>	
	36A.	<p>(1) Where the dismissal, removal or compulsory retirement of an employee is set aside by a court of law and such employee is re-instated without holding any further inquiry, the period of absence from duty shall be regularized and the employee shall be paid pay and allowances in accordance with the provisions of sub-rule (2) or (3) subject to the directions, if any, of the court.</p> <p>(2) (i) Where dismissal, removal or compulsory retirement of an employee is set aside by the court solely on the ground of non-compliance with the requirements of clause (2) or exonerated on merits, the employee shall be paid such amount (not being the whole) of the pay and allowances to which he would have been entitled had he not been dismissed, removed or compulsorily retired, or suspended prior to such dismissal, removal or compulsory retirement, as the case may be, as the competent authority may determine, after giving notice to the employee of the quantum proposed and after considering the representation, if any, submitted by him, in that connection within such period as may be specified in the notice. The amount determined shall not be less than the subsistence allowance and other allowances.</p>	

		<p>Provided that any payment under this sub-rule to an employee shall be restricted to a period of three years immediately preceding the date on which the judgment of the court was passed, or the date of retirement on superannuation of such an employee as the case may be.</p> <p>(ii) The period intervening between the date of dismissal, removal or compulsory retirement including the period of suspension preceding such dismissal, removal or compulsory retirement, as the case may be, and the date of judgment shall not be treated as a period spent on duty, unless the competent authority specified otherwise.</p> <p>Provided that if an employee so desires such authority may direct that the period of absence from duty including the period of suspension preceding his dismissal, removal or compulsory retirement, as the case may be, shall be converted into leave of kind due and admissible to the employee.</p> <p>(3) If the dismissal, removal or compulsory retirement of an employee is set aside by the court on the merits of the case, the period intervening between the date of dismissal, removal or compulsory retirement including the period of suspension preceding such dismissal, removal or compulsory retirement, as the case may be, and the date of re-instatement shall be treated as duty for all purposes and he shall be paid the full pay and allowances for the period to which he would have been entitled, had he not been dismissed, removal or compulsory retirement, as the case may be.</p> <p>(4) The payment of allowances under sub-rule (2) or sub-rule (3) shall be subject to all other conditions under which such allowances are admissible.</p> <p>(5) Any payment made under this rule to an employee on his re-instatement shall be subject to adjustment of the amount, if any, earned by him through employment during the period between the date of dismissal, removal or compulsory retirement and the date of re-instatement. Where</p>	
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			<p>the emoluments admissible under this rule are equal to or less than those earned during the employment elsewhere, nothing shall be paid to the employee.</p>	
	36B.		<p>(1) When an employee who has been suspended is re-instated or would have been so re-instated but for his retirement on superannuation while under suspension, the authority competent to order re-instatement shall consider and make a specific order:</p> <p>(a) Regarding the pay and allowances to be paid to the employee for the period of suspension ending with re-instatement or the date of his retirement on suspension, as the case may be; and</p> <p>(b) Whether or not the said period shall be treated as a period spent on duty.</p> <p>(2) Where an employee under suspension dies before the disciplinary or the court proceedings instituted against him are concluded, the period between the date of suspension and the date of death shall be treated as duty for all purposes and his family shall be paid the full pay and allowances for that period to which he would have been entitled had he not been suspended, subject to adjustment in respect of subsistence allowance already paid.</p> <p>(3) Where the authority competent to order re-instatement is of the opinion that the suspension was wholly unjustified, the employee shall be paid the full pay and allowances to which he would have been entitled, had he not been suspended.</p> <p>Provided that where such authority is of the opinion that the termination of the proceedings instituted against the employee had been delayed due to reasons directly attributable to the employee it may, after giving him an opportunity to make his representation and after considering the representation, if any, submitted by him, direct, for reasons to be recorded in writing that the employee shall be paid for the period of such delay only such amount (not being the whole) of pay and allowances as it may determine.</p>	

(4) In a case falling under sub-rule (3), the period of suspension shall be treated as a period spent on duty for all purposes.

(5) In cases other than those falling under sub-rule (2) and (3) the employee shall be paid such amount (not being the whole) of the pay and allowances to which he would have been entitled had he not been suspended as the competent authority may determine, after giving notice to the employee of the quantum proposed and after considering the representation, if any, submitted by him in that connection within such period as may be specified in the notice.

(6) Where suspension is revoked pending finalization of the disciplinary or the court proceeding, any order passed under sub-rule (1) before the conclusion of the proceedings against the employee shall be reviewed on its own motion after conclusion of the proceedings by the authority mentioned in sub-rule (1) who shall make an order according to the provisions of sub-rule (3) or sub-rule (5), as the case may be.

(7) In a case falling under sub-rule (5), the period of suspension shall not be treated as a period spent on duty unless the competent authority specifically directs that it shall be so treated for any specified purpose.

Provided that if the employee so desires such authority may order that the period of suspension shall be converted into leave of kind due and admissible to the employee.

Note: The order of the competent authority under the preceding proviso shall be absolute and no higher sanction shall be necessary for the grant of:

(a) Extraordinary leave in excess of three months in the case of temporary employee and

(b) Leave of any kind in excess of five years in the case of permanent or quasi permanent employee.

		<p>(8) The payment of allowances under sub-rule (2), sub-rule (3) or sub-rule (5) shall be subject to all other conditions under which such allowances are admissible.</p> <p>(9) The amount determined under the proviso to sub-rule (3) or sub-rule (5) shall not be less than the subsistence allowance and other allowances.</p>	
	37.	Leave may not be granted to an employee under suspension.	
	38.	A permanent post vacated by the dismissal, removal or compulsory retirement of an employee shall not be filled substantively until the expiry of the period of one year from the date of such dismissal, removal or compulsory retirement as the case may be.	
	38A.	<p>Engaging Teachers on Part-time Contractual Basis.</p> <p>(a) In order to ensure quick availability of teachers, part time contractual teachers may be engaged in the Vidyalayas.</p> <p>The Board of Governors of KVS in its 94th meeting held on 28/12/12 has approved the recommendation of the Finance committee about the changes in the terms & conditions of appointment of teachers on contract basis in Kendriya Vidyalayas. The same is stated below.</p> <ol style="list-style-type: none"> 1. A contractual teacher who has served in a KV in a year may be considered in subsequent year(s) by the Selection Committee for a fresh appointment as Contractual teachers by following due procedure. Consolidated remuneration to be paid to different categories of teachers appointed on contract basis is appended as Annexure - I. 2. Consolidated payment on monthly basis may be made to the contractual teachers for the duties performed including invigilation/ exam related work instead of per period basis hitherto in force in the Kendriya Vidyalayas. However, the contractual teachers appointed for a period of less than a month will be paid on pro rata basis only. (Refer Annexure – II) 3. Teachers appointed on contractual basis will not be entitled for vacation pay and during Autumn/Winter break payment should be calculated on the pro rata basis . 	

4. Payment will be made from the School Fund.
5. The teachers so engaged shall leave no claim or right to appointment on regular basis nor will they be part of the cadre of teachers in KVS. This arrangement is intended to take care of the absence of non-availability of teachers or pending regular appointment.
6. The teachers to be engaged will be appointed by the Principals in Kendriya Vidyalayas and their formal acceptance to terms and conditions, attached to the offer, will be obtained (as per formats in Form CS – 72 and CS – 73).

Annexure – I

Sl.No.	Designation	Station	Consolidated Pay
1	PGT All Subject	Normal	Rs. 27500/-
2		Hard	Rs. 32500/-
3		Very Hard	Rs. 35000/-
4	TGT All Subject	Normal	Rs. 26250/-
5		Hard	Rs. 31250/-
6		Very Hard	Rs. 33750/-
7	PRT	Normal	Rs. 21250/-
8		Hard	Rs. 26250/-
9		Very Hard	Rs. 28750/-
10	Computer Instructor (Teaching in classes III to V)	Normal	Rs.21250/-
11		Hard	Rs. 26250/-
12		Very Hard	Rs. 28750/-
13	Computer Instructor (Teaching in classes VI onwards)	Normal	Rs. 26250/-
14		Hard	Rs. 31250/-
15		Very Hard	Rs. 33750/-
16	Vocational Instructor for craft/ dance music/ art/ sports etc.	Normal	Rs. 21250/-
17		Hard	Rs. 26250/-
18			Rs. 28750/-
19	Spoken English Teacher	Normal	Rs. 18750/-
20		Hard	Rs. 23750/-
21		Very Hard	Rs. 26250/-

		<p>NOTE:- For Sl. No. 10 to 21 payment will be made out of VVN account of the concerned Kendriya Vidyalayas.</p> <p style="text-align: center;"><u>Annexure – II</u></p> <p>The monthly payment towards the contractual teachers and the pro rata payment to the teachers may be regulated as follows.</p> <p>In the overall interest of the organization, the calculation for the pro rata payment should be made as under:-</p> <p>Example :- in the normal station, a PGT worked for 15 days in April'13 from 01.04.13 to 15.04.13.</p> <p>Consolidated Pay X No of days worked 30 Days</p> <p style="text-align: center;">Rs.27,500</p> <p>Say as : ----- X 15 Days – 13,750 30 days</p>	
	39.	<p>Fees</p> <p>The Sangathan may permit an employee, if it be 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 for a public body including a body administering a local fund or a State Government or Central Government and to receive a remuneration therefor if the service be material, a non-recurring or recurring fee. No such work should be undertaken without the prior approval of the Sangathan.</p> <p><i>Note:</i> The permission of the Sangathan is, however, not necessary for making broadcasts in the All India Radio if such broadcasts are of a purely literary, artistic or scientific character. In such cases the onus of ensuring that the broadcasts are of such character rests on the employee concerned.</p>	

	40.		One-third of any fee in excess of Rs. 1500/- received by an employee in each individual case in a year (financial year) shall be credited to the revenues of the Sangathan provided the amount retained by the employee concerned does not fall short of Rs. 1500/-. Non-recurring and recurring fees should be dealt with separately. For non-recurring this limit is applicable in each individual case and in respect of recurring fee, it should be applied with reference to the total fee received in a financial year.	
	41.		<p>Honorarium</p> <p>The competent authority in the Sangathan may permit an employee to receive Honorarium as remuneration for the work (relating to the Sangathan) performed which is occasional or intermittent in character and either so laborious or of such special merit as to justify special award. The work for which honorarium is intended to be claimed should not be undertaken unless the prior consent of the competent authority has been obtained and its amount has been settled in advance.</p>	
	42.		<p>Fees and Honorarium</p> <p>In the case of both fees and honorarium the sanctioning authority shall record in writing that due regard has been paid to the general principle enunciated in Article 3 and shall also record the reasons for which in his opinion justify the grant of the extra remuneration.</p>	
	43.		<p>Any employee is eligible to receive and, except as otherwise provided by a general or special order of the Sangathan, to retain without special permission Reference (F.R. - 48) :-</p> <p>(a) The premium awarded for any essay or <u>plan</u> in public competitions;</p> <p>(b) Any reward offered for the arrest of a criminal, or for information or special service in connection with the administration of justice;</p> <p>(c) Any reward in accordance with the provisions of any Act or Regulation or Rule framed there under;</p>	

			(d) Any reward sanctioned for services in connection with the administration of the customs and excise laws; and	
			(e) Any fees payable to an employee for duties which he is required to perform in his official capacity under any order of the Government / Sangathan (Article 40 will not be applicable in this case).	

Chapter 3

GENERAL STRUCTURE AND PRINCIPLES OF ACCOUNTS AND PRINCIPAL'S DUTIES, POWERS AND RESPONSIBILITIES CONCERNING ACCOUNTS

Page No.	Article No.	Specific Reference	Proposed Amended Clause	
	44		The accounts to be maintained by Kendriya Vidyalayas broadly fall under the following headings:- (i) School Fund, (ii) Vidyalaya Vikas Nidhi, (iii) Computer Fund, (iv) Hostel Fund, (v) Auditorium Rent, (vi) and any other fund that may be specified.	
	45		As an absolute rule, the accounts relating to each of the funds mentioned above should be quite distinct from the other, so that the financial position of each fund can be depicted separately. <i>Note:-</i> (i) The transactions in respect of State Government Scholarships and N.C.E.R.T. grants received by Kendriya Vidyalaya may	

			<p>be accounted for in School Fund under the head “Remittances-other direct receipt”. Break up details of other direct receipts should be furnished in the form of foot note.</p> <p>(ii) A separate account head should be maintained to account for transactions relating to NCC in Vidyalaya Vikas Nidhi.</p>	
	46		The subject matters and scope of each of the funds mentioned in Article 44 above are dealt with in succeeding Articles.	
	47		School Fund- This fund consists of the money received from the Kendriya Vidyalaya Sangathan, the income by way of fees and fines, other miscellaneous income or receipts (including donations, 90% of rent collected from other outside agencies for using the premises of Vidyalaya if any, not specifically earmarked for the benefit of the students) and the authorized items of expenditure / payment there against.	
	48		Vidyalaya Vikas Nidhi- This fund shall be maintained out of collections from the students and is intended to be administered exclusively for the purpose of Vidyalaya’s maintenance and development. It shall be utilized for the purposes other than for meeting the expenditure on salaries, office expenses and construction/maintenance/repairs of staff quarters. It will also embrace miscellaneous income/receipts, if any and the authorized items of expenditure/payments there against, examination fees collected on behalf of the students for eventual remittance to the C.B.S.E.10% of the rent collected from the outside agencies for using the	

		<p>Vidyalayapremises and collection of any kind from the students (and the staff, if any) for meeting expenditure on a common object for the exclusive benefit of the students (for example, collections on account of excursions).</p> <p><i>Note:</i> The Commissioner, KVS shall be competent to make any additions/ deletions in the list of purposes covered by the Fund with the prior approval of Vice-Chairman.</p>													
	48A	<p>C. Computer Fund</p> <p>A: A ‘Computer Fund’ @ Rs 100/- per month per student from all the students who opt Computer Science as an elective subject at +2 stage and @ Rs 50/- per month per student from III Standard onwards in all the Kendriya Vidyalayas imparting computer education is to be charged. From the Academic Year 2013-14 onwards Computer Fund will be charged as follows as per KVS Letter No. F.No.11029/39/2011/KVS(HQ)</p> <p>/Acad dated 19/03/2013)</p> <table border="1"> <thead> <tr> <th>Class</th> <th colspan="2">Computer Fund</th> </tr> </thead> <tbody> <tr> <td>III to X</td> <td colspan="2">Rs.100 per month</td> </tr> <tr> <td></td> <td>Science/ Humanities & Commerce</td> <td>Computer Science/IP as elective</td> </tr> <tr> <td>XI & XII</td> <td>100</td> <td>150</td> </tr> </tbody> </table>	Class	Computer Fund		III to X	Rs.100 per month			Science/ Humanities & Commerce	Computer Science/IP as elective	XI & XII	100	150	<p>KVS Letter No. F.No.11029/39/2011 / KVS(HQ) /Acad dated 19/03/2013)</p>
Class	Computer Fund														
III to X	Rs.100 per month														
	Science/ Humanities & Commerce	Computer Science/IP as elective													
XI & XII	100	150													

		<p>The Computer fund so collected from the students is to be retained in the Vidyalaya and is to be used for purchase and maintenance of computer hardware's and software's, Computer Printers, purchase of consumables like printers, cartridges ribbons, computer stationery etc. The Computer fund is strictly to be used for the computer education and is not to be utilized for any other purpose. Accordingly, this amount may be credited in the Bank Account of the Vidyalaya Vikas Nidhi and not in the School Fund Account. For the purpose of accounting, a sub-head in the Vidyalaya Vikas Nidhi with the nomenclature as: "Computer Fund" may be opened in the Receipt side as well as Payment side of the Cash Book and ledger for utilization of the funds collected under this Sub-head strictly for Computer education vide circular F. No. 6-1/99-2000/KVS/Budget dated 25th April, 2000.</p> <p>The detailed instructions regarding admissions to the new subject of 'Informatics Practices' (Subject Code No. 065) as an elective subject at +2 stage, qualifications and the remuneration for the part-time teachers are contained in Circular No. F. 1-17/95-KVS (Acad)/Computer Science dated 24th April, 2000 & F.11029/39/2011-KVSHQ(Acad) dt.18/10.2011 (Reproduced as Appendix – 31).</p>	
	49	<p>Hostel Fund - This fund comprises the collections from the students towards boarding, lodging and other charges, if any, and permissible expenditure incurred there against.</p> <p>Note:-The grant received from the Sangathan for purchasing Hostel Equipment should be accounted for in the School Fund and not in the Hostel Fund.</p>	
	49 A	Auditorium Account:	

			<p>All receipts and payments will be accounted for in the Auditorium Account. This account will be shown distinctly and will not be merged with the School Fund. The expenditure to be incurred on day to day maintenance and repairs of emergent nature which are not covered in MES Contract, will be met out of the amount received on account of hiring of the Auditorium.</p>	
	50		<p>Accounting of Funds Detailed instructions in regard to the maintenance of accounts of the various funds are given in the succeeding chapters. Notwithstanding any instructions issued in this regard, it is the responsibility of the Principal to ensure that all the receipts/income are brought to account without any delay and the funds are utilized for the purposes for which they are authorized, to obtain proper receipts/acquaintance for moneys paid, to maintain proper accounts of cash, stores and other property and to produce the records and vouchers to the audit authorities and to any departmental officer of the Sangathan.</p>	
	51		<p>Duties of Principal The Principal, in his capacity as the administrative head and disbursing officer of the school, will be personally responsible to carry out the following duties concerning accounts:- (i) Keep in safe custody the moneys, stores, and other property belonging to the school.</p> <p>All cash should be kept under double lock i.e. in a strong Iron box or safe having two locks. The key of one of the</p>	

		<p>locks should be kept in the custody of the Principal, while the key of the other lock should be kept by the Cashier (UDC) so that the cash box/safe can be opened only in the presence of or with the knowledge of both the Principal and the UDC (Cashier). The box or safe should be kept in a secure place in the Principal's room preferably embedded in the wall of the room. At the end of each day all collections and cash (including petty cash/ Imprest taken out during the day) should be deposited in the box/safe and it should be locked by operating the locks.</p> <p>Where it is not practicable to make the arrangements detailed above, the procedure of double lock for the custody of cash, may be ensured by having a small steel cash box, which should be kept at the end of each day, inside the steel almirah in the Principal's room. In such a case, the two keys of the cash box should be kept by the Cashier while the keys of the steel almirah should be kept in the custody of the Principal.</p> <p>(ii) Ensure that the cash books are maintained properly and in accordance with the rules.</p> <p>(iii) Operate the bank account in accordance with the prescribed procedure; keep in safe custody the cheques, counterfoils of cheques issued, pay in slips, banks statement of accounts and other valuable records concerning cash.</p> <p>(iv) Draw and disburse the pay and allowances of the staff of the school in time and according to the rules. The pay particulars should be verified in all respects before uploading in the UBI salary web portal.</p>	
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			<p>(v) Ensure that tuition fee, fine and other income and moneys are promptly and regularly realized and credited to the bank account within 24 hours of their realization or as early as possible thereafter depending on the circumstances on each occasion.</p> <p>(vi) Grant fee concession to poor and deserving students and to those belonging to the Scheduled Caste/Tribe within the permissible limits and subject to the conditions prescribed there for.</p> <p>(vii) Make purchase of equipment etc. required for the school strictly in accordance with the procedure for purchases prescribed in Chapter 17, to ensure their accession in the relevant stock registers, to scrutinize the bills and make payments for them.</p> <p>(viii) Have the physical verification of article conducted at least once annually and to intimate the results thereof to the Sangathan along with the recommendations of the Condemnation Board.</p> <p>(ix) Ensure that accounts returns, budget proposals etc. are submitted to the Sangathan on the due dates.</p> <p>(x) Report all cases of losses of cash and stores including cases wherein the amount involved has been made good by the employee at fault.</p>	<p>F.125-29/2004-05/KVS(Budget) dated 14-03-2005</p>
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			<p>(xi) Utilize the School Fund for the specific purposes in conformity with scales, limits and conditions attached thereto and within the time allowed for utilization and surrender the unutilized funds forthwith as laid down in Chapters 4 and 7.</p> <p>(xii) To administer the Vidyalaya Vikas Nidhi as trust property in the best interest of the Vidyalaya and the students subject to the rules and regulations contained in Chapter 21.</p> <p>(xiii) To administer the Hostel Fund, if any, in the best interest of the beneficiaries subject to the rules contained in Chapter 22 and to ensure that the fund is self-supporting.</p> <p>(xiv) To ensure that no account record is destroyed before the expiry of the prescribed period of preservation contained in Chapter 25, if any, or without obtaining the prior approval of the Sangathan.</p> <p>(xv) Allocate proper duties to the Section Officer, Assistant, U.D.C. L.D.C. and other staff in such a manner that the work is carried on smoothly, efficiently and in accordance with the Rules.</p> <p>(xvi) To discharge such duties specified elsewhere in this Code or as may be entrusted to him/her from time to time by the Sangathan.</p>	
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	52	<p>In order to enable the Principal to discharge the duties as the administrative head and Drawing and Disbursing Officer of the school, the powers detailed in Appendix-I have been delegated to him. These powers are to be exercised by him subject to the following conditions:</p> <ul style="list-style-type: none">(i) Funds are available for meeting the expenditure.(ii) The expenditure should strictly conform to the standards, scales, limitations, etc. as laid down by the Ministry of Human Resource Development (Department Of Education) Kendriya Vidyalaya Sangathan.(iii) The purchases are made strictly in conformity with the orders issued by the Ministry of Human Resource Development (Department of Education) Kendriya Vidyalaya Sangathan. The powers in regard to the purchases of equipment such as furniture etc. will be exercised on the authority of the Executive Committee (including the Principal) of the Vidyalaya Management Committee.(iv) The powers for which annual limits are prescribed, are to be exercised in relation to each financial year, i.e. 1st April to 31st March. In	
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			<p>order to ensure that the limits are not exceeded, progressive total of expenditure of the same nature or category should be struck on the vouchers.</p> <p>(v) The powers should not be split up so as to avoid the necessity for obtaining the sanction of the higher authority. It is not also permissible to split up an expenditure which, on the whole, requires the approval of the higher authority.</p> <p>(vi) It is essential that these powers are exercised for good and valid reasons and the expenditure is incurred with due regard to broad and general principles of financial propriety, viz:-</p> <p>(a) Excepting in cases where otherwise permitted; the expenditure should not prima facie be more than the occasion demands. Every employee of the Sangathan is expected to exercise the same vigilance in respect of expenditure authorized / incurred by him as a person of ordinary prudence would exercise in respect of expenditure of his own money.</p> <p>(b) No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to his</p>	
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		<p>own personal benefit or advantage. One's own benefit will include benefit to family members.</p> <p>(c) The Sangathan's funds are not to be utilized for the benefit of individuals or only some of the students/teachers except in pursuance of a recognized policy or for a specifically approved purpose.</p> <p>(d) All doubtful cases should be referred to the Sangathan for orders prior to incurring the expenditure.</p> <p>(e) Rush of expenditure at the close of the year with a view to spend the funds should, as a rule, be avoided.</p> <p>(f) In keeping with the need for economy, strict regard should be paid to avoiding any expensive item where a cheaper one would serve the same, or more or less the same, purpose.</p>	
	53	<p>The powers are to be exercised only by the Principal and are not to be delegated to anyone else. In case of absence of Principal on leave or on tour, the financial and administrative powers are to be exercised by the Vice-Principal or the Senior most PGT excluding statutory powers.</p>	<p>F.125-29/2004-05/KVS(Budget) dated 14-03-2005</p>
	54	<p>Accounts Forms</p>	

			The details of various account forms to be used by the schools are given in Part III of this Volume.	
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Chapter 4

BUDGET ESTIMATES

Page No.	Article No.	Specific Reference	Proposed Amended Clause	
	55		<p>Budget, otherwise called The Annual Financial Statement, is a statement of the estimated annual revenues and expenditure of an institution and is prepared with the object of planning the activities of the institution in advance. Its preparation involves careful planning of the requirement of the Institution by taking into account a number of factors such as present and anticipated number of sections, strength of students, availability of accommodation for holding classes and storage of the equipments, facilities for sports and games and various co-curricular activities. This exercise has to be done on an annual basis keeping in view both the long term and short term requirements of the Institution. Various steps involved in this exercise are:</p> <ul style="list-style-type: none"> (i) Identification of needs. (ii) Determination of priorities. (iii) Estimation of financial requirements. (iv) Allotment of funds with reference to approved budget estimates. (v) Review of current year's estimates for revision purposes. (vi) Allotment of funds with reference to approved revised estimates. (vii) Re-appropriation of funds before the close of the year. 	
	56		A number of principles are involved in the preparation of the budget. These principles are explained below:-	

(a) The budget is to be prepared in two parts, viz. the Revised Estimates for the current financial year (1st April to 31st March) and the Budget Estimates for the next financial year. The Revised Estimates are not totally different from the original Budget Estimates but only represent a revision of Budget Estimates framed in the previous year on the basis of actual progress of expenditure during the current year, the probable expenditure during the remaining part of the year and especially the capacity of the institution to utilise the available funds during the rest of the year. The necessity for the preparation of the Revised Estimates arises due to the fact that the Budget Estimates are prepared much in advance with reference to the facts known at that time and a re-appraisal of the planned activities has to be made on the basis of the developments that have since taken place. It should be noted that the Revised Estimates should include the actual expenditure in months which have elapsed during the current financial year (generally up to July each year) and the anticipated expenditure for the remaining months of the current year.

(b) The budget is to be prepared by estimating the revenues (income) and the expenditure, separately. The revenues consist of (i) tuition fees and fines (ii) Miscellaneous income. As regards expenditure, in terms of the pattern of assistance approved by the Government of India in the Ministry of Finance, the entire expenditure incurred in administering the Kendriya Vidyalayas is to be met by the Government of India. However, in the case of Kendriya Vidyalayas opened at the instance of various Public Sector Undertakings etc. the entire expenditure for running these Vidyalayas shall be met from the funds to be provided by the Public Sector Undertaking concerned in accordance with the terms agreed to between the Sangathan and these authorities.

The expenditure on the Kendriya Vidyalayas should conform to the norms of expenditure explained in Chapter 6 and as such the budget has to be framed keeping in view the norms of expenditure.

(c) Only so much of the expenditure which is likely to be incurred during the financial year covered by the Revised estimates and the Budget estimates with due regard to the element of planning and facilities available and the actual progress of expenditure should be provided for in the budget.

(d) *Budget Period:-* The budget period reckons from 1st April to 31st March. However, in regard to pay and allowances of the staff, the Budget period is to be reckoned as a special case from May payable on 31st May to April payable on 30th April. This would mean that even though the liability to the Government of India/Public Sector Undertaking does not exceed the total period of twelve months in all, only emoluments actually due during the special budget period applicable to the Kendriya Vidyalayas should be taken into account.

(e) *Cash Basis:-* The Budget is to be prepared on cash basis, that is, on the basis of what is expected to be received or paid during the year irrespective of the fact whether such receipts and payments relate to that year or previous year. Commitments and liabilities should not be included in the budget unless they are expected to be discharged effectively by the end of March of the year. For example:-

(i) The salaries of the staff payable during the budget period (this is explained in clause (d) above) are to be taken into account.

(ii) If materials ordered for in January or February of any financial year are not expected to be received and paid till 31st March of

		<p>that year, the expenditure will be provided in the Budget of the next financial year and not in the Revised Estimates of the current financial year. It will be breach of financial discipline if in such a case, a cheque is drawn on 31st March in anticipation of the receipt of supply and the cheque is handed over to the party in April during the next financial year.</p> <p>(f) <i>Forms of Estimates to Correspond to the Accounts</i></p> <p>The various heads under which estimates are to be framed have to correspond to the head of accounts adopted in the account of the institution. This means that the principles set out in Article 76 for classification of the expenditure, have to be strictly adhered to.</p> <p>(g) <i>Coverage of Grants beyond the Budget Period</i></p> <p>The expenditure of the Sangathan (including the Vidyalayas) under the various heads of accounts is met by the Government of India in the form of grants in aid. As such the expenditure of the Sangathan does not constitute a direct charge on the Revenues of the Government of India under the respective heads of account. Under the rules for grants in aid, only so much of the grant shall be paid during a financial year as is likely to be expended during that year. The unutilized balance at the end of financial year shall, excluding the requirement of pay and allowances for the succeeding months of March & April, therefore, lapse and have to be taken into account by the Sangathan for demanding grant in aid for the next financial year.</p>	
	56A	<p>The following principals are to be borne in mind in preparing the budget:</p> <p>(i) The Estimates on account of pay and allowances in respect of staff for vacant posts likely to be filled up in the current</p>	

			<p>financial year and additional posts which will be required consequent upon addition of new sections already sanctioned should be worked out realistically.</p> <p>(ii) The estimates of non-recurring heads of expenditure should be prepared after careful study of the norms of expenditure approved by the Sangathan from time to time.</p> <p>(iii) The Estimates of requirement of furniture are assessed on realistic basis.</p> <p>(iv) Estimates in respect of each head of account such as pay and allowances etc. should be rounded off to the nearest hundred rupees at the last stage.</p> <p>(v) Figures relating to the actual expenditure/collection of fee should be tallied with corresponding amounts shown in the monthly statement of account or the Annual accounts.</p> <p>(vi) Budget proposals for new proposals of construction works should only be made if the land is taken and lease deed registered. The proposals should be based on justification, economy and should also match with master plan/ future need of an ideal school campus.</p> <p>(vii) The proposals for the maintenance and repairs during the financial year should contain the urgent and inescapable items of repairs works affecting proper and healthy environments of the campus as well as exterior appearance of the Vidyalaya such as:-</p>	
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			<p>a. White-washing (Inside and Outside of the Vidyalaya Building).</p> <p>b. Painting of doors and windows.</p> <p>c. Repairs of water supply and sanitary system, if any.</p> <p>d. Repairs of electrical installation work, if any.</p> <p>e. General repairs of masonry work, floors and roofs etc., if any.</p> <p>Works of additions and alterations of minor nature, if essential.</p>	
	57		<p>The budget proposals are to be prepared in CS.69 in the following prescribed forms and submitted to the Regional Offices duly approved by the Chairman, Vidyalaya Management Committee, positively by 16th August each year, for necessary scrutiny and further transmission to the Sangathan Office by 31st August.</p> <p>Statement I Part –I Statistics regarding number of classes / sections / students.</p> <p>Part – II Statistics regarding approved subject in the case of plus 2 stage and teaching of regional language and mother tongue.</p> <p>Statement II Information regarding actual and estimated income on account of tuition fees relating to school and miscellaneous income.</p>	

			<p>Statement III</p> <p>Part I Estimates of pay and allowances in respect of staff (including hostel staff) in position on 1st August).</p> <p>Part II Estimates of pay and allowances in respect of vacant posts.</p> <p>Part III Estimates of pay and allowances in respect of new posts proposed i.e. other than those included in part (i) and (ii).</p> <p>Part IV Estimates based on lump sum requirements regarding T.A., L.T.C. and medical reimbursement charges.</p> <p>Part V Consolidation of Part I to IV.</p> <p>Statement IV</p> <p>Part I Estimates for contingencies and additional contingencies.</p> <p>Part II Estimates of recurring expenditure other than pay and allowances and contingencies e.g. Rents, Rates, Taxes Consumables of Science Department.</p> <p>Statement V Estimates for non-recurring expenditure.</p> <p>Statement VI Summary of the Budget.</p> <p><i>Note:</i></p>	
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			<p>1. The budget proposals in respect of construction programmes viz. continuing works, new major works, new minor works, maintenance and repairs works are to be prepared and submitted separately, in form C.S. 70, to the respective Deputy Commissioner by 31st July each year.</p> <p>2. The budget proposals should normally be placed before the Vidyalaya Management Committee and got approved from them before their submission to the Sangathan. However, in case the Management Committee cannot meet in time, the estimates may be forwarded pending their approval by the Management Committee in due course. The estimates should in no case be held up beyond the due date.</p>	
	58		<p>Budget is only a process of estimation and as such the inclusion of an item therein does not amount to its automatic acceptance by the Sangathan. Intimation of allotments of funds by the Sangathan Office / Regional Office under the Budget Estimates and Revised Estimates does not also constitute a sanction for the incurring of expenditure. The approved Budget of the School should be considered as the controlled spending plan for the ensuing year or the remaining part of the current year. In respect of items included therein, actual expenditure should not be incurred or financial commitment undertaken without proper sanction of funds by the Regional Office or the Sangathan Office, as the case may be.</p>	
	58A		<p>The final requirements of the School under the various heads of account for the current financial year should be assessed during the second week of February and intimated to the Regional Office and the Sangathan Office by 20th February for purposes of re-appropriation which involves re-allocation of funds by transfer of savings between various heads in Vidyalaya and between various Vidyalayas, Offices and centralized heads within the overall sanctioned Budget for the year.</p>	

	58B		The sanctions issued by the Regional Office/ Sangathan are valid only up to the close of a particular financial year. The funds over and above the requirements of pay and allowances for two months viz. March payable in April and April payable in April which remain unutilized on 31 st March will ultimately lapse and the same will be adjustable against the funds sanctioned for the next financial year.	
	58C		In order to ensure proper utilization of resources, the Executive Committee of the VMC will monitor the annual budget estimates showing receipt and ensure proper utilization of funds on approved activities in accordance with the established procedure.	

Chapter-5

REALISATION OF FEES, FINES AND OTHER RECEIPTS

Page No.	Article No.	Specific Reference	Proposed Amended Clause	Remarks
			A. School fund	
	59		<p>(a) Under the pattern of fees in vogue in the Kendriya Vidyalayas with effect from 1st May, 1963, no tuition fees are chargeable up to class VIII.</p> <p>(b) In respect of classes IX, X, XI and XII, the following rates of monthly tuition fees are chargeable on an academic year basis (from 1st April to 31st March) from students of different classes with effect from 1st October, 2009:</p> <p>Classes IX & X Rs 200/- p.m. (for Boys)</p>	

		<p>Classes XI & XII Rs 300/- p.m. (For Boys) for Commerce & Humanities students.</p> <p>Rs 400/- p.m. (For Boys) for Science students.</p> <p>(c) The following categories of students are exempted from payment of tuition fee at all levels</p> <ul style="list-style-type: none"> (i) Girl students (ii) Students belonging to Scheduled Caste / Scheduled Tribe on production of a certificate from the District Magistrate. (iii) Children of officers and men of Armed forces and Paramilitary personnel killed or disabled during the hostilities 1962; 1965; 1971 and 1999 and as well as to the children of Defence personnel of Indian Peace keeping Force (IPKF) killed in Srilanka and personnel of armed forces killed or disabled in “Operation Meghdoot” in Siachen area and “Operation Vijay” in Kargil. Children of Armed Forces & Para Military Forces personnel whose parents were killed/declared missing or permanently disabled during any counter insurgency operation in India or abroad. (iv) Children of the parents, who are living below poverty line up to two children and having BPL card (v) Disabled students, (Subject to the condition laid down in KVS Letter No. F125-19/2007-08/KVS (Budget) dt. 15.10.2009) (vi) No fee to be collected from the children admitted under the RTE Act. 	
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		<p>THE ABOVE FEE EXEMPTIONS WILL NOT BE AVAILABLE TO CHILDREN OF GOVERNMENT EMPLOYEES [INCLUDING KVS EMPLOYEES] TO WHOM THE FACILITY OF REIMBURSEMENT OF SUCH EXPENSES FROM THEIR DEPARTMENT IS AVAILABLE.</p> <p>(d) In addition to tuition fee, admission fee of Rs 25/- should be charged from a student seeking admission for the first time in a Kendriya Vidyalaya. Admission fee is also to be charged on the transfer of a student from another Kendriya Vidyalaya. Admission fee is not to be collected on promotion from class V to Class VI and VIII to IX. It should, however, be collected on promotion from class X to class XI even if it be in the same school.</p> <p>Note:- Registration form shall be made available by the Principal Free of Cost. However, the prospectus/brochure (Option) in the form of downloaded/Xerox copy may be provided to the parent on payment of Rs 100/-.</p>	
	60	<p>The principle that is to be followed in regard to charging of tuition fee on transfer from one Kendriya Vidyalaya to another or from one school recognized by the State Government to a Kendriya Vidyalaya is that, fee should not be charged twice for the same period. In such cases, fee is to be charged either from the month of admission or the month next to the one up to which fee has been paid in the previous school, whichever is earlier, if fee has been paid from the month of April onwards; if no fee has been paid from April onwards (i.e. on the basis of academic year as in vogue in the Kendriya Vidyalaya), then fee should be charged from April onwards.</p>	
	61	<p>In the event of a student discontinuing the studies and applying for a transfer certificate, dues are to be collected only up to the month of</p>	

			discontinuance and not up to the month in which the transfer certificate is applied for.	
	62		<p>Tuition fee for a month is to be paid on or before the tenth of the month, if paid by cash and up to 15th of the month for the KVs collecting fees through bank. If the 10th/15th of a month happens to be a holiday, the fee is to be collected on the next working day. Thereafter a late fee at the rate of Rs 5/- (five) per day should be charged till the last working day of the month. In the event of students not paying the dues on or before the last working day of the month, the name of the student should be struck off the rolls. The name can be restored only on payment of tuition fee together with a re-admission fee of Rs 100/-</p> <p>With a view to reduce the administrative work, there is no objection to collect the tuition fee on quarterly basis (that is April to June, July to September, October to December and January to March) from students who can afford to pay on such basis. In such case, the due date for payment of the fee and the principle for recovery of late fee and re-admission fee shall be the same as explained above.</p> <p>In order to obviate hardship to the parents during the period when the school is closed for vacation, the tuition fee may be allowed to be paid up to the extended date indicated below:-</p> <p>School situated in</p> <p>(i) Plains: up to the last working day in June.</p> <p>(ii) hill stations : up to the last working day in February</p> <p>(iii) monsoon stations: up to the last working day in August</p> <p>(e.g. Pachmarhi and Lonavla)</p>	

			<p>In the event of non-payment of fee by the extended date mentioned above, the name of the student should be struck off the rolls. The name can be restored only on payment of the appropriate tuition fee together with a re-admission fee of Rs 100/-</p>	
	63		<p>(a) If more than one child of the same parent including dependent brothers (Girls are exempted from Tuition fee) is studying in class IX to XII, only the child in the highest class shall pay full tuition fee and the others half of the tuition fee.</p> <p>(b) Fee concession for deserving students, whose parents/guardians are not in a position to pay tuition fees, may be allowed at the discretion of the Principal subject to the following conditions:-</p> <p>(i) Full and half fee exemption to not more than 20% of the total number of students in each of the classes IX to XII as on 30th June of each year (excluding students of the exempted categories, vide sub-para (a) above), provided that the cost of this concession does not exceed at any time 10% of full fee exemption.</p> <p>(ii) The number of fee concession once allowed is not to be altered during the year, but any freeship or half freeship within the prescribed limits not granted at the beginning of the year or has become available in the course of the year by reason of a free or half free scholar ceasing to be a student, may be awarded to other deserving students on the basis of relative performance or special test taken for the purpose.</p> <p>(c) To facilitate audit purposes, a register showing the details of all fee exemptions and fee concessions should be maintained in for CS 52.</p>	

	64		No fee is chargeable for the issue of a Transfer Certificate or Result Card, but a penal fee of Rs 10/- should be charged for the issue of duplicate Transfer Certificate or Result Card in lieu of the original lost due to negligence. The penal fee should be credited to the head fees and fines.	
	65		Library fine – Library books, excepting reference books, may be loaned to students for a maximum period of fourteen days. It is left to the discretion of the Principal to fix the maximum number of books that may be loaned to a student at a time. If student fails to return the book loaned to him within the due date, a fine at the rate of Rupees Two per book per week from the due date till the date of return should be levied in the case of wilful delays only. The Principal is empowered to allow extension for return of library book for one week in general and for any such period when delay in returning the book was due to reasons beyond the control of the student like illness and/or participation in school/regional/KVS level sports/cultural activities. The Librarian should issue a receipt in form CS 10 in respect of the fines so collected and should maintain a register in form CS 53. The library fines should be handed over to the cashier the same day and the acknowledgement obtained in the register mentioned above. The library fines should be credited to the head fees and fines.	
			B. Vidyalaya Vikas Nidhi	
	66		A ‘Vidyalaya Vikas Nidhi’ at the rate of Rs 240/- per student per month from the students of classes 1 to X and non-science students of class XI and XII shall be charged every year from 1st April to 31st March w.e.f. 1st October, 2009. In respect of science students of class XI and XII, this amount shall be Rs 300/- per student per month. Following categories of students are exempted from payment of VVN	

A 'Vidyalaya Vikas Nidhi' at the rate of Rs 500/- per student per month from the students of classes 1 to XII including science students of class XI and XII shall be charged every year from 1st April to 31st March w.e.f. 1st April, 2013. Following categories of students [other than the children of government employees] are exempted from payment of VVN

- i) Children of officers and men of armed forces and Paramilitary personnel killed or disabled during the hostilities 1962; 1965; 1971 and 1999 and as well as to the children of Defence personnel of Indian Peace keeping Force (IPKF) killed in Srilanka and personnel of armed forces killed or disabled in "Operation Meghdoot" in Siachen area and "Operation Vijay" in Kargil. Children of Armed Forces & Para Military Forces personnel whose parents were killed/declared missing or permanently disabled during any counter insurgency operation in India or abroad.
- ii) Parents having up to two Children, who are living below poverty line and having BPL card
- iii) Disabled students, (Subject to the condition laid down in KVS Letter No. F125-19/2007-08/KVS (Budget) dt. 15.10.2009)
- iv) All girl students from classes VI to XII who happen to be the only child of their parents (w.e.f. 01.01.2006).
- v) No fee to be collected from the children admitted under the RTE Act.

	67	<p>The fee is to be paid on or before the tenth of every month, if paid in shape of cash and up to 15th of the month for the Kendriya Vidyalayas collecting fees through bank. If the 10th/15th of a month happens to be a holiday, the fee is to be collected on the next working day. Thereafter a higher contribution of Rs 5/- (five) per day if the amount is paid by the last working day of the month. The name of a student is to be struck off the rolls if the fee is not paid till the last working day of the month. Such a student can be readmitted only on payment of a re-admission fee of Rs 100/- together with up-to-date dues (including the higher contribution).</p> <p>In respect of students studying in Classes IX to XII who default in making payment of both the tuition fee and the Vidyalaya Vikas Nidhi fee, only one readmission fee of Rs 100/- should be collected.</p> <p>With a view to reducing administrative work, there is no objection to collect the Vidyalaya Vikas Nidhi fee on quarterly basis as in the case of tuition fee.</p> <p>During the period when the school is closed for vacation, the Vidyalaya Vikas Nidhi fee may be collected up to the extended date mentioned in Article 62. In the event of non-payment within the extended date, the name of the student should be struck off and re-admission fee of Rs 100/- collected.</p>	
		<p>C. Computer Fund</p>	
	67A	<p>A: A 'Computer Fund' @ Rs 100/- per month per student from all the students who opt Computer Science as an elective subject at +2 stage and @ Rs 50/- per month per student from III onwards in all the Kendriya Vidyalayas imparting computer education is to be charged.</p>	

From the Academic Year 2013-14 onwards Computer Fund will be charged as follows as per KVS Letter No. F.No.11029/39/2011/KVS(HQ)

/Acad dated 19/03/2013)

Class	Computer Fund	
III to X	Rs.100 per month	
	Science/ Humanities & Commerce	Computer Science/IP as elective
XI & XII	100	150

This fund shall be utilized for the purposes and accounted for in the manner as per the details given in Article 48A in Chapter 3 of this Code.

D. Accounting of Fees and Fines

68

The work of collection of fees and fines may be entrusted either to the teachers or the Assistant / U.D.C. (or the senior-most L.D.C. if the post of Assistant / U.D.C. is vacant) as it may be found convenient. It is also left to the discretion of the Principal to collect the fees up to the tenth of a month either on a daily basis or on fixed dates, provided that at least

			two dates are fixed for the purpose, in consultation with parents / teachers.	
	69		<p>All moneys received by way of fees and fines shall be receipted in form CS 10 (which should be machine numbered) in duplicate by means of carbon paper and signed by the authorized person. A separate Receipt Book may be maintained for each class. The original copy of the receipt is to be handed over to the payer while the duplicate copy should be kept in tact. As and when a new Receipt Book is issued, the following certificate should be obtained on the back of the front page cover:-</p> <p>‘Certified that receipts from Sl. No. to Sl. No. have been counted and found correct.’</p> <p style="text-align: right;">Signature of the Teacher / Assistant / U.D.C. / Librarian</p>	
	70		<p>As soon as receipts for fee collections are issued, a note thereof should be made in the Attendance Register against the name of the student concerned. The total amount of collections on a day should be entered in the Abstract provided at the bottom of the Attendance Register and the receipt of the Cashier obtained in token of handing over the amount. A summary of fees collected each day should be prepared by the Cashier in form CS 11 by entering the collections class-wise. Before preparing the summary, the Cashier should ensure that the entire amount collected by the Teachers / Librarian on each day as per the copies of fee receipts has actually been handed over to him and there is no break in the serial numbers of the fee receipts. Any short or excess collection made by the teachers / Librarian should be promptly brought to the notice of the Principal for necessary action.</p>	

In the summary of fees collected (CS 11) up-to-date progressive figures of collections in a month should also be struck each day.

At the close of each month a summary of fees collected class-wise should be got prepared by a teacher / representative in form CS 54 on the basis of the entries in the Attendance Registers. For this purpose the total collections in a month should be struck in each Attendance Register by totalling the entries against each student and the amount should be agreed with the sum total of amounts handed over the Cashier as per the Abstract at the bottom of the Attendance Register.

The totals as per the two summaries (CS 11 and 54) should be agreed. The principal is personally responsible to ensure that the agreement has been done.

Besides the checks mentioned above, the Principal should also arrange for a monthly review of the Attendance Register of one teacher by another teacher to ensure that:

- (i) the fees and fines have been realized correctly, and
- (ii) fees have been realized from all students or action taken to strike off the names of defaulting students and collect re-admission fees wherever necessary.

The results of the review should be put up to the Principal who will examine that the system of fee collection is working well and take suitable remedial action for setting right the defects, if any.

			E. Other Receipts	
	71		<p>In respect of receipts other than fees and fines a receipt in form CS 12 should be prepared in duplicate by means of carbon paper. The upper copy of the receipt should be handed over to the party concerned after obtaining his / her signature in the column provided for the purpose. Examples of such receipts are-donation, sale of newspapers, sale of fruits of trees within the school campus, recoveries on account of lost / damaged articles in the laboratories, over payment of Pay & Allowances, refund/adjustment of advances, Rent for building etc.</p> <p>The receipt books should be kept in the personal custody of the Principal.</p>	
	72		<p>Subject to prior approval of the Sangathan donations may be received from the parents/public under the following conditions:</p> <ul style="list-style-type: none"> (i) The donations should be free from strings and no commitment of any kind should be given in consideration thereof, and (ii) The donation should be voluntary and non-refundable. <p>The amount of donation should be treated as miscellaneous income. If the donation is given for the specific benefit of the students, the amount may be credited to the Vidyalaya Vikas Nidhi (for example, donations given from Regimental Fund for the award of prizes to the best students).</p> <p><i>Note:</i> (i) The Principal should not hold any cultural programme, Basant Mela, Children Fair etc. with the object of raising funds for whatever purpose.</p>	

			<p>(ii) The Vidyalaya Management Committee is competent to accept donations. The Chairman and the V.M.C. have powers to organize the programmes / functions to raise contributions from the local community with the specific objective of using the funds for the improvement of the Vidyalaya. It is, however, to be ensured that no collections are to be made from the students nor the parents are compelled to make the contributions of any specified amount.</p>	
	72 A		<p>The utilization of school buildings by other departments / agencies/ organizations shall be subject to the fulfilment of the following terms and conditions:-</p> <p>(i) A nominal rent of Rs. 500/- per day per room will be charged for Kendriya Vidyalayas located in New Delhi and NCR, all State Capitals and major towns/cities (Like Allahabad, Kanpur, Jodhpur, Bokaro, Bilaspur, Tatanagar, Kharagpur etc.) including the charges for use of electricity.</p> <p>(ii) Kendriya Vidyalayas located in Project Sector will be provided free of cost to the concerned Project only i.e., a Kendriya Vidyalaya sponsored by NTPC will be provided free of cost to NTPC only and for all other Kendriya Vidyalayas, including Kendriya Vidyalayas sponsored by any other PSUs will charge usual room rent from NTPC. The Kendriya Vidyalaya building in the campus of BHU will be provided free of cost BHU only as they are also fully</p>	

financing this particular Kendriya Vidyalaya and have provided the building and other infrastructure.

(iii) The Kendriya Vidyalayas located in semi-urban and rural areas will charge room rent of Rs. 300/- per room per day.

(iv) If a room other than class rooms like, library, lab., Social Science Room, Art Room, Conference Room etc. is used, a nominal rent of Rs. 500/300/-per day per room will be charged including that for use of electricity, water and furniture.

(v) The user organization / departments shall be responsible for any damage caused to the Vidyalaya building, fixture, furniture etc. In case of any damage, Principal will recover the cost of the same from the concerned organizations.

(vi) The user organizations will have to pay the rent in advance by means of a Demand Draft in favour of the Vidyalaya concerned. In case of the organizations fail to conduct the examinations or the programme on the approved dates, 50% of the rent shall be forfeited.

(vii) No employee of the Vidyalaya like: Waterman, Helpers for shifting furniture etc. before and after their programme will be provided to the requesting organization to help in conduct of their courses / programme. They will have to make their own arrangements in this regard.

(viii) However, in case requesting organizations need the services of the staff of the Kendriya Vidyalaya, they can do so by paying honorarium as per rates prevalent in their organization.

(ix) Sponsoring organization should make arrangements for the invigilation staff keeping in view the credibility of their examination. Where services of Kendriya Vidyalaya staff is required for invigilation duty. Principal of the concerned Vidyalaya should be approached well in advance with details of person required indicating number, specific qualifications, age bar if any, remuneration payable per meeting / day etc.

(x) Principal of each Kendriya Vidyalaya will ensure that the staff and invigilators provided for conducting such examinations are as per requirement of the sponsoring organization so as to maintain credibility of examination and reputation of Kendriya Vidyalaya Sangathan. In addition Principal of |Kendriya Vidyalaya should ensure that Kendriya Vidyalaya Sangathan Employees only are engaged as invigilator or for any other duties on request as and when received from the organization which are conducting the examination In case, any complaint is received from the sponsoring organization action can be taken against such officials. Permission for receiving honorarium should be obtained from the Deputy Commissioner of the region giving details of Vidyalaya staff being engaged.

(xi) No part of the school building or campus can be used for political, social, cultural or religious purpose.

(xii) The accommodation will be utilized only for educational purposes like; conducting examinations or holding symposium, workshop, conference, summer schools, seminars etc.

(xiii) The Vidyalaya building can be allowed to be used by Govt. or Semi Govt. organizations financed by Govt. of India as well as all registered professional societies like: Institution of Engineers, All India Management Organization, Institute of Company Secretaries, Institute of Cost and work Accountants, etc.

(xiv) The permission can be given by Kendriya Vidyalaya Sangathan, Head Quarters only when Vidyalaya building is available without disturbing the normal teaching work of Vidyalaya. Under no circumstances the teaching in the Vidyalaya should be suspended.

NOTE: 10% of the Rent collected from out side agencies for using the KVS premises should be deposited in VVN Account as the Electricity charges is paid from VVN.

THIS IS APPROVED IN 94TH MEETING OF BOG

			F. General Principles Regarding Receipts	
	73		No amount should be received without issuing a receipt in prescribed form with the signature of the authorized person.	
	74		No duplicate receipt should be issued to the payer; if necessary only a certificate of payment may be given in cases where originals are reported to be lost after instituting an enquiry.	

Chapter 6

NORMS OF EXPENDITURE AND PRINCIPLES OF CLASSIFICATION OF EXPENDITURE

Page No.	Article No.	Specific Reference	Proposed Amended Clause
	75		<p>Norms of Grants</p> <p>Grants-in-aid are received by the Sangathan from the Ministry of Human Resource Development (Department of Education) on the basis of approved norms for the different items of expenditure in the Kendriya Vidyalayas Sangathan. The norms are given in Appendix 2. The following points are mentioned in amplification of the norms:</p> <p style="padding-left: 40px;">(i) The norms should be taken as representing the absolute maximum limits up to which funds would be available for various purposes. The Sangathan will, however, exercise its discretion in determining the actual amount to be released to each school after taking into account the availability of funds placed at its disposal, the funds already released and the amount that can be spent within the year.</p>

		<p>(ii) The various activities of the school over a year, such as development of laboratories, improvement of library facilities, etc. should be planned well ahead and arrangements made to requisition the funds and also utilize the same within the year in which provision is made in the budget.</p> <p>(iii) Expenditure or liability should not be incurred in anticipation of receipts of sanctions for expenditure under various heads, save in exceptional circumstances on grounds of urgency. The exceptions to this rule are that pay and allowances and rent, water, electricity and telephone charges payable on or before certain due dates can be paid out of the available bank balance in the event of delay in receipt of sanctions from the Regional Office. Thus, the funds remitted by the Sangathan from time to time are not strictly based on sanctions issued by Regional Office and they are available for utilization by the Vidyalayas for authorized purposes to the extent of the sanctioned limits.</p> <p><i>Note:</i> Necessary funds to Kendriya Vidyalayas sponsored by various Public Sector Undertakings etc. are remitted to them by the respective Sponsoring/PSU or by the respective Regional Offices if they are provided funds by the sponsoring bodies / agencies in advance in April and October each year.</p>	
	76	<p>Principles of Classification of Expenditure:</p> <p>The classification of expenditure is closely related to the norms of expenditure. The following principles for classifying the expenditure under the various heads of account are to be borne in mind:</p>	

			<p>(i) Pay and Allowances. These include the pay of both regular and part-time contractual staff, deputation duty allowances, all types of allowances (including washing allowance for Sub staff), management's share of C.P.F./NPS, leave salary and pension contributions of deputationists, administrative over-head charges and pensionary liabilities in respect of project schools etc. The salary payable to the L.D.C., nurse, sweeper and night chowkidar attached to the hostel will also be met out of this head. The payment of festival advance shall also be classified under this head and recoveries made will be taken as deduct expenditure under Pay and Allowances.</p> <p>(ii) Contingencies. Details may be seen in Chapter 16.</p> <p>(iii) Library books. These include text-books supplied to teachers. The cost of newspapers and periodicals should not be met out of this head, but from contingencies.</p> <p>(iv) Teaching aids. These include the items listed by the Sangathan from time to time, as well as:</p> <ol style="list-style-type: none">1. Equipment for teaching Geography,2. Maps, charts & specified instruments & appliances,3. Drawing equipment and painting materials. <p>(v) Crafts equipment. These include:</p> <ol style="list-style-type: none">1. Electrical gadgets and their repairs.2. Equipment for sewing, needle work and embroidery.	
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			<ul style="list-style-type: none">(vi) Sports equipment. These include all sports items and other materials, requirements for first aid, scouting-guiding Physical Training, Jr. Red Cross etc.(vii) Auto-visual aids. These include radio microphone, amplifier, loudspeaker and other items recommended by the Institute of Audio-Visual Education (NCERT).(viii) Furniture. All items included in Appendix-3, excluding sundry items of furniture for office, such as trays, slip racks, etc. which are to be purchased from contingencies.(ix) Consumables. Chemicals, frogs for the biology laboratory, spirit and other consumable items for laboratories.(x) Hostel equipment. Furniture for kitchen room, dormitories, etc. utensils and other equipment for hostel.(xi) Rent of buildings. This includes cost of tents hired owing to paucity of accommodation.(xii) Maintenance and repairs. These include periodical white-washing and repairs, minor additions, alterations improvements to existing buildings, not involving additional accommodation, extraordinary repairs owing to landslides, floods etc.(xiii) Construction works. These include construction of full / part building, cost of land (including development charges), major additions and alterations to a building involving additional accommodation.	
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		<p>(xiv) Computers. These include purchase of computer hardware and pre-installed software.</p> <p>(xv) Special contingencies. These include purchase of typewriter, duplicator, office equipments, electric fans, computer software, clock, cycle and fire extinguisher where specially sanctioned by the Sangathan.</p> <p><i>Note:</i> Repairs and maintenance of all items of equipment should be met out of contingencies while the cost of assets purchased to replace lost / damaged articles should be debited to the respective head of account.</p>	<p>(including binding charges for library books)</p> <p>These words are deleted. E 1 to Chapter 3</p>
	76A	<p>Deposits, Advances and Remittance Heads</p> <p>(1) Transactions relating to deposits and advances comprise receipts and payments in respect of which Sangathan may become liable to repay the money received or has a claim to recover amounts paid, together with repayments of the former and recoveries of the latter.</p> <p>(2) The deposits head is operated in the accounts of the Vidyalaya to reflect transactions pertaining to:</p> <p>(a) Deposits to construction agencies for the execution of works entrusted to them; and</p> <p>(b) Earnest money and security deposits.</p> <p>(3) The Advance head is operated through two separate heads for:</p>	

			(a) Interest Bearing Advances such as House Building Advances and Conveyance Advance etc. (b) Interest free advances such as Advances of TA on tour/transfer and Leave Salary/Festival Advance etc.	
	77		Remittances embrace all transactions which are taken to merely adjusting heads of accounts, the debits or credits under which are eventually cleared by corresponding credit or debit either within or outside the Sangathan. Deductions in respect of Income Tax, Provident Fund, Professional Tax, Employees Welfare Scheme and House Building Advance etc. are accordingly channelized through this head on both debit and credit sides of the accounts.	These words are added. E 1 to Chapter 3

Chapter 7

RELEASE OF FUNDS BY THE SANGATHAN AND THEIR UTILISATION

Page No.	Article No.	Specific Reference	Proposed Amended Clause	
	78		<p>Sanction and Remittance of Funds to KVs</p> <p>Grants are sanctioned by the Ministry of Human Resource Development (Department of Education) and some Public Sector Undertakings etc. to the Sangathan from time to time on the basis of its approved budget and the funds so received are distributed by the Sangathan directly or through various regional offices to the Schools. The audit of the accounts of the Sangathan (including Kendriya Vidyalayas) is being carried out by the Director General of Audit, Central Revenues/Expenditure as Principal Auditor and other State Accountants General (Audit) as Sub-Auditors in terms of Section 20 (1) of</p>	OM dated 14-03-05

		<p>the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1970 on payment of the prescribed audit fees.</p> <p>NOTE: The payment of audit fee in respect of Kendriya Vidyalayas is arranged centrally by the Sangathan Office to the Director General of Audit, Central Revenues/Expenditure and bills if any, received in this regard by the Kendriya Vidyalayas and Regional Offices, may be passed on to the Sangathan Office for necessary payment after due verification.</p>	
	79	<p>The sanctioned annual grant is normally released by the Ministry to the Sangathan in four instalments. On their receipt, proportionate funds are released by the Sangathan Office directly or through the respective Regional Offices, as the case may be, to meet the monetary requirements of Government financed Vidyalayas (except for construction and maintenance repairs) for the corresponding periods. The annual grants in respect of Vidyalayas sponsored by various Public Sector Undertakings etc. are directly remitted by them to the respective Kendriya Vidyalayas sponsored by them in two advance instalments. The monetary requirements of individual Kendriya Vidyalayas are accordingly met from time to time by the Head Office and respective Regional Offices keeping in view the overall provision available in the school's budget.</p>	
	80	<p>(1) Every Principal shall furnish a 'Monthly Report on the finances of his Vidyalaya in form CS1 to his Regional Office by the 7th of the following month positively. This report shall depict the funds flow and cash flow progress of the Vidyalaya and enable the Regional Office to take timely action for the assessment and release of necessary funds to the Vidyalaya. It is also intended to facilitate a review of the finances of his Vidyalaya by the Principal at the end of every month so that he can take timely action to get the funds released.</p> <p>(2) Funds required for various purposes are to be requisitioned by the Vidyalayas in the prescribed pro forma (CS-2) which may be furnished to the Regional Office concerned along with the Monthly Report of finances (CS-1) by the 7th of each month.</p>	

	81		<p>Incurring of Expenditure and Refund of Funds</p> <p>(1) Necessary expenditure can be incurred by the Principal with reference to head-wise allotment of funds as under:-</p> <ul style="list-style-type: none">(i) The expenditure on pay and allowances can be incurred without any requisition as long as it does not exceed the proportionate provision in the approved budget of the Vidyalaya for this purpose.(ii) In the case of contingencies, expenditure cannot be incurred in excess of 70% of the approved BE allotment in the first half year and the balance of the approved RE allotment in the second half year without prior approval.(iii) In the case of recurring items other than pay and allowances and contingencies, expenditure cannot be incurred in excess of 50% of the approved BE allotment in the first half year and the balance of the approved RE allotment in the second half year without prior approval.(iv) After requisitions in form CS-2 have been sent necessary expenditure in respect of non-recurring items can be incurred subject to budgeted allotment in each case. <p>(2) The utilization of funds by the Vidyalaya is subject to observance of the following standard conditions:-</p> <ul style="list-style-type: none">(a) Purchase are made strictly according to the norms of expenditure explained in Chapter 6;(b) The purchase procedure prescribed in Chapter 17 is strictly followed; and	
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			(c) The funds are utilized within the period specified and unutilized balance, if any, under various heads, intimated to the Regional Offices / Sangathan for re-appropriation etc.	
	82		<p>(i) It should be noted that notwithstanding the periods covered by the requisitions etc., it is open to the Sangathan / Regional Office to remit funds for a lesser period or in instalments depending on the availability of funds in the corresponding Sangathan's account.</p> <p>(ii) The money will be remitted by the Finance Officer by means of cheque / demand draft / RTGS, as it may be found convenient to the bank account of the school, through the Canara/State Bank of India/Union Bank of India. To facilitate remittance of funds, the exact nomenclature of the bank account of the school and the exact locality of the bank should be furnished to the Sangathan (unless the information is already available with the Sangathan and whenever there is any change in the locality of the bank etc. should also be intimated.)</p> <p>(iii) In cases where funds are remitted to the school's bank by means of telegraphic transfer, an intimation thereof will be sent by the Sangathan and credit advice will be sent by the banker to the school. Normally, credit on account of telegraphic transfer is afforded in about two day's time. It is therefore, essential to watch for the receipt of the intimation from the bank immediately after the receipt of the intimation from the Sangathan so as to ensure that the money has been credited to the proper account. If the advice of credit is not received within 3 days of the intimation from the Sangathan, enquiries should be instituted at the receiving branch and a written complaint lodged with the bank under intimation to the Sangathan.</p> <p>NOTE: Sangathan means the Headquarters Office or the Regional Office, as the case may be.</p>	
	83		On receipt of funds by means of cheque / demand draft / RTGS, it should be brought to account in the Cash Book. The cheques and demand drafts should be sent to the bank	

			immediately for credit. The Principal should arrange to send immediately an acknowledgement of the receipt of the money to the Sangathan.	
	84		<p>(i) In the case of construction and repair works entrusted to M.E.S., C.P.W.D. etc. all payments shall be made to them through the school. Even when necessary payment is required to be made by the Sangathan through cheque / demand draft drawn in favour of the agency concerned, it will be forwarded to the school for onward transmission to the agency. The value of the cheque / demand draft should be brought to account in either case and acknowledgement for its receipt forwarded to the Sangathan. The amount will be shown as receipt of funds from the Sangathan on the receipt side and deposit with construction agency on the payment side of the cash book.</p> <p>(ii) When the work is executed and part/ full adjustment account in respect of the deposit made with the construction agency, is received, the amount of the work should, after proper scrutiny, be debited to the final head per contra credit to the deposit head in the adjustment register and then in the monthly statement of accounts after passing the relevant entries through the ledger. A copy of account of the construction work should be furnished to the Sangathan. The balance of amount if any, remaining with the agency should be claimed back without delay and on its receipt adjusted against the relevant deposit head under intimation to the Sangathan.</p> <p>(iii) The amount so deposited with the construction agency will continue to be shown in the accounts under the deposit head so long as adjustment accounts/refunds are not received.</p> <p>NOTE: In no circumstances, the amount deposited with the construction agency will form part of closing cash balance of the School Accounts.</p>	
	85		The funds remitted by the Sangathan should be booked in the Vidyalayas as remittances from K.V.S. and are intended to be utilized as early as possible after their	

			<p>receipt. The funds which remain unutilized on 31st March have ultimately to be surrendered to the Regional Office by RTGS. Details of the remittances effected should be intimated by E. Mail/Speed Post to the Finance Officer/Deputy Commissioner of the Regional Office. Accordingly the sanctions issued by the Regional Offices / Sangathan would be valid only up to the close of particular financial year. The Vidyalayas would, however, be able to utilize available funds with them for the authorized purposes and to the extent of the sanctioned limits having regard to their individual priorities of purposes of expenditure.</p>	
	86		<p>If any balance remains unspent out of the funds received for a specific purpose, it is the duty of the Principal to refund the amount in question forthwith to the Sangathan without any specific request from the Sangathan. The amount to be so refunded should be remitted through bank draft payable to Kendriya Vidyalaya Sangathan at New Delhi. All such remittances can be effected by the State Bank of India free of bank commission vide item No. 32 of Schedule 'A' to Appendix – 8 of Central Government Compilation of Treasury Rules Vol. II. Similar concession is also obtained in the event of opening of the bank account with a Nationalized Bank.</p>	

Chapter 8

BANK ACCOUNTS, THEIR OPERATION AND MAINTENANCE OF CASH BOOKS

Page No.	Article No.	Specific Reference	Proposed Amended Clause
			A. BANK ACCOUNT AND ITS OPERATION
	87		<p>“The bank account of the school should be maintained with the nearest branch of the Canara Bank or the State Bank of India or any other Scheduled Bank of Indian Origin. The account should be a Saving Bank Account with swift facility. The account should be in the name of the school and not in the name of the Chairman, Secretary, etc. In other words, the</p>

nomenclature of the account with the bank should be, “Kendriya Vidyalaya. _____
_____ (place) _____ School Fund”.

A) All bank accounts should be jointly operated by the Principal and **Vice-Principal or the Senior most teacher of the Vidyalaya (In the hierarchy, in the absence of the Vice-Principal at Hqrs.**

B) The Bank Accounts of KVS (Hqrs) be henceforth operated jointly by two officers with financial limits as under:-

Sl. No.	Name of Signatories	Financial Limits
1.	Finance Officer jointly with Assistant Commissioner(Finance)	Up to Rs. 50.00 Lakh
2.	Assistant Commissioner (Finance) jointly with Deputy Commissioner (Finance)	Up to Rs. 10.00 Crore
3.	Deputy Commissioner (Finance) jointly with Joint Commissioner (Finance)	Up to Rs. 40.00 Crore
4.	Joint Commissioner (Finance) jointly with Additional Commissioner (Admn./Acad.)	Above Rs. 40.00 Crore

In case any of the officer in the above channel is either not available or on tour or on leave, the officer next in the hierarchy will operate the bank accounts.

		<p>The individual cheques with value exceeding 50.00 lakhs are shown to Joint Commissioner (Fin.) and cheques with value exceeding Rs. 1.00 Crore be shown to Commissioner before issue.”</p> <p>c) All the Bank Accounts of KVS, Regional Offices shall be operated jointly by two officers i.e. Deputy Commissioner & Finance Officer/Administrative Officer.</p> <p>In case any of the officer in the above channel is either not available or on tour or on leave, the officer next in the hierarchy not below the rank of Group ‘B’ will operate the bank accounts.</p> <p>D) All the Bank Accounts of ZIET,KVS shall be operated jointly by two officers i.e. Director & Section Officer</p> <p>In case any of the officer in the above channel is either not available or on tour or on leave, the officer next in the hierarchy not below Group ‘B’ will operate the bank accounts.</p>	
	88	<p>The Canara Bank and the State Bank of India/ Union Bank of India are allowing free remittance facility to the Sangathan. As such, before an account is opened / transferred in a bank other than these two Banks, facilities to be extended should be clearly ascertained.</p>	
	89	<p>Deposits into the Bank</p> <p>All moneys received by the school, whether by way of tuition fees and fines or otherwise, should be deposited into the bank account within 24 hours of receipt thereof. This stipulation can be relaxed only in cases where the bank is situated at a distance of more than eight kilometres from the school or where the cost of conveying the money will be out of proportion to the amount to be conveyed. In such cases adequate security measures for</p>	

		retaining the money should be taken and the money deposited as early as possible after its realization.	
	90	To facilitate audit requirements etc., pay-in-slip books should be obtained from the bank and after the money is deposited each time the pay-in-slip should be serially numbered for identification purposes. It shall be the duty of the Principal to verify at the time of attestation of the entries in the Cash Book that the moneys deposited into the bank have actually been acknowledged by the bank on the pay-in-slip and also in the bank statement of account / pass book, as the case may be, at the time of reconciliation of bank balance.	
	91	<p>Maintenance of Bank Account and Conveyance of Cash from and to the Bank</p> <p>It is essential that the Principal should take adequate precautions for the conveyance of cash to and from the bank by providing suitable escorts, where necessary, in order to avoid loss of cash in transit. In schools situated in cantonment areas, the Principals should, as far as possible, avail the security arrangements existing in the defence installations / units to which they are attached through the good offices of the Chairman. The Principals of Kendriya Vidyalayas may avail of the facility of hiring of the most economical type of service vehicle from military on payment of hiring charges at the normal rates laid in Army Instructions as amended from time to time for collection of cash from the local banks provided that the distance between the Vidyalaya and the local branch of the Bank is more than three kilometres.</p>	
	92	<p>Bank Reconciliation Statement</p> <p>It will be the duty of the Principal to watch for the receipt in time of the bank statement of account or have the entries in the pass book completed as the case may be and have the balance as per the bank column of the Cash Book reconciled with that as per the statement of account / pass book. To ensure uniformity of procedure, the bank reconciliation statement should be prepared in the following form:-</p> <p style="text-align: center;">RECONCILIATION STATEMENT IN RESPECT OF _____ BANK AS ON</p>	

Balance as per Cash Book (Bank Col.) as on:

- Add:* (i) Cheque No. _____ dated _____ issued but not en cashed;
- (ii) Deposits of other parties (mention details) for which credit has been afforded wrongly.
- (iii) Interest credited by bank on _____ but not accounted in cash book

- Less:* (i) Cheques presented for collection on _____ but not realized;
- (ii) Withdrawals of other parties (mention details) wrongly debited;
- (iii) Bank charges (if any due) debited on _____ to be adjusted in the cash book;
- (iv) Deposits into the Bank, as per Cash book, **but not accounted for by** the Bank.

Net Amount:

Balance as per bank statement of account / pass book as on _____

Signature of Principal

Note: The Bank reconciliation statement should be incorporated in the Cash Book below the entries for the last working day of each month and signed by the Principal. Action should simultaneously be taken to set right wrong debits or credits or non-credits. On no account should the monthly bank reconciliation work be allowed to fall into arrears. *** In case of arrears the matter should be reported to the Regional Office/KVS (HQ) for necessary action.**

	93		A certificate of balance on the last working day of each financial year should be obtained from the bank, besides the bank statement of account / entries in the pass book for the month of March to fulfil audit requirements.	
	94		<p>Withdrawals From the Bank</p> <p>The following instructions /safeguards in regard to drawal of money from the Bank should be compiled with:</p> <ul style="list-style-type: none"> (i) Cheque book facility should be availed in all cases. Bearer cheques should, however, be converted into order or crossed / Account Payee cheques before use. (ii) No money should be withdrawn from the bank except when it is absolutely necessary and only for items of expenditure authorized by the Sangathan either by a general or special order. As regards pay and allowances of the staff and other payments which have to be made in cash, only so much of cash as is needed for disbursement, should be drawn. As far as possible pay & allowance of the staff (whose salary particulars not uploaded in the Union Bank of India web portal) should be released only by cheque payment. The Principal will be personally responsible for any expenditure incurred by him which is not covered by a general or special order on the subject. (iii) The cheque books shall, on receipt from the bank, be carefully examined by the Principal who should count the number of forms contained in each and record a certificate of count on the fly leaf. Each cheque book must be kept under lock and key in the personal custody of the Principal, who when relieved, shall take a receipt for the exact number of cheques made over to the 	

			<p>relieving officer. A simple stock register of cheque book should be kept for reference.</p> <p>(iv) The loss of a cheque book or a blank cheque form shall be forthwith notified to the bank and the bank's acknowledgement obtained and kept on record.</p> <p>(v) When it becomes necessary for withdrawal of any money from the bank account for disbursement of pay and allowances of staff, or for payment of bills for supplies or services rendered, a cheque may be drawn jointly by the Principal with Vice-Principal or Senior most Teacher of the Vidyalaya (in the hierarchy, in the absence of the Vice-Principal at Hqrs). In the counterfoil of the cheque, the initials of both the drawing officer and the counter signing officer should be made. The name of the party to whom payment has been made and also the voucher no. in respect of which the cheque has been drawn should be indicated in the counterfoil.</p> <p>(vi) The names of drawing and countersigning authorities with a set of their specimen signatures shall be intimated confidentially to the bank authorities with a copy to the Sangathan for information. When such an officer makes over charge of his office to another, fresh set specimen signatures of the relieving officer should be sent in cancellation of the earlier one.</p> <p>(vii) All payments made to outside authorities for services rendered or supplies made and to the school staff on account of pay and allowances should be made by means of crossed cheques.</p>	
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		<p>NOTE: The disbursement of pay allowances to the staff should normally be made by transfer to individual bank accounts (by uploading the salary details through the Union Bank of India web portal).</p> <p>(viii) Cheques should bear the true dates on which they are drawn. It is highly objectionable to draw a cheque in anticipation of receipt of goods and passing the relevant bills.</p> <p>(ix) When it becomes necessary to cancel a cheque the cancellation must be recorded on the counterfoil and the cheque must be stamped cancelled under the dated initials of the drawing officer and the cancelled cheque preserved for audit purposes.</p> <p>(x) No duplicate cheque should be issued in lieu of one already issued but reported to be lost without getting a Non-payment Certificate from the bank and also a certificate to the effect that they will not pay again on the original one. Similar undertaking [Indemnity Bond] should be obtained from the payee concerned.</p>	
		<p>B. CASH BOOK AND ITS MAINTENANCE</p>	
	<p>95</p>	<p>The Cash book is the most important record to be maintained in the school and it should incorporate the entire transactions relating to the School Fund and in chronological sequence. For this purpose, all the receipts either by way of cash of cheque / draft relating to the School Fund should be entered on the receipt side of the Cash Book. Similarly all payments either in cash or by cheque, including the payments into the bank, should be recorded on the payment side of the Cash Book. The Cash Book should be maintained in form No. C.S. 22.</p>	
	<p>96</p>	<p>While making entries in the Cash Book, the following points should be carefully observed:-</p> <p>(i) As soon as a Cash Book is brought into use, a certificate giving the number of pages in the Cash book should be recorded on the first page of the Cash Book</p>	

			<p>after counting the pages. The pages of the Cash Book should be serially numbered before bringing it into use.</p> <p>(ii) All entries of receipts and payments should be made as soon as they occur and each entry of receipt, payment and balance should be attested by the Principal in token of check. It is not sufficient to merely sign the Cash Book at the end of the entries for a day.</p> <p>(iii) For each entry made in the Cash Book in respect of receipt or payment, the corresponding voucher number should also be quoted for reference. Serial number should be given separately for receipts and payments. The name of the party to whom the payment has been made or from whom the money has been received should also be mentioned briefly under the column particulars. A separate entry should be made for each item of receipt or payment for which there is a distinct ledger account.</p> <p>(iv) When a self-cheque is drawn for payment of pay and allowance or for recoupment of permanent imprest, its number and amount should be entered on the payment side of the cash-book (in bank column) and its amount entered on the receipt side (cash / imprest) as cash from bank. It should be ensured that entries on the receipt side are made and attested in the cash book at the time of signing the endorsement on the reverse of the self-cheque. Payments made in cash out of the amount drawn on self-cheque should be entered on the payments side of the Cash Book (cash column).</p> <p>(v) As each receipt and payment entered in the Cash Book has to be eventually incorporated in the ledger, entries should be made by indicating the ledger account against every entry and a reference to the ledger folio should also be given in token of having made necessary postings in the ledger.</p>	
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			<p>(vi) There should not be any over-writings or corrections in the entries made. If there is an occasion for any correction, it should be done by striking out the original entry and making the correct entry in red ink and this correction should be duly attested with date by the Principal.</p> <p>(vii) The Cash Book should be closed each day when there is any transaction. The closing balance for the day should be struck and totals of both sides agreed. The closing balance should be mentioned also in words.</p> <p>(viii) The totals of each day of closing of the Cash Book should be checked by the Principal himself and attested; or the totals should be got checked and certified by a member of the staff other than the writer of the Cash Book.</p> <p>(ix) Each entry of receipt, payment and closing balance in the Cash Book should be attested by the Principal in token of having verified the correctness of the entries. The Principal should also sign the Cash Book immediately after it is closed for a day.</p> <p>(x) Once a week and the end of each month, the actual cash balance in hand should be verified physically and a certificate to the effect that the cash balance has been verified and found correct should be recorded in the Cash Book under the dated signature of the Principal. This procedure to be followed by all the Regional Offices, ZIET and KVS (HQ).</p> <p>(xi) Balance of school money consisting of undisbursed pay and allowances etc. should be tallied with the Register of undisbursed amounts (vide Article 97).</p> <p>(xii) The Cash Book should be kept in the custody of the Principal when the work for the day is over.</p>	
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	97	<p>Register of Undisbursed Amount</p> <p>If for any reason any cheque or cash drawn for making payments has not been delivered or paid to the party concerned, an entry thereof should be made in the Register of undisbursed amounts in form C.S. 62.</p> <p>Undisbursed pay and allowances may be retained in the school till the last day of the month of drawal, after which it should be credited back to the bank account. Such amounts should be entered on the receipt side of the Cash Book under the caption Undisbursed Pay and Allowances and a note of having credited the amount kept on the voucher. In the accounts, the amount of undisbursed pay and allowances should be classified as deduction of expenditure under the head pay and allowances.</p> <p>When the party concerned claims the amount subsequently, a fresh bill should be prepared and cheque drawn by giving cross reference on the original voucher. Necessary entry should be made on the payment side of the Cash Book and in the Register of undisbursed amounts.</p>	
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Chapter 9

GENERAL RULES FOR PAYMENT OF CLAIMS AND ACCOUNTING THEREOF

Page No.	Article No.	Specific Reference	Existing Clause	Proposed Amended Clause
	98		No payment can be made except against the presentation of bills / cash memos indicating the exact nature and kind of charge, supported by necessary	No payment can be made except against the presentation of bills / cash memos indicating the exact nature and kind of charge, supported by necessary sub-vouchers, and

			sub-vouchers, and duly receipted and stamped wherever necessary.	duly receipted and stamped wherever necessary.
	99		Receipts for all sums exceeding Rs. 500/- must be stamped under Section 3 read with item 53 of Schedule I of the Indian Stamp Act unless they are exempt from stamp duty vide Appendix 2 to <i>the Compilation of Treasure Rules. Vol. II.</i> Cash memoranda which do not contain the acknowledgements of the receipt of money from persons named therein are not receipts within the meaning of Section 2 (23) of the Act.	Receipts for all sums exceeding Rs. 5000/- must be stamped under Section 3 read with item 53 of Schedule I of the Indian Stamp Act unless they are exempt from stamp duty vide Appendix 2 to <i>the Compilation of Treasure Rules. Vol. II.</i> Cash memoranda which do not contain the acknowledgements of the receipt of money from persons named therein are not receipts within the meaning of Section 2 (23) of the Act.
	100		<p>Before any commitment is made for any expenditure for supplies or services rendered, the following points should be borne in mind:-</p> <ul style="list-style-type: none"> (i) That there is a sanction, special or general, accorded by the competent authority; (ii) That there is necessary provision of funds; (iii) That the supplies are arranged or services got done in accordance with the rules laid down by the Sangathan; 	<p>Before any commitment is made for any expenditure for supplies or services rendered, the following points should be borne in mind:-</p> <ul style="list-style-type: none"> (i) That there is a sanction, special or general, accorded by the competent authority; (ii) That there is necessary provision of funds; (iii) That the supplies are arranged or services got done in accordance with the rules laid down by the Sangathan;

		<p>(iv) That in the case of work done or purchases made, the procedure for purchases prescribed in Chapter 17 has been strictly adhered to;</p> <p>(v) That the charges do not exceed the rates or scales or other ceiling fixed under the rules or orders issued by the Ministry / Sangathan;</p> <p>(vi) That the expenditure is in conformity with the financial principles and propriety explained in Article 52.</p>	<p>(iv) That in the case of work done or purchases made, the procedure for purchases prescribed in Chapter 17 has been strictly adhered to;</p> <p>(v) That the charges do not exceed the rates or scales or other ceiling fixed under the rules or orders issued by the Ministry / Sangathan;</p> <p>(vi) That the expenditure is in conformity with the financial principles and propriety explained in Article 52.</p>
	101	<p>When a bill for a claim against the school is received, it should be examined and ensured that the articles billed for have been received in conformity with the quotation / tender accepted and the supply order issued, that the articles have been received in good condition, the arithmetical calculations, are correct, sales tax and other taxes and charges are correct and that the payment is actually due to the party concerned. Unless a separate receipt is furnished, it should be seen that the bill duly receipted and stamped where necessary. If the bill is in order in every respect it should be passed</p>	<p>When a bill for a claim against the school is received, it should be examined and ensured that the articles billed for have been received in conformity with the quotation / tender accepted and the supply order issued, that the articles have been received in good condition, the arithmetical calculations, are correct, sales tax and other taxes and charges are correct and that the payment is actually due to the party concerned. Unless a separate receipt is furnished, it should be seen that the bill duly receipted and stamped where necessary. If the bill is in order in every respect it should be passed for</p>

		<p>for payment by the Principal and thereafter the bill becomes a voucher. Every voucher must bear a pay order signed by the Principal specifying the amount payable both in words and figures. The pay order should be recorded and signed before the cheque is signed or the payment is made in cash. All pass orders and pay orders should be signed in full by the Principal in ink.</p> <p>It is important that before the pass order is recorded, all the articles are duly brought to account in the relevant stock register and the prescribed certificate is furnished by the stock holder. The page number of stock register where an article is noted should invariably be quoted against each entry in the bill.</p>	<p>payment by the Principal and thereafter the bill becomes a voucher. Every voucher must bear a pay order signed by the Principal specifying the amount payable both in words and figures. The pay order should be recorded and signed before the cheque is signed or the payment is made in cash. All pass orders and pay orders should be signed in full by the Principal in ink.</p> <p>It is important that before the pass order is recorded, all the articles are duly brought to account in the relevant stock register and the prescribed certificate is furnished by the stock holder. The page number of stock register where an article is noted should invariably be quoted against each entry in the bill.</p>
	102	In order to ensure that all the formalities have been observed before making a payment, the standard form C.S. 41 should be adopted for all claims other than establishment bills.	In order to ensure that all the formalities have been observed before making a payment, the standard form C.S. 41 should be adopted for all claims other than establishment bills.
	103	<p>Stock Registers</p> <p>The Stock Registers are to be maintained in the forms and subject to the instructions mentioned below:-</p>	<p>Stock Registers</p> <p>The Stock Registers are to be maintained in the forms and subject to the instructions mentioned below:-</p>

			<i>Articles</i>	<i>Stock Register Form No.</i>	<i>Instructions</i>		Articles	Stock Register Form No.	Instructions
			(i) Library Books	CS 26 (Accession Register)	Accession No. should be given for each book and this No. should be indicated against each entry in the bill. Even books received free of cost should be entered in this Register with suitable indication.		(i) Library Books	CS 26 (Accession Register)	Accession No. should be given for each book and this No. should be indicated against each entry in the bill. Even books received free of cost should be entered in this Register with suitable indication.
			(ii) Laboratory Equipment	CS 24	The Register should be maintained separately for each department and for consumables and non-consumables article-wise. The specifications should be mentioned wherever necessary. Like articles should be grouped together.		(ii) Laboratory Equipment	CS 24 (with depreciation particulars) OM dated 14-03-05	The Register should be maintained separately for each department and for consumables and non-consumables article-wise. The specifications should be mentioned wherever necessary. Like articles should be grouped together.
			(iii) Furniture	CS 24	Each nomenclature of furniture should be numbered serially by means of identifiable		(iii) Furniture	CS 24 (with depreciation particulars) OM dated 14-03-05	Each nomenclature of furniture should be numbered serially by means of identifiable codes and the numbers should be given in

					codes and the numbers should be given in the Stock Register for ready reference. The brief specifications of the articles should also be mentioned.			the Stock Register for ready reference. The brief specifications of the articles should also be mentioned.
			(iv) Other Equipment	CS 24	--	(iv) Other Equipment	CS 24 (with depreciation particulars)	--
			(v) Immovable Assets	CS 24 (Property Register)	In this Register, particulars of land and buildings either acquired or taken in custody should be entered.	(v) Immovable Assets	CS 24 (with depreciation particulars) (Property Register)	In this Register, particulars of land and buildings either acquired or taken in custody should be entered.
			(vi) Stationery Articles	CS 29	--	(vi) Stationery Articles	CS 29	--
			The entries in the Stock Register should be simultaneously attested by the teacher-in-charge. In order to ensure that the items have actually been received and the entries have been made in the Stock Register, the Principal should personally undertake a physical verification of important items (i.e. items costing Rs. 1000/- and above and attest the relevant entries in the Stock Register and in the bill in token of the verification.			The entries in the Stock Register should be simultaneously attested by the teacher-in-charge. In order to ensure that the items have actually been received and the entries have been made in the Stock Register, the Principal should personally undertake a physical verification of important items (i.e. items costing Rs. 1000/- and above and attest the relevant entries in the Stock Register and in the bill in token of the verification.		
	104		The entries in the Stock Register should be simultaneously attested by the teacher-in-charge. In order to ensure that the items have actually been received and the entries have been made in the Stock Register, the Principal should personally undertake a physical verification of important items (i.e. items costing Rs. 1000/- and above and attest the relevant entries in the Stock Register and in the bill in token of the verification.			The entries in the Stock Register should be simultaneously attested by the teacher-in-charge. In order to ensure that the items have actually been received and the entries have been made in the Stock Register, the Principal should personally undertake a physical verification of important items (i.e. items costing Rs. 1000/- and above and attest the relevant entries in the Stock Register and in the bill in token of the verification.		

	105	All paid vouchers must be stamped 'PAID' and cancelled in such a way that they cannot be used a second time. Stamps affixed to vouchers must also be cancelled. The vouchers should be serially numbered for each financial year and kept on record in a guard file in order of serial number for audit purposes. The serial number of voucher must be invariably quoted in the Cash Book while entering the payment. To facilitate ready reference, the number and the date of the cheque issued should be given on the voucher and a cross reference to the voucher number given on the counterfoil of the cheque issued.	All paid vouchers must be stamped 'PAID' and cancelled in such a way that they cannot be used a second time. Stamps affixed to vouchers must also be cancelled. The vouchers should be serially numbered for each financial year and kept on record in a guard file in order of serial number for audit purposes. The serial number of voucher must be invariably quoted in the Cash Book while entering the payment. To facilitate ready reference, the number and the date of the cheque issued should be given on the voucher and a cross reference to the voucher number given on the counterfoil of the cheque issued.
	106	Deleted	Deleted

Chapter – 10

PERSONAL CLAIMS OF EMPLOYEES

Page No.	Article No.	Specific Reference	Proposed Amended Clause	Remarks by KVS HQ			
	107		<p>The various kinds of personal claims of employees, the forms in which they are to be preferred by the employees or claimed by the school and the normal periodicity of the claims are given below:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Name of Claim</td> <td style="width: 20%;">Bill / Claim Form No.</td> <td style="width: 50%;">Periodicity of Claim and due for Payment</td> </tr> </table>	Name of Claim	Bill / Claim Form No.	Periodicity of Claim and due for Payment	
Name of Claim	Bill / Claim Form No.	Periodicity of Claim and due for Payment					

			(A) Pay and allowances	CS 14	Monthly, on the last working day of each month. (Except for March salary which is payable on 1st working day of April)	Article 108 General P/ 373-4 Accounts Code OM dated 2.9.2008 CEA OM dt. 2.9.2008	
			(B) Travelling allowance on Tour and Transfer (including Leave travel concession)	CS 17, CS 17A, CS 17B, CS 17C.	Immediately after the completion of the event, viz., tour, training or transfer OR DUE DATE PRESCRIBED UNDER LTC RULES.		
			(C) Medical reimbursement	CS 32(by employee) CS 14 (by school)	1) Within 3 months of completion of treatment. 2) When advance is paid direct to the hospital adjustment bill should be submitted within one month from the date of discharge.		
			(D) Children's Educational Allowance		Once every quarter subject to the annual ceiling of Rs.12000 per child which would be raised by 25% every time the Dearness Allowance on revised pay structure goes up by 50%.		
			(E) Reimbursement of tuition fees	Deleted	Deleted AND INCLUDED IN C.E.A.		
			(F) Claim for hostel subsidy	CS 35 CS 35A			
			(G) Advance of TA on transfer	CS 14	Whenever the journeys take place.		
			The detailed instructions in regard to the preferment of claims and passing of the same are given in the succeeding Articles.				
			A. PAY AND ALLOWANCES				
	108		The preparation of bills for monthly pay and allowances may be taken up after the 20 th of each month and the payment thereof effected on the last working day of the month except that the pay and allowances for the month of March shall be payable on the first working day of April. When the last				

		working day of a month happens to be a Bank holiday, disbursement may be made on the previous working day. This exemption is not allowed in respect of the month in which short-breaks (such as Autumn / Winter break) or vacations occur.	
	108A	<p>Disbursement of Salary through UBI Web Portal</p> <p>In case of disbursement of salary through UBI Web Portal preparation of work of pay bill should commence from 15th of the month and got uploaded and verified by 20th of the month to enable UBI to remit the salary in time.</p>	General
	109	<p>The following points should be taken into account in preparing pay bills:-</p> <p>General Points:-</p> <p>(i) Pay and allowances should not be drawn for any employee unless there is a sanctioned post.</p> <p>(ii) Except in cases of appointments in leave vacancies and transfers from other schools, pay and allowances of more than one employee should not be drawn against one post. In cases of transfers, excess would be permissible only to the extent of pay and allowances for the relieving employee for the joining time. Not more than a day is allowed for handing over and taking over charge involving handling of stores / cash.</p> <p>In respect of part time contractual appointment against leave vacancies / clear vacancies the remuneration should be paid from school fund only.</p> <p>(iii) The pay bill should be prepared in separate sections for the various categories of staff (Principal, P.G.T., T.G.T., etc.) and consolidated at the end. At the top of each section, the scale of pay, number of posts sanctioned and the sanction no and date be mentioned in red ink.</p> <p>(iv) The Attendance Register should be consulted to find out whether there is any unauthorized absence or absence pending to be regularized. Unless the absence is regularized by grant of Casual Leave or Regular Leave, no pay and allowances for the period involved should be drawn. The position should be explained in the remarks column of the pay bill for information.</p> <p>(v) Arrears of pay and allowances should not be drawn in the main bill, but drawn in a supplementary bill indicating the amount due and drawn and no. and date or original bill from which the charge was previously omitted or withheld. A note of drawal of the arrears should be</p>	

		<p>kept in the original bill(s) concerned in order to avoid the risk of the arrears being claimed over again. The following certificate should be recorded by the Principal on the supplementary bill: - “Certified that no part of the amount claimed has been drawn previously and a note of drawal of arrears has been kept in the office copies of the original bills.”</p> <p>(vi) In cases where an employee is on deputation or an employee taken over from a former school is allowed to retain former scale of pay, the fact should be mentioned and scale of pay also mentioned to verify the correctness of pay drawn from time to time.</p> <p>(vii) In regard to new appointments, medical certificate signed by the appropriate medical officer should be obtained. The fee for the medical examination should be borne by the candidate. If the medical certificate is not produced, pay and allowances should not be drawn without the prior approval of the Sangathan.</p> <p>(viii) Washing allowance at prescribed rate Rs. 60/- per month should be drawn only for such of those sub-staff who have been supplied with uniforms. This allowance should not be drawn during periods of regular leave. It should also be ensured that the employees to whom the allowance is paid keep the uniforms properly washed and clean.</p> <p>(ix) Principles of rounding-off for pay and allowances:</p> <p>(a) In the case of bills for pay (including leave salary), the amount in respect of pay or leave salary, and various recoveries shall be rounded-off to the nearest rupee, fractions of 50 paise and above to be rounded off to the next higher rupee and the fractions of less than 50 paise to be ignored as it will make the net amount payable to an individual on any bill in whole rupees.</p> <p>(b) In case of bills exclusively for allowances, other than travelling allowances, involving fraction of a rupee, any one part of the claim of an individual may be rounded off as above.</p> <p>(c) In case of travelling allowance bill the rounding off should be done only at the last stage and not in respect of each item.</p> <p>(x) Rules regarding pre-audit of bills by the Sangathan:</p>	<p>CCS (RP) Rules 2008 OM dated 11.9.2008</p>
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(i) Subject to the exceptions mentioned below all personal claims may be paid by the Principal without pre-audit from the respective Finance Officer.

Exceptions:-

- (a) All claims more than one year old.
- (b) T.A. and Medical re-imburement claims of Principal and Vice-Principal (including Incharge Principals).
- (c) Complicated cases of T.A. bill and medical bills for example, bills for special diseases such as Cancer, Diabetes, Mental disease, Poliomyelitis Tubercular disease.

(Letter No. F.7-20/83-84/KVS/B&F dated 20.03.1984).

Points In Regard to Specific Events

(i) Transfer of employee. In cases of transfer of an employee to another school, the employee should be paid only up to the date of relief from the school (for which a supplementary bill may be drawn during the month) and a Last Pay Certificate in form CS 37 issued to the new school. The joining time pay and allowances will be paid by the new school. The new school should not make any payment without receiving the L.P.C. If it becomes necessary for the old school to make any payment after the issue of L.P.C., the payment may be made direct by that school by means of cheque / demand draft, to the employee concerned through the new school. (The demand draft will be free of bank commission). A revised L.P.C. should be sent, if necessary.

If an employee who is under orders of transfer is granted leave; the liability for the leave salary payment will devolve on the school which sanctioned the leave, while the liability for joining time pay and allowances, if any, will devolve on the new school. For the purpose, the rate of leave salary and allowances should be indicated on the L.P.C. to be issued to the new school.

Following procedure should be adopted in cases of transfer of employees during a month where the salary is disbursed through UBI web portal.

General

1. The new KV will upload the figures in respect of transfer from one govt. financed KV to another govt. financed KV for the whole month at admissible rates for previous KV and present KV.
2. Project KV will make payment for the period the employee has worked in Project KV in respect of employees transfer in or out of Project KVs.
3. Govt. financed KV will upload for the period the employee had worked in govt. financed KV in cases of transfer in or out from project KVs.
4. If an employee is on HPL or EOL leaves during a month the arrears of leave salary may be uploaded up to 15th of the following month. In other cases the leave salary in arrears may be uploaded along with the next month salary.

- (ii) Joining time and joining time pay and allowances. In case of transfers in the Sangathan's interest, joining time and joining time pay and allowances should be regulated in accordance with Articles 10 to 21. In cases of transfers in employee's interest, no joining time is admissible and the period of transit should be covered by regular leave (not casual leave).
- (iii) Deputation from Central / State Government etc. In respect of deputationists, pay and allowances should be strictly drawn in accordance with terms of deputation. In particular, it should be noted that:-
- (i) If pay is drawn in the State scale of pay, Dearness allowance should also be drawn according to the state rate.
 - (ii) Basic pay in the parent scale plus deputation allowance should not exceed the maximum of the scale of pay of the post held on deputation. Doubtful cases should be referred to the Sangathan prior to drawal of pay and allowances.
 - (iii) If the minimum of the deputation post is far in excess of the basic pay plus deputation allowance of 10% or 5% as the case may be, pay should be regulated in accordance with Note below Article 28.
 - (iv) No pay and allowances should be drawn beyond the term of deputation and action should be taken through the Sangathan for extension of deputation sufficiently in advance.
 - (v) Leave salary (excluding D.A. and other allowances) in respect of regular leave sanctioned to deputationists and drawn by the school shall be claimed from the parent department half

yearly as laid down in Article 122, as the liability for the same devolves on that department.

(vi) If pay is drawn in the parent department scale of pay, increment should be drawn on the basis of Increment Certificate to be obtained from the parent department.

(vii) Deductions on account of G.P.F., Postal Life Insurance, etc. should be made in accordance with the rules applicable in the parent department and remitted to the officer concerned through demand draft (free of bank commission).

(iv) Vacation and pay and allowances during vacation. The restrictions in regard to drawal of pay and allowances for new recruits, combination of leave with vacation, etc., given Chapter 12, should be kept in view.

(v) Training on Refresher course, etc. A period of training can be treated as duty only on the orders of the Sangathan. An employee sent on training, who does not draw T.A. as on tour, will be entitled to draw during the entire period of such training house rent allowance at the rates admissible to him, from time to time, at either the place of training, or the place of duty from where he proceeded on training whichever are more favourable to him. For claiming the house rent allowances at the place of duty from where he proceeded on training, he will be required to certify that he continued to retain the house at the same station from where he proceeded on training, paid rent for it and did not sub-let whole of it. If an employee is allowed T.A. as on tour and draws daily allowance, he / she will be entitled to draw compensatory allowance (H.R.A., etc.) only at the rates admissible at his headquarters.

COMPENSATORY (CITY) ALLOWANCE - Deleted as it is abolished as per CCS [RP] RULES 2008- .

(vi) Absence without leave and extension of leave without authority. If an employee is absent from duty without any authority, the employee shall not be entitled to any pay and allowances during the period of absence, unless the period is regularized by grant of leave due.

If an employee is absent after the end of leave already sanctioned to him / her and the leave sanctioning authority is not agreeable to grant extension of leave, the period of overstayal will be treated as half pay leave to the extent such leave is due and as extraordinary leave to the extent the period of half pay leave falls short of the period of overstayal. The employee will not,

			<p>however, be entitled to leave salary during such overstayal not covered by extension of leave, and such overstay will not count for increment. Unauthorized absence and overstay of leave by an employee will be treated as misbehaviour, for which disciplinary action may be taken against him.</p> <p>(vii) Leave and leave salary. During regular leave, an employee is entitled only to leave salary as per the leave rules. As only leave salary should be drawn during leave, benefit of increment if falling during the leave should not be drawn.</p> <p>(viii) Drawal of increment. All increments are to be allowed from the 1st of July w.e.f. 01.01.2006 and should be drawn in the month's pay bill after taking the approval of the competent authority (Chairman/Principal) and an Increment Certificate in form CS 16 should be appended to the pay bill.</p> <p>For watching the sanction and drawal of increments in time, a simple Register of Increments should be maintained. This register should indicate the names of individuals whose increments are due on 1st of the July and should be prepared from the service books. The register should be reviewed by the Principal.</p> <p>The principles in regard to calculation of increment set out in Articles 29 and 31 should be noted. It should be noted that:-</p> <p>(a) In respect of employees who are on deputation of Foreign Service and who draw pay in their parent scale, increment should be drawn only on the authority of the Parent Department.</p> <p>(b) Qualifying service of less than 6 months on account of EOL (without medical certificate) between 1st July of the previous year till 30th June of the year under consideration shall have the effect of postponing the increment to 1st July of next year.</p> <p>(c) In cases where the employees are not able to join posts in a particular grade pay on promotion / appointment on 1st January of a year due to 1st January falling on Sunday / Gazetted holiday, it is clarified that, the employee should join the 1st</p>	<p>CCS (RP) Rules 2008</p> <p>Rule 10 CCS (RP) Rules 2008</p> <p>Rule 10 GoI 15 FR 26 P/ 107 FR-1</p>
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working day of the year. He will be treated to have completed 6 months of service on 1st July of that year for the purpose of annual increment on that day.

(d) If a promotion is from the 1st of July which also happens to be the date of increment, the increment will be allowed first and pay fixed in the new post with reference to such pay including the increment.

(e) This will also apply to cases where increments are withheld as a measure of penalty; in such cases increment will be drawn from the date the penalty ceases.

(ix) Revision of pay scales of teachers on the recommendation of National Commission on Teachers headed by Prof. D.P.Chattopadhyaya: The National Commission on Teachers under the Chairmanship of Prof. D. P. Chattopadhyaya has made recommendations concerning pay and service conditions of teachers at school level which was introduced in KVS along with Fourth Central Pay Commission for Teachers. For detailed instructions refer to Appendix 8 B in which copies of the following circulars on the subject are available:-

No.	Date	Subject
F.5-180/86-UT-I	12-08-87	Revision of pay scales of School teachers.
F.5-180/86-UT-I	03-11-87	-do-
F.5-180/86-UT-I	06-02-89	-do-
F.12-61/88-KVS (Admn.I)	15-02-89	Revision of pay scales of teachers.
F.18-3/92-KVS (Admn.I)	06-05-94	Revision of pay scales of School teachers on the recommendations of National Commission on Teachers headed by Prof. D. P. Chattopadhyaya

As sanction of a senior/selection scale in terms of the approved pay scales of various teaching courses does not constitute a promotion, the initial pay shall be fixed in the higher scale at the stage equal to the pay already being drawn in the lower scale and the next increment will be given on the date on which it falls due in the lower scale. If there is no such stage, then the pay will be fixed at the next higher stage. The next increment in this

OM dated
14.03.2005 E-1

		<p>stage will be given on completion of period of twelve months in the higher scale. The employee may opt for fixation of pay in senior scale/selection sale either from the date of sanction or from the date of increment in the lower scale.</p> <p>OM No.F.125-29/2004-05/KVS(Budget) DATED 14-03-2005.</p>	
	110	<p>Dearness Allowance</p> <p>Dearness allowance is being sanctioned twice in a year on 1st January and on 1st July based on the increase in the average monthly consumer price index for 12 months taking into account the average on 1st Jaunay'2006 as 115.76 points (base year 2001). Dearness Allowance is granted to compensate the price-rise at the rates sanctioned from time to time. Its drawal on various occasion is regulated as under:-</p> <ul style="list-style-type: none"> (i) While on duty, D.A. is paid with reference to the basic pay actually drawn. Special Pay, personal pay etc are not taken into account for this purpose. (ii) During leave, it is paid at the appropriate rate based on leave salary actually drawn. (iii) During joining time, it is based on joining time pay. (iv) During suspension, it is based on subsistence allowance. (v) In all cases where encashment of leave salary is allowed in the case of retirement etc., it is admissible for the entire period. (vi) It is admissible to re-employed pensioners based on pay fixed on re-employment plus the non-ignorable part of the pension. <p>Note: D.A. involving fractions of 50 paise and above shall be rounded off to the next higher rupee and the fractions of less than 50 paise ignored.</p>	
	110A	<p>House Rent Allowance (HRA)</p> <ul style="list-style-type: none"> (a) House rent allowance is payable with reference to basic pay (including stagnation increment) and place of duty (irrespective of the place of residence) of KVS employees at the rate depending upon the classification of cities / towns prescribed by the Government of India. 	

(b) Employees claiming House Rent Allowance shall furnish a certificate that they are incurring some expenditure on rent or are contributing towards rent. HRA is accordingly payable also to those who live in their own houses, subject to their certificate that they are paying / contributing towards house / property tax / maintenance of the house.

(c) (1) HRA will be admissible during leave of all kinds (including study leave) without medical certificate and also during vacation subject to a limit of 180 days of combined period **of leave, vacation and holidays. Beyond this period, the allowances can be claimed only by furnishing the requisite certificate.**

(2) During leave on medical certificate, HRA will be admissible for a period of 8 months. The controlling authority may, however, allow drawal of the allowance beyond 8 months also subject to production of requisite certificate.

(3) During joining time, HRA will be admissible at the same rates as at the old station.

(4) During deputation abroad up to one year, an employee may draw HRA at the rates admissible to him at his headquarters. If the deputation period exceeds one year the allowances may be drawn till such time his family resides at his headquarters, on furnishing requisite certificate.

(5) During suspension, the HRA will be at the same rates at which it was drawn before placement under suspension.

(6) During training in India, an employee not drawing daily allowance will be eligible to HRA at the rates applicable to the Headquarters station or training station, whichever is more favourable.

(7) During training in India, an employee drawing daily allowance will continue to draw HRA at the rates admissible to him at his headquarters. Even beyond 180 days, when no daily allowance is drawn, the allowance will be admissible only at the rates admissible at his headquarters.

		<p>(8) If an employee does not join duty after expiry of leave owing to death / invalidation during such leave, HRA already drawn need not be recovered. If the employee resigns while on leave, the entire amount of such allowance drawn during the leave period shall be recovered.</p> <p>(d) (1) An employee living in a private accommodation with spouse who is also a Sangathan employee is entitled to HRA separately.</p> <p>(e) An employee is not entitled to HRA when:-</p> <p>(1) He / she shares rent free accommodation allotted to another employee.</p> <p>(2) His / her spouse has been allotted accommodation at the same station by Central / State Government, Autonomous / Public Undertaking, Municipality, Port Trust, Nationalised Banks or LIC whether he / she resides in that accommodation or not.</p> <p>(3) He / she resides in accommodation allotted to his parent(s) / son / daughter by the Central / State Government, Autonomous Public Undertaking, Municipality, Port trust, Nationalised Banks or LIC.</p>	
	110B	<p>Transport Allowance</p> <p>Transport allowance is payable with reference to pay slab of the employee and place of duty (depending upon its classification as prescribed by the Govt. of India). It is not admissible to:</p> <p>(i) Employees who have been provided with facility of official transport.</p> <p>(ii) Transport allowance will not be admissible during absence from duty covering a full calendar month due to leave, training, tour etc. If the absence covers more than one calendar month, but does not cover the next month in full, the allowance will be admissible for that month. The allowance will be admissible during training period, if no transport / TA / DA is provided for attending the training institute.</p> <p>(iii) No transfer allowance is admissible for the period of suspension.</p> <p>(iv)</p>	

		<p>Handicapped employees eligible for conveyance allowance will draw Transport Allowances at double the rates prescribed , subject to a minimum of Rs.1000/- plus DA thereon .</p> <p>(v) Employee (on or after 22.2.2002) for the vacation spell including all kinds of leave which envelops entire calendar month.</p>	<p>CCS (RP) Rules 2008 F.125-48/2005-06/KVS (Budget) Dt. 28.7.2009</p> <p>P/ 304</p> <p>OM dated 14.3.2005 E-1</p>
110C		<p>Ad hoc Bonus</p> <p>Ad hoc bonus is payable to all KVS employees equivalent to that of non-gazetted Central Govt. employees without any pay limit. It is granted every year as equivalent to emoluments for certain number of days for the relevant financial year. The eligible employees should have been in service on the last day of the financial year i.e. 31st March and emoluments as on 31st March taken into account. In the case of retirement / death during the year, pro rata ad hoc bonus will be admissible if a minimum service of six months has been put in during the year. Ad hoc employees are also eligible if they have completed minimum 6 months service on 31st March. There is no provision for ad hoc bonus in cases of resignation. Periods of EOL / Suspension are to be excluded and fraction of a month after minimum six months shall be rounded to the nearest month.</p>	
110 D		<p>Child Care Allowance:</p> <p>1. Women with disabilities shall be paid Rs.1,000 per month as Special Allowance for Child Care. The allowance shall be payable from the time of the child's birth till the child is two years old.</p> <p>2. It shall be payable for a maximum of two children.</p> <p>3. The above limit would be automatically raised by 25% every time the Dearness Allowance on the revised pay structure goes up by 50%</p> <p>4. Disability means a person having a minimum Disability of 40% as elaborated in Ministry of Welfare's Notification No.16-18/97-NI.I, dated 01-06-2001.</p>	<p>OM dated 11.9.2008</p>

			B. TRAVELLING ALLOWANCE	
	111		<p>(a) Travelling allowance may be broadly classified as follows-</p> <p>(i) T.A. on tour.</p> <p>(ii) T.A. on transfer.</p> <p>(b) T.A. claims should be preferred in form CS 17. It should be noted that no employee should undertake a journey without the prior approval of the Controlling Officer and utmost economy should be observed in incurring expenditure on travelling allowance. Every T.A. Bill should be countersigned by the Controlling Officer before payment and also got pre-audited by the Regional Office/Sangathan where necessary. A copy of the tour programme, as approved, should also be attached to the T.A. Bill.</p> <p>(c) The T.A. claims of the Principals for visiting the Deputy Commissioner's Office or the Headquarters' Office should be supported by a copy of the prior permission accorded by the Deputy Commissioner or the Commissioner for Deputy Commissioner's Office or the Headquarters' Office of the KVS.</p> <p>(d) An employee forfeits his claim to T.A. (including D.A) if he/she fails to prefer the claim within one year from the date on which it falls due.</p> <p>NOTE: The date on which T.A. Claim of the Principal is received in the Regional Office, shall be the crucial date for deciding whether the claim has been received in one year. In other cases, it will be the date when the claims are submitted to the Controlling Officer.</p>	
	112		<p>Leave Travel Concession</p> <p>(a) The concession is admissible to all regular employees whether permanent, temporary, and officiating or on probation who have completed one year continuous service on the date of outward journey performed by them. The concession available under this scheme is of two kinds:-</p> <p>(1) Assistance to visit 'Home Town' once in a block of two calendar years. The blocks are 1994-95, 1996-97 and so on.</p> <p>(2) Concession to visit 'any place in India' once in a block of four years in lieu of one of the two journeys to Home town in that block, say 1998-2001.</p>	

Notes:- (1) an employee (including unmarried) having his family at his Home Town, can avail of the home town concession for himself alone every year instead of having it both for self and family once in two years.

(2) Such Sangathan employees as are posted outside their Home town, can be given an option to avail of the concession for travel to the Home Town on there occasions in a block of four years by surrendering their claim to all India LTC which would otherwise be admissible.

(b) The concession will cover self and family. Family for this purpose means Sangathan employee's wife or husband, as the case may be, residing with the Sangathan employee and two surviving children or step children residing with and wholly dependent upon the Sangathan employee, whose income from all sources does not exceed Rs.1500/-. It includes in addition parents, step mother, unmarried sisters, brothers and married daughters who have been divorced, abandoned or separated from their husbands, if residing and wholly dependent upon the Sangathan employee. Widowed sisters are also included if residing with and wholly dependent upon the Sangathan employee (provided their father is either not alive or is himself dependent on the Sangathan employee).

Note: (1) The restriction of two surviving children as indicated above shall not apply in respect of existing children of a Sangathan employee as on 20.10.1998.

(2) Only one wife is included in the term 'family' for LTC Rules.

(c) When Husband and wife are both Sangathan and/or Central Government employees, and are residing together, they should declare only one place as their hometown. Any one can claim the concession treating the other as member of family. If they are living separately, they can claim the concession separately as two independent employees.

a) The leave travel concession shall be admissible during any period of leave, including casual leave, special casual leave, maternity leave or vacation. It can be availed of during leave preparatory to retirement provided the return journey is completed before the expiry of leave. The concession cannot be availed during the weekend or any other period of holidays alone.

b) The concession cannot be availed during child care leave.

c) L.T.C. claim should be preferred in form No. CS 17 by suitably improvising the columns. The Controlling Officer (Principal or Chairman) should furnish the prescribed certificates. In admitting the claim it should be ensured that the employee had given prior intimation to the Controlling Officer of the place of visit before the journey is actually undertaken by him.

d) **Fresh recruits to Central Government are allowed to travel to their home town along with their families on three occasions in a block of four years and to any place in India on the fourth occasion. This facility is available to the Government officers only for the first two block of four years applicable after joining the Government for the first time. The blocks of 4 years will apply with reference to the initial date of joining the Government even though the employee changes the job within Government subsequently. The existing blocks will remain the same but the entitlements of the new recruit will be different in the first eight years of service.**

For travel under the LTC scheme, the entitlement shall be same as for tour / transfer Under:-

Grade Pay	Entitlement		
	Air	Rail	Road
Rs.10000 & above & those in HAG+ & above	Eco. Class	AC I Class	AC Taxi/Ordinary Taxi/Auto Rickshaw/Own Scooter/ Motor Cycle/Moped/Any Public Bus including AC Bus
Rs.7600, Rs.8700 & Rs.8900	Eco. Class	AC I Class	Same as above except AC Taxi
Rs.5400 & Rs.6600	Eco. Class	AC 2 Tier	Same as above except AC Taxi
Rs.4200, Rs.4600 & Rs.4800	--	AC 2 Tier	Same as above except AC Taxi
Rs.2400 & above but less than Rs.4200	--	First Class/AC 3 Tier/AC Chair Car	Rickshaw/Own Scooter/Motor Cycle/Moped/Any Public Bus except AC Bus
Below Rs.4200	--	First Class/AC 3	Rickshaw/Own Scooter/Moter Cycle/Moped/ ordinary Public Bus

112A

					Tier/AC Chair Car			
			<p>Note : In case of places not connected by rail, travel by AC Bus for all those entitled to travel by AC 2 Tier & above by train & by Deluxe/Ordinary bus for others is allowed.</p>					
	112B		<p>(a) (1) LTC advances can be taken up to 90% of the fare. Advance is admissible for both outward and return journey if the leave taken by the employee or the anticipated absence of members of family does not exceed 90 days. Otherwise, advance may be drawn for the outward journey only.</p> <p>(2) The employee should furnish Railway Ticket numbers, etc. to the competent authority within ten days of drawal of the advance.</p> <p>(3) Advance can be drawn separately for self and family.</p> <p>(b) (1) When advance is taken; the claim should be submitted within one month from the date of return journey. If not, outstanding advance will be recovered in one lump sum and the claim will be treated as one where no advance is sanctioned. Further, penal interest at 2% over and above, GPF interest rate will be charged on the entire advance from the date of drawal to the date of recovery.</p> <p>(2) When claim is submitted within the stipulated time unutilized portion of advance is not refunded, interest is chargeable on that amount from the date of drawal to date of recovery.</p> <p>(c) When no advance is taken, claim should be submitted within three months from the completion of return journey. Otherwise, the claim will be forfeited.</p>					
			<p>C. MEDICAL REMBURSEMENT CLAIMS</p>					
	113		<p>(a) The Central Services (Medical Attendance) Rules, 1944 are applicable to the employees of Kendriya Vidyalayas.</p> <p>(b) In amplification of the Medical Attendance Rules, it has been decided that for the purpose of the Kendriya Vidyalaya employees the term 'Government Hospital' shall include Cantonment Hospital, IIT Hospital and University Hospital in cases where the schools are situated in Cantonments, I.I.T. Campuses or University campuses respectively. In such cases, medical</p>				(f)	

		<p>attendance and treatment shall be taken from Medical Officers of corresponding rank attached to these hospitals.</p> <p>(c) The claims in respect of a particular spell of illness should be preferred within three months from the date of completion of the treatment as shown in the last essentiality certificate issued by the A.M.A. Any claim submitted after this time limit should not ordinarily be entertained. In exceptional cases, where operation of this sub-clause causes genuine hardship and where submission of the claim is delayed under circumstances beyond the control of the claimant, the bills should be sent to the Sangathan for pre-audit.</p> <p>(d) Medical reimbursement claims shall be preferred by employees in form CS 32 and disbursement made through the form of pay bill CS 14.</p> <p>(e) Medical claims not involving any complications may be paid without pre-audit.</p>	
		<p>D. CHILDREN'S EDUCATIONAL ALLOWANCE / HOSETL SUBSIDY</p>	
114		<p>(1) The following benefits are available to the employees of Kendriya Vidyalayas under the Scheme of Children's Education Allowance.</p> <p>(i) Children's Educational Allowance @ Rs. 1000/- per month for a child from Nursery to twelfth. Reimbursement is allowed once in every quarter. The amount claimed in a quarter could be more than Rs. 3000/- and another quarter less than Rs. 3000/- subject to the annual ceiling of Rs. 12000/- per child.</p> <p>(ii) The allowance will be admissible up to a maximum of two eldest surviving children at any time.</p> <p>(iii) Not admissible, if hostel subsidy is claimed.</p> <p>(iv) Year means academic year i.e. 12 months of complete academic session.</p> <p>(v) Reimbursement will be made on the submission of original receipts on the basis of self certification by the Sangathan employee.</p>	<p>CCS [RP] RULES 2008</p>

		<p>(vi) After the claim is scrutinized a formal sanction may be issued by the head of office for the reimbursement of the amount admissible restricted to the actual amount paid by the employee.</p> <p>(vii) Hostel subsidy of Rs. 3000/- per month per child is admissible if because of transfer a govt. servant is obliged to keep his child in the hostel of a residential school away from the station at which he is posted and / or residing. If the child is admitted into the hostel anticipation of his transfer, the subsidy is payable from the date of actual transfer. Subsidy is admissible, if the child could not be admitted immediately for genuine reasons and is admitted later on.</p> <p>(viii) The subsidy is payable from classes nursery to twelfth.</p> <p>(ix) Subsidy is not admissible to children attending day boarding, whether attached to schools or not. It is not admissible if children education allowance is claimed.</p> <p>(x) The annual ceiling fixed for CEA and hostel subsidy would be automatically raised by 25% every time the dearness allowance on the revised pay structure goes up by 50%.</p> <p>NOTE: Not admissible in respect of a child for whom Children Educational Allowance is drawn.</p> <p>(2) The above concessions are available to all Sangathan employees without any pay limit. However, if the spouse of the Sangathan employee is also employed elsewhere, the assistance shall be admissible only if the spouse is not entitled to the benefit from his/her employer and a declaration to the effect is furnished by the official.</p>	
115		<p>(1) The employee should submit his claim for hostel subsidy in prescribed form which contains certificate to be signed. This will be supported by a certificate in prescribed form to be signed by the head of the educational institution in which the child is admitted. On receipt of claim and the certificate the head of office will sanction the payment of hostel subsidy indicating the amount and the period of payment. Where the Sangathan employee is himself the head of the office, he shall furnish the claim / certificate to the next higher authority for reimbursement.</p>	

				CCS [RP] RULE S 2008
	115A		<p>All children of officers and men of the Armed Forces and Para-military personnel killed or disabled in action during 1962, 1965 and 1971 hostilities, who are Studying in Kendriya Vidyalayas, are entitled to the following concessions:-</p> <ul style="list-style-type: none"> (i) Complete exemption from tuition and other fees; (ii) Hostel charges in full for those putting up in hostels; (iii) Full cost of books and stationery; and (iv) Full cost of uniform. <p>To facilitate the identification of the children eligible for these concessions, the Record Office of the Armed Forces will issue entitlement cards to the concerned children. The entitled children will produce these cards to the Kendriya Vidyalaya concerned.</p> <p>(KVS No. F. 22-9/67-Adm. (SP) dated 11.2.1972</p>	
	116		<p>PERIOD OF LIMITATION FOR PERSONAL CLAIMS</p> <p>No personal claim in respect of which the relevant accounts records have been destroyed in the normal course should be entertained under any circumstances.</p>	
	117		<p>RECOVERY OF INCOME TAX</p> <p>As per section 192 of Income Tax act, any person responsible for paying any income chargeable under the head “Salaries” shall, at the time of payment deduct income tax on the amount payable at the average of income tax computed on the basis of the rates in force for the financial year in which the payment is made, on the estimated income of the assessee under this head for that financial year. It is thus the responsibility of the head of office / DDO being the authority for making payment of salaries of staff who deduct income tax from the salary every month on the basis of calculations at the rate prescribed every year.</p>	IT RULES

		<p>As per Rule 37 of the Income Tax Rules, every DDO is required to file quarterly return of tax-deduction in Form No. 24 15 days after the expiry of each quarter (76 days in the case of last quarter) by the end of 30th June, 30th September, 31st December and 31st March each year in respect of deductions made during the previous quarterly period. The quarterly return should be sent through computer media in accordance with Rule 31 – A. Failure to furnish the return may lead to a penalty of minimum of Rs. 100 and maximum of Rs. 200 per day of default under Section 272 – A of the Income Tax Act.</p> <p>Section 204 of the Income-tax Act, 1961 makes the disbursing officer responsible for the deduction of income-tax from out of the payments which are chargeable under the head salaries. The tax so deducted is required to be paid to the credit of the Central Government within a week from the date of such deduction unless special permission of the Income-tax Officer is obtained to pay the tax quarterly on the 15th of June, September, December and March.</p> <p>The income-tax is to be deducted at the rates in force during the financial year in terms of the Finance Act.</p> <p>A return of Income Tax deducted and deposited should be submitted to the Income Tax Officer. On or before the 30th April every year, a return giving full particulars of the salaries paid and tax deducted in the previous financial year should be submitted to the I.T.O. in the form prescribed by him. The assessee (employee) is also required to be furnished with a certificate of deduction of tax at source in the prescribed form, after the close of the financial year.</p> <p>It should be noted that there are penal provisions in the Income-tax Act for not making deduction of income-tax, not depositing the tax deducted at source within the prescribed time and not submitting the returns of deductions.</p>	
117A		<p>COURT ATTACHMENT</p> <p>The pay of a Sangathan employee is attachable by an order of the Court of Law and it is the duty of the officer receiving the attachment order to ensure that proper deduction is made in satisfaction of such an order from the pay of the employee concerned and the amount remitted to court. However, the entire salary cannot be attached. Certain allowances are wholly exempted and only a portion of the balance can be attached. The attachable portion also varies according to whether the decree is for maintenance or for other than maintenance.</p>	

Exempted Allowances: While subsistence allowance paid to a Sangathan employee under suspension is not liable for court attachment, the following allowances forming part of the emoluments have been declared as exempt, from time to time:-

- i. All kinds of travelling allowances.
- ii. All kinds of conveyance allowances.
- iii. All allowances granted for meeting the cost of uniforms and rations.
- iv. Allowances granted as compensation for higher cost of living in localities considered to be expensive localities including hill stations.
- v. All house rent allowances.
- vi. All allowances granted to provide relief against increased cost of living and dearness pay, which is really a part of the dearness allowance and treated as pay for certain specific purposes only.
- vii. A foreign allowance.
- viii. Children's Education Allowance whether described as such or as Children's Educational Assistance or in any other manner.
- ix. All amounts paid by way of reimbursement of medical expenses.

Amount Attachable. Out of the balance, the maximum amount attachable is calculated thus:

$$(a) \quad \text{Maintenance} \quad \frac{2(X-Y)}{3}$$

$$(b) \quad \text{Other than Maintenance} \quad \frac{(X-Y)-1000}{3}$$

Where X = Gross emoluments

Y = Aggregate of the allowance exempted.

Recovery. (1) The gross amount of pay and allowances should be drawn and the amount recoverable should be deducted at the time of actual disbursement of pay/leave salary. Only the net amount should be paid to the Sangathan employee.

(2) If the judgment- debtor does not sign the acquittance roll and wilfully allows his pay to remain undisbursed in order to evade payment on account of court attachment order, the disbursing officer will

		<p>be at liberty to draw the pay of the judgment-debtor in satisfaction of the attachment order and remit the amount so recovered to the court concerned.</p> <p>Remittance. As the disbursing officer is not entitled to deduct anything in excess of the amount specified in the attachment order subject to the limit prescribed, the amount realized less remittance charges alone should be remitted to the court. The debtor's liability will be deemed as discharged only to the extent of the net amount remitted to the Court. (In other words, the remittance charges are borne by the debtor.)</p> <p>Accounting. Amount recovered and paid to the court should not be brought into accounts, but should only be recorded in the acquittance rolls.</p> <p>Limitations and restrictions on attachments. In decrees for other than maintenance suit, when a portion of salary has been under attachment, whether continuously or intermittently for a total period of 24 months, that portion is exempt from attachment until the expiry of a further period of 12 months. When such attachment has been made in execution of one and the same decree for a total period of 24 months, such portion is finally exempt from the attachment in execution of that decree.</p> <p>When a fresh attachment order against a Sangathan employee is received during the currency of attachment of his pay on a previous one, recovery can be made up to the maximum limit prescribed. If this results in exceeding the limit, the Disbursing Officer should return the new order to the Court furnishing:</p> <ol style="list-style-type: none"> (a) Particulars of the existing attachment; (b) Particulars of the amount withheld and paid into the Court concerned up-to-date; and (c) Amount remaining uncovered. 									
118		<p>CASH HANDLING ALLOWANCE TO CASHIERS</p> <p>(a) Cash Handling Allowance is admissible at the following rates to LDCs / UDCs/Senior Clerks performing the duties of Cashier subject to the fulfilment of conditions enumerated below:-</p> <table border="1" data-bbox="495 1169 1442 1361"> <thead> <tr> <th>Amount of average monthly cash disbursed</th> <th>Rate per month Rs.</th> </tr> </thead> <tbody> <tr> <td>Upto Rs. 50,000/-</td> <td>150/-</td> </tr> <tr> <td>Over Rs. 50,000/- and up to Rs. 2,00,000/-</td> <td>300/-</td> </tr> <tr> <td>Over Rs. 2,00,000/- and up to Rs. 5,00,000/-</td> <td>400/-</td> </tr> </tbody> </table>	Amount of average monthly cash disbursed	Rate per month Rs.	Upto Rs. 50,000/-	150/-	Over Rs. 50,000/- and up to Rs. 2,00,000/-	300/-	Over Rs. 2,00,000/- and up to Rs. 5,00,000/-	400/-	<p>CCS [RP] RULES 2008</p>
Amount of average monthly cash disbursed	Rate per month Rs.										
Upto Rs. 50,000/-	150/-										
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Over Rs. 2,00,000/- and up to Rs. 5,00,000/-	400/-										

		<table border="1"> <tr> <td>Over Rs. 5,00,000/- and up to Rs. 10,00,000/-</td> <td>500/-</td> </tr> <tr> <td>Over Rs. 10,00,000/-</td> <td>600/-</td> </tr> </table> <p>Conditions:</p> <p>(i) The amount of allowance will depend on the average amount of monthly cash disbursed, excluding payments by cheques. The amount of receipts should not be taken into account.</p> <p>(ii) The allowance should be reviewed every financial year and sanctioned on the basis of the average amount of disbursements during the previous financial year.</p> <p>(iii) Every official appointed to work as Cashier, unless he is exempted by a competent authority, should furnish security of the required amount.</p> <p>(iv) The allowance will be ranted from the date of appointment as Cashier or from the date risk is covered through one of the accepted forms of security whichever is later.</p> <p>(v) Only one official should be allowed the allowance in one Kendriya Vidyalaya.</p>	Over Rs. 5,00,000/- and up to Rs. 10,00,000/-	500/-	Over Rs. 10,00,000/-	600/-	
Over Rs. 5,00,000/- and up to Rs. 10,00,000/-	500/-						
Over Rs. 10,00,000/-	600/-						
119		<p>ADVANCE OF T.A. ON TRANSFER</p> <p>When an employee is transferred from one school to another in Sangathan's interest and he is eligible for travelling allowance, he may at his option draw an advance equal to the amount of travelling allowance for himself and his family (as defined in the T.A. Rules). Advance to a temporary employee should be granted only on production of a surety bond from a require prior approval of the Sangathan. Any relaxation in this regard will require prior approval of the Sangathan. The advance may be drawn on the pay bill form (CS 14) and disbursed to the employee. The advance should be classified under the head 'Advances Recoverable' and shown in the Last Pay Certificate. Immediately on receipt of the L.P.C., the new school should reimburse the amount of the advance to the old school by means of a demand draft and classify the amount under the head 'Advances Recoverable' and this will clear the debit under that head. The new school will make a note of the advance in the Register of Recoveries in form CS 42 and watch the adjustment of the advance. The advance is to be adjusted by the employee immediately after completion of the transfer or on completion of the journey by the family of the employee concerned. When the T.A bill is submitted, the gross amount thereof should be charged to Pay And Allowances and the recovery credited to the head 'Advances Recoverable' to clear the debit outstanding under this head.</p>					

		<p>Advance of pay should not be drawn even in the case of transfer in Sangathan's interest. The employee transferred will draw from the old school his pay and allowances up to the date of transfer.</p> <p>Note: The transfer T.A. benefits will not be admissible w.e.f. the academic session 2000-2001 in case KVS employee is transferred on his/her own request for whatsoever reason. However, KVS employees who are transferred after completing their full tenure as prescribed from time to time to the place of their choice will be entitled for T.A. and transit. For example, Principals who cannot stay for more than 5 years at one place shall be entitled for TA and transit at the time of their transfer on completion of their tenure.</p>	
		PERSONAL ADVANCES	
	120	<p>(a) Advance for the Purchase of conveyance</p> <p>The grade of the employee who will be eligible for the grant of advance for the purchase of conveyance, the type of conveyance, the amount of advance and the conditions, on which the advance shall be granted, shall be subject to the policy of the Sangathan and instructions issued from time to time. In cases where advances are granted, the procedure prescribed in Paras 191 to 215 of General Financial Rules 1963 of Government of India should be followed mutatis mutandis.</p>	
	120A	<p>(b) House Building Advance</p> <p>The scheme for the grant of House Building Advance to the employees of the Sangathan was approved by the Board of Governors on 10.9.1976. It is based on the rules and orders issued by the Govt. of India for the grant of House Building Advance to the Central Government employees.</p>	
	121	<p>(c) Other type(s) of Advance(s)</p> <p>The type of advance, the grade of the employee who will be eligible for the advance, the amount of advance and the conditions on which the advance shall be granted, shall be subject to such general and specific instructions of the Sangathan as are issued from time to time.</p>	
	122	<p>PAYMENT OF PENSION AND LEAVE SALARY CONTRIBUTIONS</p> <p>In respect of deputationists from Central government Departments. State Governments, etc., pension and leave salary contributions as intimated by the Pay & Account Officer/Accountant General concerned, are payable. The contributions are to be met out of the funds for Pay and allowances and may be drawn through the form of pay bill. The following points in regard to the payment of the contributions should be noted:-</p>	

		<p>(i) The contributions are not payable during period of leave.</p> <p>(ii) The liability for leave salary devolves on the parent department. Whenever a Deputationist applies for leave, leave up to 120 days of Earned Leave can be sanctioned by the Principal or the Chairman, as the case may be under intimation to the parent department. For this purpose the Vidyalaya will maintain a leave account with reference to the extract of leave account of the employee which may be obtained from the parent department. The Vidyalaya will then make payment of the leave salary to the official concerned. Thereafter the Vidyalaya shall claim half-yearly reimbursement of leave salary so paid from the parent departments duly supported with details of the officials on deputation, nature and period of leave sanctioned, rate of leave salary and amount of leave salary paid. The half yearly reimbursement should be in respect of the period from 1st April to 30th September and 1st October to 31st March. Dearness allowance should be paid in respect of State Government deputationists on the probable rate of leave salary as per the State Government rate. As the case may be, (subject to adjustment, if necessary) while compensatory allowance should be paid at the rates drawn prior to proceeding on leave subject to a maximum of 120 days.</p>	
123		<p>DISBURSEMENT OF PAY AND ALLOWANCES</p> <p>The Principal, as the drawing and disbursing officer, is responsible to ensure that:</p> <p>(i) amounts due to employees of the school are claimed correctly in accordance with the rules and orders on the subject, and</p> <p>(ii) amounts claimed are disbursed to the proper person and proper acquittance obtained.</p> <p>Acquittance of the payees may be taken either on the office copies of bills or on separate Acquittance Rolls in form CS 18 if the number of members of staff exceeds 50. The Acquittance Rolls or the office copies of pay bills should be preserved in a guard file for audit purposes.</p> <p>Note: In case of payment credited directly to the bank account of the officers/staff, the acknowledgement of the bank branches for the cheque sent to them is to be watched by the Drawing and Disbursing officers. No formal acquittance is to be obtained from the Officers/Staff.</p> <p>This is in light of implementation of Rue 92-1 of Central Govt Account Receipts & Payment Rule 1983.</p>	

			Approved by the BOG of KVS in its meeting held on 03-12-2007 on the recommendation of Finance Committee of KVS in its meeting held on 27-11-2007.	
	124		<p>MAINTENANCE OF REGISTER OF BILLS</p> <p>In order to identify the bills that are en cashed from time to time a Register of Bills in the following form should be maintained wherein separate folios should be opened for each category, viz., pay and allowances, travelling allowance, leave travel concession, medical bills etc. Each category of bill may be distinguished by the indicative letter as PB for pay bill, TA for TA bill, MB for Medical bill and so on:</p>	
			<p>CATEGORY OF BILL</p> <hr/> <p>S. No. No. & Date of Bill Name of Claimant Date of Encashment</p> <hr/>	

Chapter – 11

SERVICE BOOKS AND LEAVE ACCOUNTS

Page No.	Article No.	Specific Reference	Proposed Amended Clause	
			A. SERVICE BOOKS	
	125		<p>Service book is a chronological and concurrent record showing the events of the official life of an employee. A service book has to be kept in respect of every employee other than an ad hoc employee recruited AGAINST purely temporary or officiating vacancy not likely to last for more than one year and is not eligible for permanent appointment.</p> <p style="text-align: center;">1) Detailed rules for maintenance of service book are contained in article 126 to 134.</p> <p style="text-align: center;">2) Service book of a Sangathan employee shall be maintained in duplicate. First copy shall be retained & maintained by the Head of the Office and the second copy should be given to the Sangathan employee for the safe custody as indicated below :-</p> <p style="text-align: center;">a) To the existing employees – within six months</p>	Swamy's Hand Book

		<p>b) To new appointees – within one month of the date of appointment.</p> <p>3) In January each year, the Sangathan employee shall handover his copy of service book to his office for updation. The office shall update & return it to the Sangathan employee within thirty days of its receipt.</p> <p>4) In case, the Sangathan employee's copy is lost, it shall be replaced on payment of a sum of Rs.500.</p>	
	126	<p>In all cases in which a service book is necessary under Article 125 above, such a book shall be maintained for an employee from the date of his / her first appointment in service. Service books should be maintained in the prescribed form. It provides for a photograph on first page and also the list of various certificates and attestations. This also provides for the detailed instructions for maintaining the service book. Every step in an employee's official life must be recorded in the Service book, and each entry must be attested by the Principal (Chairman or authorized officer in case of Principal). Every period of leave, suspension from employment and other interruption of service must be noted, with full details of its duration, through an entry made across the page of the service book and must be attested by the Attesting Officer.</p>	
	127	<p>Personal certificate of character must not, unless the Sangathan so directs, be entered in a service book, but if an employee is reduced to a lower substantive post, the reasons for the reduction must be briefly shown.</p>	
	128	<p>The Principal is responsible to see that a service book is opened in respect of every employee and to attest each entry therein and that the book contains no erasures or over-writing, all corrections being neatly made and properly attested. The Principal should also ensure that entries in respect of the following are invariably made in the service book and attested:-</p> <ul style="list-style-type: none"> (i) Educational qualifications acquired subsequently after recruitment. (ii) Production of medical certificate on initial appointment, increment, advance increment, postponement of increment, leave, transfer, crossing of bar, absence without authority, etc. (iii) Declaration regarding his / her not having contracted bigamous marriage. (iv) Declaration in respect of home town. (v) Option form should be collected from all new entrants who have joined after 1.1.2004 under New Pension Scheme. v (a) Application form for joining in Employees Welfare Scheme. (vi) GPF / CPF Account number. Filing of nominations for GPF / CPF and Group Insurance Scheme. 	

		<p>(vii) Details of family members filed by the employee.</p> <p>(viii) Filing of nominations regarding D.C.R. Gratuity and family pension together with related notices filed subsequently for changes in nomination for D.C.R. Gratuity and family pension.</p> <p>(ix) Entry regarding correctness of last pay and dearness allowance drawn by an employee for whom initial notices filed subsequently for changes in nomination for D.C.R. Gratuity and family pension.</p> <p>(x) Options exercised at the time of revision of pay scales.</p> <p>(xi) Descriptive particulars on 1st page of service book and entry of Date of Birth written are made both in words and figures.</p> <p>(xii) Character verification and antecedents entries.</p> <p>(xiii) Note of annual verification of services with pay bills.</p> <p>(xiv) Leave availed or debited in leave account and recorded in the body of the service book.</p> <p>(xv) Descriptive particulars are re-attested every 5 years.</p> <p>(xvi) L.T.C. availed of with reference to the respective block years.</p> <p>(xvii) Commuted leave allowed without Medical Certificate and joining report taken without Fitness Certificate should be specified that it was in conjunction with maternity leave etc.</p> <p>NOTE: The entries in respect of the periods of foreign service, if any, shall be made in the service book by the Finance Officer/Authorised Officer holding charge of Pension Section in the Sangathan.</p>	Change in Designations
	129	Service book is required to be shown to the employee every year and his signatures obtained. The employee will ensure that his services have duly been verified and certified as such, before affixing his signature.	
	130	The Original Service Book maintained in the Vidyalaya/Office should not be handed over to an employee in the event of his/her resignation or discharge. If the employee wants a certified copy of his service book, it may be supplied on payment of a copying fee of Rs. 500/-. The amount should be credited to miscellaneous income.	
	131	As soon as the financial year is over, the entries in the Service Book should be verified with reference to the paid acquittance rolls to see that all entries required to be made have actually been made and the following certificate should be recorded:- ‘Service from _____ to _____ verified with reference to paid Acquittance Rolls’.	

			This is very important from the point of view of settlement of pension. It is, therefore, essential to ensure that all non-qualifying periods of service, such as absence without authority, are not omitted to be entered in the Service book.	
	132		In the event of transfer of an employee, the service book should be brought up-to-date and transferred to the new school after making necessary entry regarding the transfer.	
	133		The Service books should be kept in the safe custody of the Principal.	
			B. LEAVE ACCOUNT	C.
	134		<p>A leave account in form CS 36 should be maintained and the same should be consulted before any member of the staff is sanctioned leave. The leave account should generally form part of the Service Book, but where there is no provision for it in the service book, the leave account should be maintained in a separate form and attached to the service book. The leave account should be posted in accordance with the leave rules applicable to the staff. When an employee return from leave, the leave account should be completed and the entries attested by the Principal (Chairman or Authorised Officer in the case of Principal). An entry should also be made in the Service Book as follows:-</p> <p style="text-align: center;">‘ _____ leave availed from _____ to _____ ’</p> <p style="text-align: right;">Signature of the Principal</p>	

Chapter – 12

VACATION AND ALLIED MATTERS

Page No.	Article No.	Specific Reference	Proposed Amended Clause	Remarks
	135		Vacation as distinct from short breaks (autumn break, winter break, which are as good as closed holidays) represents the period for which a school is treated as closed each year, generally after the annual examination is over. The timing and the period of the vacation is different for schools situated in the summer station, winter station, long winter station, A&N island and for KV Kathmandu. The timing of the vacation is as follows in the types of stations mentioned above:-	

		<p style="text-align: center;">Timing</p> <p>(i) Summer station</p> <p>1. Summer Station: 40 days during May & June (Jammu, Chandigarh, Dehradun, Sirsa, Delhi, Agra, Bhopal, Jaipur, Kolkata, Guwahati, Silchar, Tinsukia, Lucknow, Varanashi, Ranchi and Patna).</p> <p>2. Summer Station: 50 days during May & June. (Ahmedabad, Mumbai, Bangalore, Chennai, Hyderabad, Jabalpur, Raipur, Ernakulam and Bhubaneswar). (Ref. letter no.F.110334/2014-KVSHQ(Acad.) date 1.10.2013)</p> <p>(ii) Winter Station</p> <p>51 days during Dec. & Jan.</p> <p>(iii) Long winter Stations</p> <p>71 days during Dec., Jan. & Feb.</p> <p>(iv) A&N Island</p> <p>60 days during May-July</p> <p>(v) Kathmandu</p> <p>45 days during Dec. & Jan.</p> <p>The vacation and breaks should be observed in all the schools as per instructions received from the Sangathan before the commencement of the academic session.</p>									
	136	<p>The classification of staff as vacational and non-vacational is as indicated below:-</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><i>Vacational Staff</i></td> <td style="text-align: center; width: 50%;"><i>Non-Vacational Staff</i></td> </tr> <tr> <td>(i) All teachers, HM/VP excluding Principal</td> <td>(i) Principal</td> </tr> <tr> <td>(ii) Librarian</td> <td></td> </tr> <tr> <td>(iii) All Sub Staff</td> <td>(ii) Ministerial Staff</td> </tr> </table>	<i>Vacational Staff</i>	<i>Non-Vacational Staff</i>	(i) All teachers, HM/VP excluding Principal	(i) Principal	(ii) Librarian		(iii) All Sub Staff	(ii) Ministerial Staff	
<i>Vacational Staff</i>	<i>Non-Vacational Staff</i>										
(i) All teachers, HM/VP excluding Principal	(i) Principal										
(ii) Librarian											
(iii) All Sub Staff	(ii) Ministerial Staff										
V	137	<p>Admissibility of Vacation Pay to Teachers and other staff categorized as “Vacational”.</p> <p>(1) The teachers and other staff of Vidyalaya who have been classified as Vactional and who are not called for duty during the long vacation (Summer / Winter / Monsoon) shall be entitled to Vacation Pay only when they have actually worked for a minimum period of five</p>									

		<p>months during the period of 12 months immediately before the start of vacation (Summer / Winter / Monsoon).</p> <p><i>Note:</i> No leave other than Maternity leave shall be taken into account for calculating the aforesaid period of five months.</p> <p>(2) Teachers appointed on contractual / ad hoc basis and part-time-teachers shall not be entitled to any Vacation Pay.</p> <p>(3) The Commissioner shall have full powers to issue such instructions and directions as may be necessary for implementation of the aforesaid provision.</p>	
	138	Local appointments to vacant posts should not be made just before the vacation, unless there are strong reasons therefore and the same is approved by the Sangathan.	
	139	In order to facilitate administrative arrangements, the vacational staffs are required to be on duty on the last working day before the vacation and on the first working day after the vacation. This rule can be relaxed only in exceptional circumstances such as leave on medical certificate. Cases other than leave on medical certificate should be reported to the Regional Officer along with the written explanation of the staff member for regularization. Pending the orders of the Regional Officer, there is no objection to draw the vacation pay in such cases provisionally.	
	140	Vacation can be combined with casual leave but not with special leave or compensatory leave or terminal leave. Vacation can, however, be combined with regular leave, provided prior sanction for the leave is obtained, in such cases, vacation pay, i.e. pay that would have been drawn had the staff member been on duty, can be drawn for the period of vacation and for the period of leave taken in combination; leave salary as per leave rules will be admissible. In the rare case, wherein vacation is both prefixed and suffixed by leave, the leave salary for the latter spell of leave will be the same as that for the former spell.	
	140 A.	No leave of any kind including casual leave shall be sanctioned to the staff (teaching and non teaching) including the Principals in conjunction with breaks (autumn and winter). However, where leave has been taken on medical ground supported by medical certificate from the Authorised Medical Attendant or Civil Surgeon, or due to the circumstances beyond control of the individual concerned, e.g. natural calamities or disruption of means of communication etc., leave of kind due (and not casual leave) may be sanctioned by the Deputy Commissioner, in conjunction with breaks at his / her discretion subject to the production of proof to the satisfaction of the Deputy Commissioner concerned. In other cases, the whole	

		period including the break will have to be treated as leave of the kind due, apart from any other action which the Deputy Commissioner may decide to take action against the defaulting employee.	
	141	Vacation counts as duty but, for the calculation of Compensatory Allowances, vacation should be treated as on leave if it is combined with leave. The result of this is that Compensatory Allowances (HRA, Hill Compensatory Allowance, Winter Allowance, etc.) will be admissible for a maximum period of 180 days leave combined with vacation.	
	142 (1)	Vacational staff has been permitted to earn 20 days half pay leave during a year w.e.f. 01.09.2008. The leave account of the member of vocational staff in a Kendriya Vidyalaya shall be accordingly credited in advance with half pay leave in two instalments of 10 days each on the first of January and July of every calendar year. The credit will be at the rate of 5/3 days for each completed calendar month of service which they are likely to render during that particular half year in the cases (i) employees appointed during the half year and (ii) employees retiring / resigning during the half year. The credit to be afforded will be reduced by 1/18th of any period of extraordinary leave and / or dies non during the previous half year subject to a maximum of 10 days. When a person is appointed or has ceased to be in service, the credit of HPL for that half-year will be allowed at 10 / 6 days of HPL for each completed month of service likely to be rendered in that half-year.	CCS [RP] RULES 2008
	142 (2)	<p>The vocational staff who are put on duty, i.e. whether deputed on refresher course or otherwise, during vacation shall be entitled to the following compensation:-</p> <p>Temporary staff during the first Year of service. Nil</p> <p>Temporary staff during the second and subsequent year of service and permanent staff, 3 / 5 of the duty rendered during the vacation will be credited as Earned leave, provided that duration of such duty is not less than 10 days.</p> <p><i>Note:</i> 1. Teachers who attends in-service course, etc. during short breaks would be allowed earned leave in lieu thereof @ 3/5 duty rendered during the break, if the duration of such duty is not less than 10 days. However, when the duration is less than 10 days, they may be allowed Compensatory Leave for each working day to be utilized within one month.</p>	On dated 14.03.2005

		<p>2. The service of Vice-Principal may be utilized during a part of vacation at the discretion of the Principal and the Deputy Commissioner. Half the period of vacation may be treated as duty period for the Vice-Principal, for which he will earn leave in accordance with the provisions of the rules, i.e. 3 / 5th of the duty performed will be credited as Earned Leave.</p>	
	142 (3)	<p>If in any year, a member of vacation staff does not avail of any vacation or is prevented from enjoying more than 15 days of vacation, earned leave will be admissible to him for that year as to an employee of a Non-vacation Department.</p> <p><i>Note:</i> 1. The non-availing of vacation should be due to a general or a special order of a higher authority asking him to forego the vacation.</p> <p>2. The non vacational staff in Kendriya Vidyalayas will not be entitled to avail autumn and winter break except Sundays and gazetted holidays falling during the period (w.e.f.16.1.2003)</p>	
	142 (4)	No earned leave will be admissible to the vacational staff w.e.f 01.09.2008.	CCS(RP) Rules 2008
	142 (5)	The facility of crediting unavailed portion of joining time (under Art. 12) is also admissible to vacational staff.	
	143	Vacation cannot be substituted for the notice period to be given by the staff who wishes to resign their appointment, since it amounts to evasion of rules.	
	144	<p>As a result of the reclassification of the staff as vacational and non-vacational from time to time, the following principles in regard to the calculation of Earned Leave have been adopted:-</p> <p>(i) An employee, who has been reclassified as non-vacational, will be credited with earned leave from the date of such classification in the manner applicable to non-vacational staff recruits during the course of half year of a particular calendar year.</p> <p>(ii) In respect of new recruits (non-vacational) appointed during the course of half year of a particular calendar year, Earned Leave should be credited at the rate 2-1/2 days (two and half days) for each completed calendar month and the fraction of a day will be rounded off to the nearest day.</p>	

			(iii) The Earned Leave, if any, credited to the leave account due to vacation not enjoyed under the rules in force may, however, be carried over for the purpose of working out the leave at credit on reclassification.	
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Chapter – 13

ACCOUNTING IN RESPECT OF PROVIDENT FUND

Page No.	Article No.	Specific Reference	Proposed Amended Clause	
	145		The employees of Kendriya Vidyalaya Sangathan are covered by the benefits available under the Kendriya Vidyalaya Sangathan (Employees) Provident Fund Rules, 1975. The Kendriya Vidyalaya Employees Provident Fund constituted there under is vested in and managed by the Sangathan in accordance with the Rules mutatis mutandis of General Provident Fund (Central Services) Rules 1960 and Contributory Provident Fund Rules (India) 1962, as amended from time to time.	
	146		The Provident Fund accounts in respect of Kendriya Vidyalayas up to 31.03.1998 were maintained by Kendriya Vidyalaya Sangathan Headquarters Office. Ledger accounts in respect of the Provident Fund subscribers both GPF as well CPF are required to be maintained thereafter by the Regional Offices in respect of teaching and non-teaching staff in the Kendriya Vidyalayas under the jurisdiction of the respective offices and also in respect of the staff working in the Regional Offices w.e.f. 01.04.1998.	
	147		<p>(i) The employees of the Kendriya Vidyalaya Sangathan joining service on or after 01.01.1986 to 31.12.2003 are eligible for terminal benefit of only Pension-cum-General Provident Fund.</p> <p>Note: - (i) Option for the Contributory provident Fund Scheme dispensed with except in the case of re-employed pensioners and / or persons employed on contract basis who subscribe to this fund as per the term of contract; and that the existing CPF beneficiaries on 01.01.1986 be deemed to have come over to the Pension Scheme, except those who had opted to continue under it, as per the decision taken in 51st Meeting of the Boards of Governors held on 31.05.1988. (Circulated vide KVS OM. No. F.152-1/79-80/KVS/Budget/Part-II dated 01.09.1988).</p>	

	147A		Deleted	
	148		<p>Rates of Subscription:</p> <p>(1) The amount of subscription shall be fixed by the subscriber himself, subject to the following conditions, namely:-</p> <p>(a) It may be expressed in whole rupees;</p> <p>(b) It may be any sum, so expressed not less than 6% to General Provident fund and 10% to Contributory Provident Fund of his emoluments and not more than his total emoluments.</p> <p>Provided that in the case of subscriber who has switched over from Contributory Provident Fund to General Provident Fund; then at the rate not less than 10% of his emoluments and not more than his total emoluments;</p> <p>(a) When an employee elects to subscribe at the minimum rate of 6 per cent or 10%, as the case may be, the fraction of a rupee will be rounded off to the nearest whole rupee, 50 P counting as the next higher rupee.</p> <p>(2) For the purpose of sub-article (i) the emoluments of a subscriber shall be:</p> <p>(a) In the case of a subscriber who was in Sangathan service on the 31st March of the preceding year, the emoluments to which he was entitled on that date; Provided that:-</p> <p>(i) It the subscriber was on leave on the said date and elected not to subscribe during such leave or was under suspension on the said date, his emoluments shall be the emoluments to which he was entitled on the first day after his return to duty;</p> <p>(ii) If the subscriber was on deputation out of India on the said date or was on leave on the said date and continues to be on leave and has elected to subscribe during such leave, his emoluments shall be the emoluments to which he would have been entitled had he been on duty in India;</p> <p>(b) In the case of subscriber who was not in Sangathan service on the 31st March of the preceding year, the emoluments to which he was entitled on the day he joins the Fund.</p>	

(3) The subscriber shall intimate the fixation of the amount of his monthly subscription in each year in the following manner:-

- (a) If he was on duty on the 31st March of the preceding year, by the deduction which he makes in this behalf from his pay bill for that month;
- (b) If he was on leave on the 31st March of the preceding year, and elected not to subscribe during such leave, or was under suspension on that date, by the deduction which he makes in this behalf from his first pay bill after his return to duty;
- (c) If he has entered Sangathan's service for the first time during the year, by the deduction which he makes in this behalf, from his pay bill for the month during which he joins the Fund;
- (d) If he was on leave on the 31st March of the preceding year, and continues to be on leave and has elected to subscribe during such leave, by the deduction which he causes to be made in this behalf from his salary bill for that month;
- (e) If he was on foreign service on the 31st March of the preceding year, by the amount remitted by him to the Sangathan on account of subscription for the month of April in the current year;

(4) The amount of subscription as fixed may be:

- (a) Reduced once at any time during the course of the year;
- (b) Enhanced twice during the course of the year; or
- (c) Reduced and enhanced as aforesaid.

Provided that when the amount of subscription is reduced, it shall not be less than the minimum prescribed in sub-article (1).

Provided further that if a subscriber is on leave without pay or leave on half pay or half average pay for a part of a calendar month and he has elected not to subscribe during such leave, the amount of subscription payable shall be proportionate to the number of days spent on duty including leave, if any, other than those referred to above.

149

(i) All subscribers to the Contributory Provident Fund shall simultaneously be paid management share (Sangathan's contribution) to their account at the prescribed rates, which shall be equal to the amount (a) actually subscribed by the employee during the year or (b) 10% of the yearly emoluments drawn or (c) emoluments as on preceding 31st March, whichever is less.

(ii) The management share may be claimed through the pay bill and deducted at the end to facilitate the net disbursement of pay and allowances. The employees' share of Provident Fund should be deducted before disbursing the pay and allowances.

(iii) Separate schedules should be prepared by the Vidyalayas every month in support of CP Fund and GP Fund transactions. The credit schedules for CP Fund will reflect both the total amount of employees' subscriptions and Management's contributions. Monthly credit and debit schedules in support of monthly PF transactions should then be sent to the Regional Office so as to reach there before the 10th of the month.

(iv) KVS Regional Offices would summarize the monthly schedules received from various Vidyalayas and send a monthly summary of their GPF and CPF credits and debits (including the figures in respect of staff working in the Regional Office) to the KVS Headquarters by the 15th of every month under the following heads:-

Sl. No.	Name of K.V. Etc.	CREDITS		DEBITS		NET			
		GPF		CPF		ADDITIONS			
	Subscription	Refunds	Subscription	Refunds	Mgt. Share	Total			
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.

149A

(a) The Regional Office will maintain a General Index Register in respect of all Provident Fund Accounts – GPF as well as CPF pertaining to the subscribers of its jurisdiction. For all fresh cases of

admission to the Fund, Account Numbers should be assigned therein with a prefix indicating distinctly the Vidyalaya or the office to which the subscriber belongs.

(b) The following instructions shall be scrupulously followed to ensure proper accounting of Provident Fund transactions in the Regional and Sangathan Offices:-

- (i) Kendriya Vidyalayas in the Civil and Defence Sectors would send the monthly GPF and CPF schedules showing the GPF / CPF deductions (subscriptions as well as refunds of the advances) made from the salary of the individual subscribers to the KVS Regional Offices by 7th of the succeeding month and not to the KVS Headquarters.
- (ii) No deduction of any employee may be made without getting the account number allotted from the Regional Office and correct Fund account number allotted to each of the subscribers should be quoted in the schedule.
- (iii) Kendriya Vidyalayas in the Project Sector and Institutions of Higher Learning would also send the demand drafts along with the schedule to the KVS Regional Office since gross salary in respect of their staff is directly provided by the project authorities. However, if necessary funds are being remitted by the Project Authority through the Regional Office, the procedure meant for civil sector Kendriya Vidyalayas shall be followed.
- (iv) The Principals of the Kendriya Vidyalayas and Deputy Commissioner, KVS Regional Offices shall be personally responsible to ensure that the details of employees and corresponding credits / debits viz. subscriptions, refund of advances withdrawals and advances out of Provident Fund, are correctly indicated in the PF Schedules every month so that totals in the schedules agree with the totals in the salary sheets prepared at Vidyalayas and Regional Offices levels in respect of the KVs and ROs respectively.
- (v) Broadsheets in respect of all Provident Fund accounts shall be maintained by the respective Vidyalayas and closed every year by the succeeding 20th April. A reconciliation statement may also be prepared by the KVs on quarterly basis and forwarded to the concerned Regional Offices by 15th July of the year for the

			quarter ending April to June and by 15 th October, 15 th January and 15 th April for the succeeding quarters.	
	149B		<p>As no demand drafts are required to be sent by the Vidyalayas in the Civil and Defence sectors to the Regional Offices / Sangathan Office along with the monthly schedules in support of GPF / CPF subscriptions and refunds of advances from the salaries, the following transfer adjustments shall be made in accounts at the school and Regional levels:-</p> <p>When monthly schedules are forwarded by the KV to the RO.</p> <p>When salary bills are passed for payment, the provident fund deductions are initially booked as a credit under the Remittance head Remittance originating in the Vidyalaya – GPF / CPF. Similarly GPF / CPF payments are initially booked as debits under the remittance head.</p> <p>When the monthly Provident Fund schedules will be forwarded by the Vidyalaya to the Regional Office, the amounts standing as credits and debits under this head shall be cleared and the net amount booked as Remittance from the KVS (HQ).</p> <p>When monthly summary of Provident Fund schedules is forwarded by the Regional Office to KVS (HQ).</p> <p>Transfer advice will be sent by the RO whereby KVS (HQ) will treat the net amount of unit-wise GPF / CPF credits and debits for the region as PF receipts and book corresponding amounts as remittance of funds to various KVs etc. in the HQ accounts.</p> <p>It is on the basis of these advices that KVS (HQ) will transfer funds in respect of GPF and CPF receipts from the General Account to the Provident Fund Account before the end of each month.</p>	
	149C		<p>As soon as monthly provident fund schedules are received in the Regional Office, all deposits and withdrawals shown therein should be posted in the respective ledger accounts. Thereafter the regional broadsheet should be posted direct from the ledger, and not from the schedule vouchers. Separate pages may be earmarked in the broadsheet, school wise and Account Number-wise and necessary consolidation in respect of both credits and debits done at the end. This consolidated broadsheet should be closed by the 20th of the month to arrive at the aggregate of the monthly Provident Fund transactions of the region in terms of the net amount which is transferable from the General Funds of the Sangathan</p>	

		to the Provident Fund Account. It should tally with the figures already advised to the KVS Headquarters through the monthly summary of PF transactions of the region vide Article 149 (iv).	
	150	<p>Transfer of Accounts</p> <p>In respect of employees getting transferred from one Kendriya Vidyalaya to another within the same region, there would not be any problem as the ledger accounts would not be any problem as all the ledger accounts would be maintained at the RO level. However, in the case of employees, getting transferred from one Region to another, it would be the responsibility of the RO from where the employee is getting transferred to another RO to raise a transfer advice along with Last Pay Certificate (LPC) under intimation to KVS Headquarters indicating the last closing balance as on 31st March, further credits month-wise in the account of the employee and also the interest up to the date has been credited in the balance e.g. if an employee gets transferred from 01.09.1999 from RO Patna to say RO Guwahati, the RO Patna can issue transfer advice indicating provident fund balance of the employee as on 31.03.1999, credits by way of subscriptions and refunds etc. during the months from April to August, 1999, any advances and withdrawals taken by the employee, the interest which had been included in the balance up to the period i.e. 31.03.1999 in this example. On receipt of the transfer advice from another RO the RO in which the employee has been transferred would start maintaining the account from the month in which the subscriptions are being credited in the accounts of the employees. Interest also for the full financial year would be credited by the RO in which the employee is working as on 31st March every financial year.</p>	
	150A	<p>Conditions of Subscription</p> <p>(i) A subscriber shall subscribe monthly to the Fund except during the period when he / she is under suspension.</p> <p>Provided that a subscriber may, at his option, not subscribe during leave which either does not carry any leave salary or carries leave salary equal to or less than half pay.</p> <p>(ii) Provided further that a subscriber on reinstatement after a period passed under suspension shall be allowed the option of paying in one lump sum, or in instalments nay sum not exceeding the maximum amount of arrear of subscription payable for that period.</p>	

			The subscriber shall intimate his election not to subscribe during the leave referred to in the first proviso to sub-rule (1). Failure to make due and timely intimations shall be deemed to constitute an election to subscribe.	
	150B		<p>Contribution by Sangathan (Management Share) to CPF subscribers only:-</p> <p>(i) (a) The Sangathan shall contribute monthly in whole rupees tentatively equal to 10 per cent of emoluments on preceding 31st March to the Fund account of each subscriber. However, to keep the amount of yearly contribution within the limitation as given Article 149 (1), adjustment shall be done to claim payment of management share through the pay-bill of February payable in March, the last of 12th Monthly contribution during the year.</p> <p>(b) For the purpose of interest, the contribution should be deemed to have been made from the 31st March of each year, although permitted to be drawn monthly for payment to subscribers fund accounts.</p> <p>(ii) No contribution is payable in respect of any period for which the subscriber does not subscriber to the Fund. Further, if through oversight or otherwise, the amount subscribed is less than the minimum subscription payable by the subscriber the amount of contribution shall be restricted to the amount actually subscribed.</p>	
	150C		<p>Interest</p> <p>Sangathan shall pay to the credit of the account of a subscriber interest at such rate as Government of India may from time to time prescribe for payment of interest to subscribers of Government Provident Fund. While making final payment, interest shall be payable up to the end of the month preceding that in which payment is made or up to the end of the sixth month after the month in which such amount become payable whichever of these period is less.</p> <p>The rate of interest shall be as decided by the Kendriya Vidyalaya Sangathan from time to time but shall at no time exceed rate fixed by the Government of India.</p>	
	150D		Deposit Linked Insurance Scheme for Subscribers to the Provident Fund.	

With a view to providing extra social security to families of the subscribers to the Provident fund in Kendriya Vidyalaya Sangathan, and a positive incentive to the employees to save more, the provision of "Deposit Insurance Scheme" introduced by the Government of India for their employees shall apply mutatis mutandis to subscribers of GPF / CPF of the Sangathan. The main features of the scheme are as follows:-

- (i) On the death of a subscriber in service, the persons eligible to receive, Provident Fund balance in terms of the relevant rules will be sanctioned an additional amount equal to the average balance in the Fund during the 36 months immediately preceding the death of the employee subject to the provisions in sub rule (ii) below.
- (ii) In the case of Contributory Provident Fund, only the subscription of the employee with interest thereon will be taken as the balance for the purpose of the scheme.
- (iii) (a) The Balance in the account of Sangathan employees should not have fallen below the following limits at any time during three years preceding the date of death.

GPF (VIth Pay Commission Scale)		*CPF (Pre-Revised Scale)	
If the subscriber was drawing	Minimum monthly balance during the period	If the subscriber has held for the greater part of the aforesaid three years a post, the maximum of the pay scale of which is	Minimum monthly balance during the period
	Rs.		Rs.
Grade Pay of Rs.4800 P.M. or more	25,000	Rs.4000 or more	12,000
Grade Pay of Rs.4200 P.M. or more but less than 4800	15,000	Rs.2900 to Rs.3999	7,500
Grade Pay of Rs.1400 P.M. or more but less than 4200	10,000	Rs.1151 to Rs.2899	4,500
Grade Pay less than Rs.1400 P.M	6,000	Below Rs.1151	3,000

*Revised rates based on Sixth Pay Commission pay scales awaited for CPF.

(b) The upper limit up to which the benefit of insurance cover will be available will be Rs. 60,000/- in case of GPF subscribers and Rs. 30,000/- for CPF. Thus the amount in excess of this limit will be disregarded for the purpose of the extra benefit.

(c) The benefit will be admissible only if an employee has put in at least five years of service at the time of death.

			<p>The period of three years for calculation of benefit under the scheme shall be computed backward from the month preceding the month in which death occurs.</p> <p>The post which an employee was holding for the greater part of the aforesaid period of 36 months shall be taken for the purpose of minimum balance in the account of a subscriber who had held post / posts borne in different groups during 36 months immediately preceding that month.</p> <p>Notes: (1) The interest credited to the amount of the subscriber shall be taken into account check that the minimum prescribed fund balance has been maintained.</p> <p>(2) The average balance for this purpose shall also include the amount of interest up to the month preceding the month in which death occurs.</p>	
151			<p>Advance</p> <p>A subscriber who requires an advance from his fund account should apply in form CS – 44. The application should be scrutinized to see whether:-</p> <p>(i) The advance is permissible for the purpose mentioned therein,</p> <p>(ii) The advance does not exceed the subscriber’s own subscriptions plus interest thereon lying to the credit in his account (half the balance in his account including interest, in case of General Provident Fund account) or three month’s pay, whichever is less, and</p> <p>Note: - Sanction be issued in Form CS 44A.</p> <p>(iii) If the application is for a second advance whether the complete repayment of the first advance has been made unless the approval of the Sangathan is taken for relaxing the conditions. Where an advance is sanctioned before repayment of last instalment of any previous advance not recovered, the same shall be added to the advance so sanctioned and the instalment for recovery shall be fixed with reference to the consolidated amount.</p> <p>(iv) The amount of the advance, if admissible, is to be sanctioned by the competent authority (Principal in the case of staff subordinate to him and the Deputy Commissioner in the</p>	

			case of Principal) duly specifying the number of instalments of repayment. The GPF / CPF advance will be paid initially from the monthly fund collection in the School Fund.	
	152		<p>Part Final Withdrawal</p> <p>When a subscriber requires to make a withdrawal from the fund he should apply for the same in form CS – 45. The application should be examined to see whether:-</p> <ul style="list-style-type: none"> (i) The subscriber has completed fifteen years of continuous service or has less than ten years of service for retirement, as the case may be, (ii) The withdrawal is permissible for the purpose mentioned therein, and (iii) The withdrawal does not exceed one half of the amount of subscription plus interest thereon standing to the credit of the subscriber or six months pay whichever is less unless relaxation for enhancing the limit of one half to three fourth is considered necessary by the sanctioning authority with due regard to his object of withdrawal, status of the subscriber and the amount of his credit in the fund. <p>The Principal shall be responsible to ensure that within the period specified in the sanction proper proof of utilization of the amount withdrawn is produced to his satisfaction, or else the whole of the amount withdrawn or the unutilized amount thereof should be asked to be refunded in one lump sum by the subscriber to the fund and in default of such payment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in lump sum or in such number of monthly instalments, as may be determined by the competent authority.</p>	
	153		<p>(a) A subscriber who wants to convert an advance into a final withdrawal under the Provident Fund Rules should apply in form CS-46. The sanctioning authority on his satisfying about the necessary conditions for final withdrawal will issue a formal sanction for the purpose.</p> <p>(b) In respect of every advance, a note should be kept in the Register of Provident Fund for the purpose of watching its repayment. A note should also be kept in respect of every withdrawal and conversion.</p>	
	154		<p>The Principals of Kendriya Vidyalayas have been empowered to sanction and disburse provident fund advances and withdrawals as under:-</p> <p>(a) All advances including amalgamation of advances / part-final withdrawals subject ceilings and fulfilment of terms and conditions of the Provident Fund Rules.</p>	

			(b) Funds for disbursement of advances/part final withdrawals will be released by the Regional Offices of Kendriya Vidyalaya Sangathan/KVS HQ.	
	155		<p>Final Payment of Accumulations in the Fund</p> <p>(1) When a subscriber quits Sangathan's service, the amount standing to his credit in the Fund shall become payable subject to any deduction from Sangathan's contribution in the case of CPF to him.</p> <p>Note:-</p> <p>(i) A subscriber shall be deemed to have quit the service from the date of compulsory retirement or any expiry of extension of service.</p> <p>(ii) A subscriber shall not contribute to the fund for the month in which he quits service unless before the commencement of the said month, he communicates in writing his option to subscribe for this month.</p> <p>(2) No deduction can be made from GPF balances. As regards CPF, the following amounts may be deducted and assumed by the Sangathan from the contributory portion (Management share with interest thereon) only.</p> <p>(i) Any amount under liability incurred by a subscriber to the Sangathan.</p> <p>(ii) All amounts representing contribution and interest thereon if the subscriber within first five year of the commencement of his service resigns from service or ceases to be an employee under Sangathan other than by reasons of (i) death (ii) superannuation or (iii) declaration by a competent medical authority that he is unfit for further service or the (iv) abolition of the post or reduction of establishment.</p> <p>(iii) All amounts representing contribution and interest thereon if the subscriber is dismissed from service.</p>	

		<p>(3) Where a subscriber dies before the amount standing to his credit has become payable, or when the amount has become payable but death has occurred before payment the procedure contained in GPF Rule 37 or CPF Rule 35 should be followed.</p> <p>(4) When the amount standing to the credit of a subscriber in the Fund becomes payable, necessary application on his behalf should be submitted in the prescribed form through the Principal or Head of the Office who shall forward it to the Finance Officer indicating the advance withdrawals taken and particulars of latest subscription and recoveries etc. (Also deduction if any in case of CPF). The Finance Officer shall normally arrange payment through the Principal / Head of the Office.</p> <p>(5) When the amount standing to the credit of a subscriber in the fund is to be transferred to the other department, necessary application should also be accompanied by an application, in duplicate in CS 45C.</p>	
	156	In the event of death of a subscriber, the amount standing to the credit of his Provident Fund Account should be withdrawn and paid to the nominee or nominees or eligible person(s) in terms of Provident Fund Rules.	
	157	<p>Every year, the annual statement of GPF / CPF, containing the opening balances, remittances made during the year, the interest allowed, and the closing balances will be sent to Principal / Dy. Commissioner in a consolidated form for supply to each subscriber working in his Vidyalaya / Office. After receipt of the statement the subscriber should verify the correctness with the entries made in the Pass Book and notify the correctness / discrepancy if any to the Accounts Officer Kendriya Vidyalaya Sangathan within one month through his head of office.</p> <p><i>Note:</i> The practice of forwarding the annual statements to individual's subscriber's stands discontinued where the system of pass-books, both for GPF and CPF has been introduced. The entries of monthly subscription, refund, etc, should be entered as per the instructions printed on the back of pass-books supplied to each subscriber.</p>	
	158	The document of admission to the G.P.Fund – C.P.Fund where necessary and account number allotted should be kept in the personal file of the employee and the nomination form should be pasted in his / her service book.	
	158A	Annual Accounts Returns	

			<p>The annual accounts of KVS Employees Provident Fund comprising of GPF and CPF transactions are consolidated in the Sangathan Office. To facilitate its timely consolidation, it is imperative on the part of the Principal that necessary material and information connected therewith in respect of his / her Vidyalaya is furnished in the following proformae through the respective Deputy Commissioner so as to reach the Sangathan Office by 20th April:-</p> <p>STATEMENT I (Form CS – 46 A) – Outward Remittances</p> <p>Part I (a) Month-wise Transactions (GPF) (b) Details of Advances (GPF)</p> <p>Part II (a) Month-wise Transactions (CPF) (b) Details of Advances (CPF)</p> <p>STATEMENT II (Form CS – 46 B) – Reconciliation in respect of Remittances.</p> <p>STATEMENT III (Form Cs – 46 C) – Advances paid out of School Fund but not recouped till 31st March.</p>	

Chapter – 14

PENSION SCHEME

Page No.	Article No.	Specific Reference	Proposed Amended Clause	Remarks by KVS(HQ)
	159		The Pension Scheme for the employees of the Sangathan which came into effect from 2 nd April, 1968, is the same as applicable to the Central Government Employees. As such, CCS (Pension) Rules, 1972 as revised and amended from time to time are applicable mutatis mutandis to Sangathan employees who opt for the GPF-cum-Pension benefits.	

	159A		<p>The benefits which accrue under the pension scheme comprise:-</p> <p>(i) Pension, which is a recurring monthly payment payable on retirement after completion of qualifying service of not less than ten years.</p> <p>(ii) Service Gratuity, which is lump sum payment payable in the event of retirement after completion of qualifying service of less than ten years.</p> <p>(iii) Death-cum-retirement gratuity, which is a lump sum payment payable on retirement or on death to the approved nominee / claimant on the death of an employee, for a specified period.</p> <p>(iv) Compassionate allowance, which is payable only in exceptional circumstances to an employee who has been dismissed or removed for misconduct, insolvency or inefficiency.</p>	
	159B		<p>Extent of Pensionary Benefits</p> <p>(a) Full Pension is admissible to an employee with qualifying service of not less than twenty years. The amount of pension will be 50% of the average emoluments or the pay last drawn whichever is more beneficial to the employee.</p> <p>In cases where an employee becomes entitled for pension on completion of 10 years of qualifying service in accordance with Rule 49 (2) CCS (Pension) Rules 1972, pension in those cases shall also be paid at 50% of the emoluments or average emoluments, whichever is more beneficial to the employee. .</p> <p>NOTES:</p> <p>(1) Qualifying service commences from the date of a Sangathan employee takes charge of the post to which he / she is appointed in a permanent capacity. Temporary service followed by confirmation without interruption will also qualify.</p> <p>(2) Average emoluments is the average of the emoluments drawn during the last ten months of service. Emoluments in this context include only 'basic pay' [Band Pay + Grade Pay] (substantive or officiating) and stagnation increments, if any.</p> <p>(b) Service Gratuity shall be calculated at the rate of half month's emoluments for every completed six-monthly period of qualifying service and is paid in lump sum in lieu of pension to a permanent employee</p>	<p>CCS [RP] Rules 2008</p>

who retires before completion of 10 years' qualifying service. Emoluments include DA admissible on the date of retirement.

(c) **Retirement Gratuity** is admissible to permanent employees who retire after completion of 5 years of qualifying service at the rate of 'one-fourth' of emoluments for each completed six-monthly period of qualifying service subject to a maximum of 16-1/2 times 'emoluments' or **Rs. 10.00 lakhs [w.e.f. 01-012006]**, whichever is less. Emoluments include DA on the date of cessation of service.

(d) **Death Gratuity** is admissible in the case of death in service of an employee at the following rates:-

Length of Service	Death Gratuity payable to family
(i) Less than one year	2 times of emoluments
(ii) One year or more but less than 5 years	6 times of emoluments
(iii) 5 years or more but less than 20 years	12 times of emoluments
(iv) 20 years or more	Half of emoluments for every completed six-monthly period of qualifying service subject to a maximum of 33 times 'emoluments' or Rs. 10.00 Lakhs whichever is less. [w.e.f. 01-012006] .

Note: Death gratuity is payable to the nominee(s) / eligible member(s) of the family of the deceased employee.

(e) **Residuary Gratuity:** When an employee dies within five years after retirement and the total amount actually received by him / her on account of pension (or service gratuity), dearness relief on pension, retirement gratuity, commutation amount, is less than 12 times the 'emoluments' drawn at the time of retirement, the deficiency is granted to his / her nominee / family as residuary gratuity.

159C		<p>Family Pension: Payable on the death of a KVS employee / KVS pensioner is based on the 'pay' drawn on the date of death or on the date of retirement, as the case may be, and is admissible at a uniform rate of 30% of pay last drawn. It shall, however, be not less than 30% of the minimum of the revised scale of pay</p>	
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introduced with effect from **01.01.2006** for the post last held by the concerned deceased employee / pensioner. It is also subject to a minimum of **Rs. 3500/- p.m.**

Family pension shall be paid at the enhanced rate of 50% of the pay last drawn for the first ten years in the case of death in service and or.

NOTE: Dearness Relief to compensate for the increase in the cost of living beyond the average **CPI 115.76 after 01.01.2006** is payable on original pension before commutation / family pension at the rates sanctioned from time to time.

Pension Sanctioning and Authorising Authorities

159D. To ensure timely payment of retirement dues, while the sanction and disbursement of pensionary benefits to Vice-Principals, Principals and staff of the KVS Headquarters and Regional Offices will be arranged by the Pension Unit of the KVS (HQ). Necessary action in respect of other teaching and non-teaching employees of the Kendriya Vidyalayas shall be taken in this regard by the respective KVS Regional offices. The Pension sanctioning and authorizing authorities in respect of KVS employees retiring on or after 1st June, 1999 are accordingly as under:- **CHANGE OF DESIGNATION BY KVS**

159D

Categories of KVS employees	Pension Sanctioning Authorities in KVS	Pension Authorising Authorities
GROUP 'A'		
(i) Joint Commissioner and above	Additional Commissioner (Admn.)	Deputy Commissioner (Fin) / Assistant Commissioner (Finance) in HQ
(ii) Others (e.g. Principals, A.Cs, Dy.Com.etc,	Joint Commissioner (Finance)	Deputy Commissioner (Fin) / Assistant Commissioner (Finance) in HQ
GROUP 'B'		

1. Group 'B' employees retiring from Kendriya Vidyalayas (other than Vice-Principals)	Deputy Commissioner of the concerned Regional Office	Finance Officer / Admin Officer / Assistant Commissioner in concerned Regional Office
2. Group 'B' employees of ROs, /ZIET/HQ & Vice-Principals	Deputy Commissioner (Finance), KVS HQ	Assistant Commissioner (Finance) in the HQ
GROUP 'C' & 'D'		
1. Group 'C' & 'D' of Kendriya Vidyalayas.	Deputy Commissioner of the concerned Regional Office.	Finance Officer / Admin Officer / Assistant Commissioner in concerned Regional Office.
2. Group 'C' & 'D' of Regional Offices/ZIET/ & HQ	Assistant Commissioner (Finance)	Finance Officer / Finance Officer in the HQ

NOTE : 1. Principal of the concerned Kendriya Vidyalayas will function as the Head of Office for the purpose of pension in respect of teaching and non-teaching staff (except Vice-Principal and himself) working in the Kendriya Vidyalayas.

2. In respect of KVS(HQ), Regional Offices & ZIETs, the Head of Office shall be decided by the competent authority of KVS(HQ)

	160		<p>Processing of Pension Papers</p> <p>160. The application for pension and gratuity shall be submitted to the Principal of the Kendriya Vidyalaya, where the pensioner was last employed. In case of the Principal, it will be submitted to the concerned Deputy Commissioner (Regional Office) of Kendriya Vidyalaya Sangathan. With a view to eliminate all delays in the payment of superannuation pension and Death Cum Retirement Gratuity, following time bound schedule has been prescribed by the Sangathan for the processing of pension papers and it should be strictly followed by all concerned.</p> <ol style="list-style-type: none"> 1. On a Sangathan employee completing twenty five years of service or on his being left with five years of service before the date of retirement whichever is earlier, the Head of Office in consultation with the Finance Officer shall, in accordance with the rules for the time being in force, verify the service rendered by such an employee, determine the qualifying service and keep a note of this period of qualifying service in the Service Book under intimation to the concerned employee. This verification shall be treated as final and shall not be reopened except when necessitated by a subsequent change in rules and orders governing the conditions under which service qualifies for pension. 2. Every Deputy Commissioner in the case of Kendriya Vidyalayas within his jurisdiction and Assistant Commissioner [Admin], Kendriya Vidyalaya Sangathan in the case of Headquarters, Regional Offices and ZIETs shall have lists prepared every six months, i.e., on the 1st January and 1st July of all Sangathan employees who are opted for GPF-cum Pension Scheme and are due to retire within the next 18 to 24 months of that date. 3. In the case of employees who have drawn House Building Advance, Assistant Commissioner [Admin], Kendriya Vidyalaya Sangathan would be addressed by the Head of Office two years before the anticipated date of retirement of the Sangathan employee for issue of 'Demand / No Demand Certificate'. 4. Two years in advance of the date on which the Sangathan employee is due to attain the age of superannuation or the date of his anticipated retirement, if earlier, the Head of Office would undertake 	

the work of preparing pension papers including verification of service and complete the particulars required in the form prescribed for assessing Pension and Gratuity (Form CS 64) and forward the pension papers to the respective Pension Sanctioning Authority in the Regional Office / HQ office about six months before the date of retirement of the Sangathan employee for the issue of Pension Payment Order. The period of preparatory work of two years shall be divided in the following three stages:

- (i) First Stage: The service book of the retiring Sangathan employee shall be gone through to ensure that the certificate of verification of service is recorded for the entire period of service. In respect of unverified portion (s) of service, arrangement should be made to have those portions verified with reference to pay bills, acquittance rolls or other relevant records and the certificate of verification of service recorded in the Service Book. If the unverified portion or portions of service relates to the period(s), of service rendered by retiring Sangathan employee, in other office(s), reference shall be made to the Office(s) concerned to verify such period(s) of service and to send a certificate of verification of service. If any portion of service rendered by the concerned Sangathan employee is still not capable of being verified in the above manner, the concerned Sangathan employee shall be asked to file a written statement on plain paper stating that he had in fact rendered that period(s) of service. At the foot of the statement the Sangathan employee should make and subscribe to a declaration as to the truth of that statement and produce in support of such declaration documentary evidence and furnish all information which is in his power to produce or furnish. On the basis of the written statement and evidence produced by the Sangathan employee, such portion(s) of service shall be admitted as having been rendered for the purpose of calculating the pension.
- (ii) Second Stage: While scrutinizing the certificate of verification of service in the service book of the retiring Sangathan employee, any other omissions, imperfections or deficiencies which have a direct bearing on the determination of emoluments and the service qualifying for pension should also be identified and every effort should be made to make good the omissions, imperfections or deficiencies including the portion of service shown as unverified in the service book which it has not been possible to verify in accordance with the procedure stated above, shall be ignored and service qualifying for pension shall be determined on the basis of entries in the service book. For the purpose of calculation of average emoluments, the service book of the retiring Sangathan employee shall be verified for the correctness of the 'emoluments' drawn or to be drawn by the Sangathan employee during the last 10 months of

service. In order to ensure that the emoluments during the last 10 months of service have been correctly shown in the service book, the Head of Office may verify the correctness of emoluments for the period of 24 months only preceding the date of retirement of the Sangathan employee and not for any period prior to that date.

(iii) Third Stage: Eight months prior to the date of retirement, the Head of Office should obtain particulars in Forms CS 63 and Cs 63A from the concerned Sangathan employee duly completed.

The above process shall be completed six months prior to the date of retirement of Sangathan employee.

5. The pension proposals of the school staff complete in all respects along with the calculation of pension, gratuity and commutation of pension etc. will be attended to by the Principal of the Vidyalaya who is required to forward final typed sanction order to the concerned **Deputy Commissioner** for verification, vetting and issue of Pension Payment Order and other sanction orders relating to gratuity, commutation etc. For this purpose, the Principal as Head of Office shall send Forms CS 63, CS 63A, CS 64 and CS 64A in original to the **Deputy Commissioner** with a covering letter along with the Sangathan employee's Service Book duly completed up to date and any other documents relied upon for the verification of the service not later than three months before the date of retirement. One copy each of the above forms shall be retained by the Head of Office / Authority responsible for preparing pension papers for his office record. If after the papers have been forwarded to the Pension Sanctioning / Authorising Authority, any event occurs which has a bearing on the amount of pension admissible, this shall be promptly reported to him. The KVS Authority responsible for issuing the pension payment order, after necessary scrutiny of the papers shall issue the pension payment order not later than the date of retirement. He will also arrange to disburse the amount of Death-cum-retirement gratuity as determined by him after adjusting outstanding dues, if any, on the date of retirement of the employee. However, wherever delays are anticipated, provisional pension shall be sanctioned immediately.
6. The Vigilance Officer, Kendriya Vidyalaya Sangathan (**appointed by the competent authority as such**) to whom a list of Sangathan employees due to retire within the next 18 to 24 months had been supplied shall intimate to the Pension Sanctioning Authority not later than four months before the date of retirement if a Vigilance case is pending or contemplated against the retiring employee. If no

intimation is received by the Pension Sanctioning Authority in this regard, it shall be assumed by him that the case is clear from vigilance point of view.

7. The Assistant Commissioner [Admin], Kendriya Vidyalaya Sangathan who would have been addressed by the Head of Office for issuing of demand / no demand certificate in the case of retiring Sangathan employees who had drawn House Building Advances from the Sangathan, will scrutinize the records in consultation with Accounts Section and inform the Head of Office six months before the date of retirement of the Sangathan employee the outstanding amount of the advance and interest thereon recoverable from the Sangathan employee on retirement so that it could be recovered from the amount of DCRG and leave encashment payable to him.
8. If the retiring Sangathan employee is in occupation of official accommodation, the Head of the Office shall also address the concerned allotment authority for a no demand certificate eight months in advance of the retirement date and ensure that license fee for the next eight months i.e. up to the date of retirement is recovered every month from the pay and allowances of the Sangathan employee. The Head of Office should also ensure that the amounts of dues intimated by the allotment authority in respect of any earlier periods are recovered from the gratuity before its payment is authorised. In case the retiring Sangathan employee desires to occupy the residence for two months after retirement, the license fee due for that period shall also be recovered from the DCRG along with other out standings, if any.
9. Extraordinary leave granted to a Sangathan employee on medical ground qualifies for pension. The appointing authority may at the time of granting extra-ordinary leave also allow the period of such leave to count as qualifying service for pension if the leave is granted (i) due to the Sangathan employees' inability to join or rejoin duty on account of civil commotion, or (ii) for prosecuting higher technical and scientific studies. Extraordinary leave granted on other grounds is treated as non-qualifying and, therefore, a definite entry is required to be made in the service record to the fact that such leave will not count as qualifying service for pension. Similarly, the period of suspension of Sangathan employee is required to be recorded in the service records and if such period does not count as qualifying service for pension, specific entry to that effect is required to be made.
10. In the absence of a specific indication to the contrary in the service records, an interruption between two spells of service rendered under the Sangathan will be treated as automatically condoned and the pre-interruption service treated as qualifying service for pension, except where it is otherwise known

that the interruptions were caused by resignation, dismissal or removal from service or participation in a strike. The period of interruption itself under the circumstances will be reckoned as qualifying service for pension.

11. In the case of a Sangathan employee who has retired on attaining the age of superannuation or otherwise and against whom any departmental or judicial proceedings are instituted or where departmental proceedings are continued, the Pension Authorising Authority shall authorise the drawal of provisional pension which would have been admissible on the basis of qualifying service up to the date of retirement of the concerned employee, or if he was under suspension on the date of retirement up to date immediately preceding the date on which he was placed under suspension. The provisional pension shall be paid for a period of six months and extended further in consultation with Vigilance Branch. No gratuity shall be paid to the Sangathan employee until the conclusion of the proceedings and issue of final orders thereon. Payment of provisional pension thus made shall be adjusted against final retirement benefits sanctioned but no recovery shall be made where the pension finally sanctioned is less than the provisional pension.

12. The Head of Office should take action to assess and ascertain the Sangathan dues payable by the retiring Sangathan employee two years before the date on which he is due to retire. The assessment should be completed six months before the date of retirement. All the outstanding dues payable by the Sangathan employee shall be adjusted against the amount of DCRG payable to him on his retirement. In the event of any unavoidable delay, a deduction of 10% of the gratuity or Rs. 1000/- whichever is less, shall be made to cover unassessed outstanding dues.

NOTE: Where the payment of DCRG is delayed beyond three months from the date of retirement, an interest at the rate applicable to GPF deposits (at present 8.8 per cent per annum compounded annually) will be paid to retired / dependents of the deceased Sangathan employee. As such, wherever delayed payment of gratuity results in payment of this penal interest, Commissioner, KVS would have to initiate action to fix responsibility at all levels to recover the amount from the concerned dealing official, supervisor and Head of Office in proportion to their salary by following the prescribed procedures for the purpose.

	160A		<p>To be precise, the following papers / documents should be sent to the KVS Regional Offices / KVS Headquarters for sanction of pension:-</p> <ul style="list-style-type: none"> (i) Application in Form CS 64 and CS 64A. (ii) Service book duly completed. (iii) Memorandum of emoluments drawn during the 10 months preceding the date of retirement. (iv) Last Pay Certificate. (v) Two specimen signatures attested by the Principal or two slips bearing the left hand thumb and finger impressions duly attested if pensioner is illiterate. (vi) Two copies of joint photographs of the employee with his wife / her husband, duly attested. (vii) Copy of statement of family member (Form CS 63A). (viii) Formal application for pension by the pensioner in the prescribed form (Form CS 63). (ix) Address of the pensioner after retirement. (x) 'No Demand Certificate' signed by the Principal. In the case of Principals, the 'No Demand Certificate' should be signed by the Relieving Principal and countersigned by the Chairman, Vidyalaya Management Committee. (xi) If the pensioner was in occupation of a quarter owned by Defence authorities or any other Government Department, 'No Dues Certificate' from the Department concerned. (xii) A certificate from the Deputy Commissioner of Region concerned / Joint Commissioner (Admn.) stating clearly whether any disciplinary case is pending / contemplated against the retiring employee. (xiii) An undertaking from the pensioner to repay the amount of any excess payment of pension / gratuity, or ad hoc relief. 	

	160B	<p>Family Pension</p> <p>(a) Cases where death occurs while in service:-</p> <p>On receiving information of death of an employee while in service, the Principal / Deputy Commissioner (Regional Office) will send a letter as prescribed in Form CS 66/67 to the family of the deceased and ask for necessary documents mentioned therein.</p> <p>On receiving these documents, the Service Book of the deceased and other documents will be sent to the respective Sangathan Office or the Headquarters of the Sangathan.</p> <p>(b) Cases where death occurs after retirement.</p> <p>On receipt of the information of death of a pensioner, the letter in Form CS 66 will be sent by the respective Sangathan Office and the case for grant of Family Pension will be processed in that office.</p>	
	160C	<p>Commutation of Pension</p> <p>(1) A Sangathan employee shall be entitled to commute for a lump sum payment of a fraction up to 40% in accordance with the provisions of CCS (Commutation of Pension) Rules.</p> <p>Provided that an employee or pensioner, against whom departmental or judicial proceedings are pending, shall not be eligible to commute a portion of his pension till completion of such proceedings.</p> <p>(2) Commutation of pension is permissible without medical examination if it is applied for before the expiry of one year reckoned from the date of retirement or date of issue of final orders for grant of pension on finalization of departmental / judicial proceedings.</p> <p>(3) The commutation becomes absolute and the commuted value of pension becomes payable on the date:-</p> <p>(i) Following the date of retirement in the case where the application for commutation of superannuation pension is received by the Head of Office on or before the date of superannuation;</p>	

			<p>(ii) Of receipt by the Head of Office of the application for commutation of pension without medical examination before the expiry of one year;</p> <p>(iii) On which the medical authority signs the medical report for commutation; and</p> <p>(iv) On which the first medical authority recorded its decision is set aside or modified on appeal.</p>	
	161		<p>Sanction and Payment of Pension</p> <p>(1) The pensionary benefits shall be sanctioned with reference to the qualifying service which must be under the Sangathan and paid for by the Sangathan. Accordingly, the service rendered by an employee in a school before, it is taken over under the Central Schools Scheme does not count for pension. Similarly, the service rendered by an employee in a Government department prior to his absorption in the Sangathan does not count for pension.</p> <p>NOTE: Employees of the Central Government / State Governments / Autonomous Organizations who are initially deputed to the Sangathan and are subsequently absorbed here permanently with the prior permission of the parent department, are entitled to only prorated retirement benefits. However, if the pensionary liability in respect of their past service is duly discharged before retirement by the previous employer in accordance with the instructions contained in the Ministry of Home Affairs (Department of Personnel & Administrative Reforms) O. M. No. 28 / 10 / 84 – Pension Unit dated 29.08.1984 and 12.09.1985, their past service shall also count as qualifying service for pensionary benefits in the Sangathan.</p> <p>(2) (i) Payment of KVS pensions is arranged through branches of the State Bank of India as per Scheme, introduced with effect from 01.06.1979. The Pension Authorising Authority will be required for this purpose to forward two copies of the Pension Payment Order to State Bank of India, Main Branch, New Delhi for further necessary action. One copy each of the PPO and sanction orders for commutation etc. will also be forwarded to the KVS HQ Pension Branch. KVS Headquarters and Regional Offices are also required to maintain ledgers in respect of their pensioners for the purpose of reconciliation.</p> <p>(ii) The gratuity will be paid in a single lump sum by a crossed cheque or demand draft. As a rule payment of gratuity will be made to the pensioner in person either at the ZIETs/Regional office/ Headquarters Office or through the Principal of a Kendriya Vidyalaya. Name of the Kendriya Vidyalaya where the pensioner wants to receive payment of gratuity should be intimated to the respective Pension Sanctioning Authority in the Kendriya Vidyalaya Sangathan.</p>	

Chapter – 15

KENDRIYA VIDYALAYA SANGATHAN EMPLOYEES WELFARE SCHEME

Page No.	Article No.	Specific Reference	Proposed Amended Clause
123	161A	161A (1)	<p>In order to provide a security to the employees of the Sangathan and at the same time enhancing their resources at the time of superannuation, KVS has been having Group insurance Scheme from time to time. The existing Group Saving Linked Insurance Scheme started in 1993 through LIC was not successful and therefore the said scheme was modified and introduced new scheme w.e.f. 1st April 2002 called KVS Employees welfare Scheme. It is a low cost and on a wholly contributory and self finance basis, the twin benefits of a welfare cover to help their families in the even of unfortunate death while in service and lump sum payment to augment their resources on retirement, resignation, etc. The benefit under the scheme would be akin with benefits granted to Central Government Employees under CGEGIS, 1980.</p> <p>(1) The existing KVS Group Savings Linked Insurance Scheme which came into force with effect from 1st April 2002 provides for the Sangathan employees at a low cost and on contributory and self-financing basis the twin benefits of an insurance cover to help their families in the event of death in service and a lump-sum payment to augment their resources on retirement.</p> <p>[The scheme is appearing as Appendix 22 A of this Code]</p>
123	161A	161A (2)	<p><u>Application</u> All regular employees in the services of KVS as on 01.01.1993 and all those who have entered/enter into service of KVS thereafter will be compulsorily covered by the scheme. Employees would be enrolled as members of the Scheme only from 1st January every year. If an employee enters into service of the Sangathan on or after 2nd January in any year, he/she would be enrolled as a member only from 1st January of the next year. From the actual date of appointment, to 31st December in the year of entry into service, the employee will be entitled only Welfare cover.</p>
123	161A	161A (3)	<p>The monthly subscription under the Scheme comprises of two elements viz. about 30 percent as Welfare Premium and the balance as Savings Fund.</p> <p>{Rest to be deleted} <u>P.11 E.1 Chap.3</u></p>

123

161A

161A (4)

4 (A) The rates of monthly subscription and corresponding amount of Welfare cover effective from 1.1.1993 are:

Category	Amount of subscription (Rs.)	Welfare Covered (Rs.)
'A'	120/-	1,20,000/-
'B'	60/-	60,000/-
'C'	30/-	30,000/-
'D'	15/-	15,000/-

4 (B) The deduction of subscription towards KVS EWS in respect of all regular employees in the service of KVS as on 1.1.2006, as under:-

Sl. No.	DESCRIPTION OF POST	Classification of Post	Rate of Monthly Subscription	Amount of Welfare Cover
1. a	Scale (Rs.90000/- fixed) Apex Scale (Rs.80000/- fixed) and grade plus scale (Rs.75500-80000)	Group (A)	Rs.120	Rs.120000
b.	Rs.12000/-, Rs.10000/-, Rs.8900/- and Rs.8700/- in the scale of pay of Rs.37400/- - 67000/- in Pay Band - 4 and Rs.7600/-, Rs.6600/- and Rs.5400/- in the scale of pay of Rs.15600/- 39100/- in Pay Band - 3	Group (A)	Rs.120	Rs.120000
02	Rs.5400/-, Rs.4800/-, Rs.4600/-, and Rs.4300/- in the scale of pay Rs.9300/- - 34800/- in Pay Band - 2	Group (B)	Rs.60	Rs.60000
03	Rs.2800/-, Rs.2400/-, Rs.2000/- Rs.1900/- and Rs.1800/- in the scale of pay of Rs.5200/- - 20300/- in Pay Band -1	Group (C)	Rs.30	Rs.30000
04.	Rs.1300/-, Rs.1400/-, Rs.1600/- Rs.1650/- in the scale of pay Rs.4440/- - 7440/- in IS scale	Group (D)	Rs.15	Rs.15000 (till the posts are upgraded)

			<p><u>Already covered at Article 161 A (2)</u></p>	
123	161A	161A (5)	<p><u>5. Promotion during the year & recovery of subscription for a month:</u></p> <p>On regular promotion of member to higher Group after 1st January in any year, his subscription will be raised only from the 1st January of the next year. As for example Group 'C' employee is promoted to Group 'B' in March in a year, his subscription and Welfare Cover will be Rs. 30/- p.m. and Rs. 30,000/- respectively till the end of December that year and will be raised to Rs.60/- p.m. and Rs. 60,000/- respectively from January next. Once an employee is admitted to the higher group, his subscription and Welfare Cover will continue to be at the same rate, even if he is subsequently reverted to the lower group for any reason.</p>	
123	161A	161A (6)	<p>Recovery of subscription for a month will be effected from the pay for that month e.g. for January, it would be deducted from the pay for the month of January payable on the last working day of January and so on.</p> <p>Subscription is payable till the end of service including the month in which an employee retires, dies, resigns, removed from service. If an employee dies during a month before recovery of subscription for that month, his dues will be paid after deducting the subscription.</p> <p><u>Note : Senior/Selection Scale & ACP/MACP granted to teaching & non-teaching staff respectively shall not be taken into account for the purpose of deciding the category of the employee.</u></p>	
			<p><u>6. Interest on arrears of subscription:</u></p> <p>Arrears of subscription of an employee who was on extraordinary leave for any period will be recovered with interest due under the scheme from his salary for the month following the month in which he resumes duty in not more than three instalments. If an employee dies while on extraordinary leave, the arrears of subscription due from him will be recovered with compound interest at 12% per annum rounded to the nearest whole rupee from the amount payable under the scheme.</p> <p>No interest will be levied on the arrears if the non-recovery is due to delayed payment of salary.</p>	

			<p><u>7. Benefits payable:</u></p> <p>(a) Retirement, resignation etc: The employee will be paid as per the Table of benefits (As per Cessation Table given at Annexure –1 to Appendix 22)</p> <p>(i) Lump-sum due to him out of the Savings Fund for entire period of membership in the lowest group; and</p> <p>(ii) Amount(s) due to him for the additional units by which subscription was raised due to promotion – for the period from which he/she was raised to the date cessation of membership.</p> <p>(b) Death while in service : The nominee /Legal heir will be paid:-</p> <p>(i) The amount of appropriate Welfare Cover to which the employee was entitled at the time of death; and</p> <p>(ii) Lump sum and amount(s) as in the case of (a) above, for the period till the date of death;</p> <p>(iii) Only the Welfare Cover, if death takes place before becoming a member.</p>	
124	161A	161A (8)	<p><u>8. Income tax rebate:</u></p> <p>Income tax rebate is not admissible for the amount of subscriptions paid under the scheme.</p>	
124	161A	161A (7)	<p><u>9. Nomination:</u></p> <p>Nomination will have to be obtained in the prescribed form and pasted on the Service Book of the employee, and an entry to that effect recorded in the service book. If the employee has a ‘family’, he shall make such nomination only in favour of member or members of his ‘family’.</p>	

124	161A	161A (9)	<p>Entries towards recovery of EWS shall be made in the Service Book. Every year, in the month of January, Head of Office will record a certificate in the Service Book in the following form :-</p> <p>Subscription at the rate of Rs. _____ appropriate to Group ____ of the scheme recovered from pay and allowance for the period from January _____ to December _____ .</p>	
124	161A	161A (10)	<p><u>10. Recovery of Sangathan dues from the benefits</u></p> <p>No recovery from the amount payable under the scheme can be made except the dues under the scheme or as specifically authorised by the employee. It is legally not permissible to adjust other Sangathan dues against the payment due to the employee or his nominees from the Scheme.</p>	
124	161B (1)	161B (1)	<p>1. Management & Accounting:</p> <p>The Kendriya Vidyalaya and Regional Office/ZIETS will not send cheque /draft to the Headquarters office in respect of the amounts deducted from the monthly pay bills under the Scheme but these amounts will be retained by them for appropriation against funds released to them. The amount recoverable in respect of these deductions will be reduced from the Main Account at the time of release of funds by Sangathan Headquarters through Regional Offices/Union Bank of India etc.</p>	
124	161B	161B (2)	<p><u>To be deleted. E.1 Chap.3</u></p>	
124	161B	161B (3)	<p>(2) When the Annual Accounts of the KVS Employees Welfare Scheme are prepared, it is to be verified that all the transactions in respect of subscriptions made by the employees of various Vidyalayas etc. have been properly accounted for.</p> <p>(Rest to be deleted.)</p>	
			<p><u>Detailed instructions regarding Claim Settlement, Competent authority for making payment under the scheme, Management & Accounting at Hqrs. Level and Investment etc. are given at Appendix22 A .</u></p>	

Chapter – 16

CONTINGENT CHARGES

Page No.	Article No.	Specific Reference	Proposed Amended Clause
126 & 127	162		<p>The term <i>contingent charges or contingencies</i> means and includes all incidental and other expenses which are incurred for the management of an office as an office, other than those which under the prescribed rules of classification of expenditure, fall under some other head of expenditure, e.g. works, <i>maintenance and repairs, furniture, teaching aids</i>, etc There is a provision under VVN as explained in Chapter 21 to incur expenditure on contingent charges as well. An illustrative list of items of expenditure that can be classified as contingencies is given below:</p> <ul style="list-style-type: none"> (i) Advertisement charges; (ii) Stationery and teaching materials such as chalk, duster, etc. not used for conducting examinations (other than teaching aids); (iii) Postal, courier and telephone charges; (iv) Printing charges (school forms, library cards, etc.) other than those conducting examinations or publication of school magazine, etc.; (v) Freight and demurrage charges; (vi) Conveyance hire charges; (vii) Casual labour for piece-work; (viii) Commission on Money Order and Bank Charges; (ix) Municipal rates and taxes; (x) Repair of furniture and other equipment (including binding of library books);

		<p>(xi) Liveries and uniforms;</p> <p>(xii) Clock, cycle, fire protection equipment, etc;</p> <p>(xiii) Newspapers, and official publications for day to day official use;</p> <p>(xiv) Entertainment in meetings with high officials of Central / State Government(s) visiting the school on official business, subject to a maximum of rupee one hundred per month per head (officers of the Sangathan are excluded);</p> <p>(xv) Electricity, gas and water charges;</p> <p>(xvi) Maintenance of lawns and playground;</p> <p>(xvii) Conservancy charges;</p> <p>(xviii) Purchase of miscellaneous articles (glass tumblers, pitchers, etc.);</p> <p>(xix) Fees for Central Films Library, C.B.S.E., etc; and</p> <p>(xx) Petty works and repairs to Sangathan's buildings including sanitary, water supply and electric installations, up to a limit of Rs. 2500/- in each case. If the cost of the work / repairs exceeds this limit, the amount should be met out of the head repairs and maintenance by obtaining separate funds for the purpose.</p> <p>Note: Expenditure on Casual labour for piece-works; Municipal rates and taxes; Repair of furniture and other equipment (including binding of library books); Electricity, gas and water charges; Maintenance of lawns and playground; Conservancy Charges and Petty works and repairs appearing at Sl. Nos. vii, ix, x, xv, xvi. xvii and xx respectively may be met out of Vidyalaya Vikas Nidhi, as far as possible.</p>	
127	162 A	The expenditure on the purchase / replacement of items like a duplicator, a typewriter, a clock, a cycle and fire extinguisher etc., wherever necessary, shall be provided for and booked as special contingency.	

127	162 B		<p>The additional requirement in respect of the following items which cannot be met out of the normal provision 'contingencies' shall be provided for as 'additional contingency':</p> <ul style="list-style-type: none"> (i) Unpaid bills in respect of water and electricity; (ii) Municipal rates and taxes; (iii) Repair of furniture exceeding Rs. 2500/-. (iv) Fees for Central Film Library, C.B.S.E. etc. <p>Note: The expenditure on unpaid bills in respect of water and electricity, Municipal rates and taxes and Repair of furniture may be met out of Vidyalaya Vikas Nidhi, as far as possible.</p>	
127 to 128	163		<p>The financial powers for incurring contingent expenditure are detailed in Appendix 1. Utmost economy should be observed in incurring contingent charges. Besides the limitations mentioned in Appendix 1, the following measures for securing economy in contingent charges should be borne in mind:</p> <ul style="list-style-type: none"> (i) Stationery <p>Bulk purchases to cover the requirements, for say six months, should be made at economical rates by calling for quotations. If the funds available with the school are not sufficient for making bulk purchases, purchases may be made in instalments on the basis of quotations valid for a reasonable period. Not more than one year's requirements should be purchased in a year.</p> (ii) Advertisement <p>The incidence of advertisement should, as far as possible, be planned ahead and consolidated for all the vacant posts so that the prescribed ceiling (Rs. 1000/- on each occasion and Rs. 5000/- a year) are not exceeded. As far as possible, advertisements should not be repeated for the same post in a year. Advertisements relating to tenders for purchase of stores should be brief. Advertisements should be released in reputed newspapers on DAVP rates.</p> (iii) Water and Electric Charges 	

		<p>The consumption of water and electricity should be kept under control and leakages in meters got set right. It should be ensured that bills are not accumulated for long periods.</p> <p>(iv) Liveries and Uniforms</p> <p>As far as possible, the uniforms should be replaced only after ensuring that the previous supplies have become actually unserviceable and the proposed supplies are as per the approved norms.</p> <p>(v) Conveyance Charges</p> <p>Duties of the staff should be combined in such a way that the minimum expenditure is incurred. The employment of taxis, as a matter of course, should be discouraged.</p> <p>(vi) Post and Courier Charges</p> <p>Post cards and inland letters with printed letter heads should be used in place of envelopes wherever possible. Maximum correspondence should be done through e-mails</p> <p>(vii) Newspapers and Periodicals</p> <p>Only one or two local dailies and one important outside daily newspaper should be purchased.</p> <p>(viii) Printing</p> <p>As far as possible, efforts should be made to cyclostyle the matter to be circulated, instead of resorting to printing. Wherever possible, manuscript registers should be maintained, instead of getting the registers printed or purchasing the same from printing firms.</p>	
129	164	<p>It is essential that proper control over the utilization of funds under Contingencies is kept by means of the Register of Contingent Charges (CS 19). For this purpose, the budgeted amount should be allocated under the different sub-heads and progressive expenditure incurred up to the end of every month compared with the allocations and suitable steps taken to restrict the expenditure so as to bring it within the funds made available.</p>	

129	165	In order to avoid the necessity of drawing funds from the bank every time for incurring petty contingent expenditure, the Principal may be permitted to hold a nominal amount of permanent advance which will depend on the average monthly cash disbursements for contingent expenditure. The amount of permanent imprest should not ordinarily exceed Rs. 5000/-. The approval of the Sangathan should be obtained for fixation of the amount of permanent advance and for this purpose the average monthly expenditure incurred in cash should be intimated.
129	166	The permanent imprest should be utilized only for meeting petty contingent expenditure which has necessarily to be met in cash on the spot. It should be noted that the amount of permanent imprest should be constant and should not vary from month to month. The permanent imprest can be recouped whenever it runs short, but it should invariably be recouped on the last working day of the month so that the actual expenditure under Contingencies may be reflected in the monthly accounts and the amount of the imprest maintained at a constant figure.
129	167	The entries to be made in the Cash Book at the time of creating the permanent imprest and recoupment of imprest are shown in the illustrative examples given in the form of Cash Book (CS 42).
129	168	The permanent advance mentioned above, should be utilized only for meeting expenditure which can be classified under Contingencies and not under any other head such as Consumables for Laboratories. If at any time any advance is required for purchase of Consumables for Laboratories, a self-cheque may be drawn for the minimum estimated amount, which may be advanced for making the purchases. The adjustment of such advance will be watched through the Register of Advances and as soon as the purchase is made, the expenditure should be brought to account in the Cash Book.

Chapter 17 - Procedure for purchases.

Revised Provision

Article No. 169. General Principles

169.1 In order to impart quality education to the students, every Vidyalaya has to purchase, a number of teaching aids, goods and equipment out of the funds allocated for various purposes from Government Grants,

Vidyalaya Vikas Nidhi (VVN) etc. The Vidyalayas need to procure different kinds of services including hiring of service providers for providing housekeeping and security services etc. and also procurement of works. Similarly, the Regional Offices, ZIETs and the KVS (HQ) do need to procure goods and equipment, works and services to cater to their needs. The rules and procedure for procurement of goods, works and services as contained in the **General Financial Rules, 2005 of the Govt. of India shall be followed. However, keeping in view the specific needs of the KVS being an educational institution shall use its own documents for inviting quotation/bids as the case may be depending upon the nature of procurement and value of individual contract.** The procurement manual of the Govt. of India on Policies and Procedures for purchase of goods adapted for KVS shall be followed. The guiding principles shall be :

Every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety. Every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed, by his own office and by subordinate disbursing officers. Among the principles on which emphasis is generally laid are the following : —

Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The expenditure should not be prima facie more than the occasion demands.

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

Expenditure from public moneys should not be incurred for the benefit of a particular person or a section of the people, unless —

- (a) a claim for the amount could be enforced in a Court of Law, or
- (b) the expenditure is in pursuance of a recognized policy or custom.

(v) The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.

Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in purchases and for fair and equitable treatment of suppliers and promotion of competition in public procurement.

To reduce delay, appropriate time frame for each stage of procurement should be prescribed.

Approval of the competent authority to the purchase.

<p>Demand for Goods should not be divided into smaller quantities for making piece meal purchases for the sole purpose of avoiding the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.</p> <p>169.1.5 Purchase of Goods financed by Loans/Grants extended by International Agencies The Articles of Agreement with the International Agencies like the World Bank, Asian Development Bank etc. stipulate specific procurement procedures to be followed by the borrowers. The procurement procedures, as finalized and incorporated in the Agreements after consideration and approval of the Ministry of Finance are to be followed accordingly.</p> <p>169.2 The term ‘goods’ applies generally to all articles, material, commodities, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant etc. purchased or otherwise acquired for the use of Government but excluding books, publications, periodicals, etc. for a library.</p>	Merged in Article 169
<p>169.3. Powers for procurement of Goods each contract</p> <p><i>Up to Rs.3,00,000/- Principal</i></p> <p>However, purchases beyond Rs.1,00,000 each contract shall be reviewed by the Chairman with the assistance of the Vidyalaya Executive Committee to ensure that the purchase is need based, sufficient fund exists and provision is made in the budget. It may also comment on the procedure followed. Notwithstanding this, the responsibility of following the codal formalities shall rest with the Principal concerned.</p> <p><i>Rs.3,00,001/- to 5,00,000/- DC of the concerned Region</i> <i>Above Rs.5,00,001/- Additional Commissioner (Admn.), KVS (HQ).</i></p> <p>In case of purchase of proprietary items, the concurrence of the Chairman, VMC shall be obtained for the purchases beyond Rs.25,000 at the Vidyalaya level. The approval of the Deputy Commissioner, Regional Office and the Additional Commissioner(Admn.), KVS(HQ) shall be obtained for purchase of goods costing Rs.1,00,000/- and above and Rs.3,00,000 and above respectively each contract.</p>	
<p>169.4 Reserved Items:</p> <p>169.4.1</p>	

<p>i) The Govt. of India through administrative instructions, has reserved all items of hand spun and hand-woven textiles (Khadi goods) for exclusive purchase from Khadi Village Industries Commission (KVIC).</p> <p>ii) It has also reserved all items of handloom textiles required for exclusive purchase from KVIC and/or the notified handloom units of ACASH (Association of Corporations and Apex Societies of Handlooms).</p> <p>iii) The Govt. of India has also reserved some items for purchase from registered Small Scale Industrial Units.</p>	<p>Separately reflected in different paragraphs GFR 144</p>
<p>The purchases for such reserved goods and items shall be made from such units in accordance with the instructions issued by the Government (in the Kendriya Vidyalaya Sangathan in this regard) from time to time.</p>	
<p>169.4.2 Special Dispensation</p>	
<p>a) Purchases from Kendriya Bhandar, NCCF & other multi state cooperative societies having majority share holding by the Central Govt.:</p> <p>i) In cases of purchases from Kendriya Bhandar, NCCF & Other Multi State Cooperative Societies, the instructions issued by Ministry of personnel, Public Grievances & Pensions, Department. Of Personnel & Training has to be complied with. The latest circular on the subject are depicted in Appendix A. The same shall be adopted mutatis mutandis along with changes that may be issued from time to time.</p>	
<p>b) <u>Purchase of goods directly under rate contracts of the DGS&D</u></p> <p>In cases of purchase of goods which are available under the contract entered into by Central Purchase Organization i.e., DGS&D, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and other salient terms & condition of the purchase should be in line with those specified in the rate contract & shall not be in any case more than the MRP.</p> <p>The purchase authority shall make its own arrangement for inspection & testing of such goods where required. In case the ability for inspection and testing is not available locally, the services of any specialist/professional organization for inspection and testing of goods may be hired. Every effort</p>	<p>As per the OM Ministry of Personnel/Public Grievances & Pension dated 5.7.2007.</p>

<p>should be made to ensure that only nominal amount not exceeding the charges levied by the DGS&D for the purpose is incurred for inspection and testing of goods.</p>	
<p><u>Article No.170 Registration of Suppliers</u></p> <p>i) With a view to establishing reliable sources for procurement of goods commonly required for the procuring unit, the purchasing unit will prepare and maintain item-wise lists of eligible and capable suppliers in the locality/city. Such approved suppliers will be known as ‘Registered Suppliers’ with the approval of Chairman, Vidyalaya Management Committee (VMC). Such registered suppliers are prima facie eligible for consideration for procurement of goods through Limited Tender Enquiry. They are also ordinarily exempt from furnishing bid security along with their bids.</p> <p>ii) Credentials, manufacturing capability, quality control system, past performance, after-sales service, financial background, proof of registration of IT/TAN/VAT etc. of the supplier(s), should be carefully verified before registration.</p> <p>iii) The supplier(s) will be registered for a fixed period of one year. At the end of the period, the registered supplier(s) willing to continue with registration are to apply afresh for renewal of registration. New supplier(s) may also be considered for registration at any time, provided they fulfil all the required conditions.</p> <p>iv) Performance and conduct of every registered supplier shall be monitored. The registered supplier(s) are liable to be removed from the list of approved suppliers if they fail to abide by the terms and conditions of the registration or fail to supply the goods on time or supply sub-standard goods or make any false declaration to the KVS or its constituent unit or for any ground which is the opinion of the purchase authority is not in public interest.</p>	
<p>171. A pre-requisite for making purchases is a list of actual requirements of various articles. The teacher-in-charge of the subject should be asked to prepare the list duly indicating the existing stock, and the additional requirement of each article with due regard to the ceiling limits prescribed by the Ministry/ Sangathan which should not be exceeded under any circumstances. Articles which are required in more than one department should be pooled together and a separate list of all such articles should be prepared.</p>	
<p><u>Article No.172. Purchase of Goods without quotations:</u></p>	<p>In consonance with GFR Rules 145</p>

<p>Purchase of goods up to the value of Rs.15,000/- (Rupees Fifteen Thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the authority competent to approve the purchases in the following format:-</p> <p>“I _____, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price.”</p>	
<p><u>Article No. 173 Purchase of goods by purchase committee:</u></p> <p>Procurement of goods costing above Rs.15,000/- (Rupees Fifteen thousand) and up to Rs.1,00,000/- (Rupees One Lakh) only on each occasion may be made on the recommendations of a local purchase committee consisting of three members of an appropriate level [Vidyalaya/RO/ZIET/KVS Hq] with the concurrence of:</p> <ul style="list-style-type: none"> i) The Chairman, VMC(*) in cases of KVs LPC at Vidyalaya Level may constitute the following members: [a] Vice Principal [b] Head Master [c] VMC Member Teacher Representative In addition, the concerned department in charge may be co-opted. Where there is no Vice Principal and Head Master the Senior Most PGT and Primary Teacher will be members. ii) Deputy Commissioner for the Regional Offices LPC at Regional Office/ZIET may constitute the following members: [a] Section Officer (Admn), [b] Section Officer (Accounts) [c] Senior most Assistant iii) Additional Commissioner (Admn.) for KVS (HQ). LPC at KVS Hq may constitute the following members: [a] Asstt. Commissioner (S&S) [b] Section Officer (S&S) [c] Assistant <p>The LPC(**) will survey the market to ascertain the reasonableness of rate, quality, and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under:-</p>	<p>In consonance with GFR Rules 146</p>

<p>“Certified that we, the members of LPC(**) are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question.”</p> <p>(*) Vidyalaya Management Committee</p> <p>(**) Local Purchase Committee</p>	
<p><u>Article No. 174 Purchase of goods by obtaining bids.</u></p> <p>Except in cases covered by the Rate Contract of KVS(Hqrs) & the reserved items, the procurement of goods under the paras referred to in Article 169 above shall be made by following the standard method of obtaining bids in:</p> <ul style="list-style-type: none"> i) Advertised Tender Enquiry ii) Limited Tender Enquiry iii) Single Tender Enquiry 	<p>In consonance with GFR Rules 149</p>

<p><u>Article No. 175</u></p> <p>175.1 Advertised Tender Enquiry</p> <ul style="list-style-type: none"> i) Except in cases covered under Rate Contract of KVS and Reserved Items, open bids should be invited through advertisement to bid for procurement of goods of estimated value of <u>Rs.25,00,000/- (Rupees Twenty Five Lakhs)</u> and above. Advertisement in such cases should be given in one national daily & one local daily having wide circulation KVS circular no.F.125-29/2011/KVS(Budget) Dated 30.09.2013. ii) The advertised tender enquiries shall be displayed on the website of the procuring unit and provide a link with NIC website of KVS (HQ/RO). iii) A copy of the tender for advertisement shall also be given to the Indian Trade Journal for publications. iv) The bid document should be hosted on the website and prospective bidders permitted to make use of the document down loaded from the website. If such a downloaded bidding document is priced there should be clear instructions for the bidder to pay the amount by demand draft etc. Along with the bid. 	
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- v) Ordinarily, the minimum time to be allowed for submission of bids should be **three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later.**

Where the KVS or its constituent unit(s) feels that the goods of the required quality, specifications etc., may not be available in the country and/or it is also necessary to look for suitable competitive offers from abroad, the KVS may send copies of the tender notice to the Indian Embassies abroad as well as to the Foreign Embassies in India requesting them to give wide publicity of the requirement in those countries. They may also be requested to put the tender notice in their web sites. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. Publicizing the requirement globally as above is also known as **Global Tender Enquiry**. Where the purchase unit also contemplates obtaining bids from abroad, the minimum period should be **kept as four weeks for both domestic and foreign bidders.**

175.2 Text of Tender Notice

The tender notice for an Advertised Tender Enquiry should be carefully drafted. It should contain all the salient features of the requirement in brief to give a clear idea to the prospective tenderers about the requirements. Superfluous or irrelevant details should not be incorporated in the tender notice, as it will increase the cost of the advertisement.

The Tender Notice should contain:

- Description and specification of the goods and quantity
- Period and terms of delivery
- Cost of the tender/bidding document
- Place(s) and timing of sale of tender documents
- Place and deadline for receipt of tenders
- Place, time & date for opening of tenders, Amount & Form of Bid Security/ Earnest Money Deposit
- Bank
- Any other important information.

175.3 Cost of Tender Documents

Price of the tender document should take care of the preparation and delivering cost only. If it is too high, it will discourage the prospective bidders to purchase the document and participate in the bidding process.

175.4 Sale of Tender Documents

Tender documents should preferably be sold up to one day prior to date of opening of tenders and the same should be clearly indicated in the documents. The complete tender document should also be posted on the web site and prospective tenderers be permitted to make use of the document downloaded from the web site. If the tender document is a priced one, there should be

clear instructions for the tenderers in the document (which has been downloaded) to pay the amount by demand draft etc. along with the tender, prepared in the downloaded document.

The sale of tender documents against Advertised Tender Enquiry should not be restricted and should be available for sale freely.

The purchase organization shall maintain proper records about the number of tender documents sold, list of parties to whom sold, details of the amount received through sale and, also, the number of unsold tender documents, which are to be cancelled after the opening of the tenders.

175.5 Format of Tender

The tenderers are to furnish their quotations as per the prescribed format and also as per the instructions incorporated in the tender documents.

Quotations sent by telex, cable or facsimile are to be ignored and rejected.

175.6 Extension of Tender Opening Date

Sometimes, situations may arise; necessitating modification of the tender documents already issued (**Limited Tender Enquiry**) or already put on sale (Advertised Tender Enquiry - case). Also, after receiving the documents, a tenderer may point out some genuine mistakes necessitating amendment in the tender documents. In such situations, it is necessary to amend/modify the tender documents suitably prior to the date of submission of bids. Copies of such amendment / modification should be simultaneously sent to all the selected suppliers by registered/speed post/courier/e-mail in case of LTI. In case of ATI, the copies of such amendment / modification are to be simultaneously despatched, free of cost, by registered/speed post/courier/e-mail, to all the parties who have already purchased the tender documents and copies of such amendments are also to be prominently attached in the unsold sets of the tender documents (which are available for sale), including the tender documents put in the web site.

When the amendment/modification changes the requirement significantly and /or when there is not much time left for the tenderers to respond to such amendments, and prepare revised tender, the time and date of submission of tenders are also to be extended suitably, along with suitable changes in the corresponding time-frames for receipt of tender, tender validity period etc and validity period of the corresponding EMD/bid security. Depending on the situation, such an amendment may also need fresh publication adopting the same procedure as for publication of the original tender enquiry.

175.7 Amendments / Modifications to Tenders

The tenderer, after submitting its tender, is permitted to submit alterations/ modifications to its tender so long such alterations/modifications are received duly sealed and marked like original tender, up to the date & time of receipt of tender. Any amendment/modification received after the prescribed date & time of receipt of tenders are not to be considered. Clause on Forfeiture of EMD in the article 182.1 also refers in this regard.

175.8 Pre-bid Conference

In case of turn-key contract or contract of special nature for purchase of sophisticated and costly equipment, a suitable provision is to be kept in the tender enquiry document for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specification and other allied technical details of the plant, equipment and machinery projected in the tender enquiry document. The date, time and place of pre-bid conference should be indicated in the tender enquiry document for information of the interested tenderers. This date should be sufficiently ahead of tender opening date.

175.9 Receipt and Custody of Tenders

Receipt and custody of tenders shall be done in a transparent manner. Tenders are to be received through tender box and, in its absence, by hand delivery to the nominated officials of the purchase department.

There may be cases where the tenders are too bulky to be put in the tender box or the purchase office is yet to install tender box and, therefore, the tenders are to be submitted by hand. In such cases, it should be ensured that names and designations of at least two officers, who will receive the tenders, are prominently mentioned in the tender documents. The information about these officers should also be displayed at the entrance / reception of the premises where tenders are to be deposited. The officer receiving a tender is to give the bearer of the tender a receipt duly signed by him with date and time of receipt of the tender. A separate register is to be maintained for keeping records of the bids, received by hand. Such bids will be kept in safe custody with the head of the office or his authorized representative till the date & time of bid opening and then such bids will be handed over to the bid opening officer through challan, in identical manner as mentioned in the previous paragraph.

Sometimes, tenders are also received by post. Such tenders shall be received and documented in identical manner as applicable for tenders received through hand delivery.

175.10 Late Tender

In the case of advertised tender enquiry or limited tender enquiry, late tenders (i.e., tenders received after the specified date and time for receipt of tenders) should not be considered.

175.11 Opening of Tenders

All the tenders received on time shall be opened in the presence of authorized representatives of the tenderers (who have submitted regular tenders) at the prescribed time, date and place. The authorized representatives, who intend to attend the tender opening, are to bring with them letters of authority from the corresponding tenderers.

Tenders should be opened immediately after the deadline of receipt of tenders with minimum time gap in between. At least two duly authorized officials of the purchase committee should jointly open the tenders.

The tender opening officials are to announce the salient features of the tenders like description and specification of the goods, quoted price, terms of delivery, delivery period, discount if any, whether EMD furnished or not and any other special feature of the tender for the information of the representatives attending the tender opening.

After opening, every tender shall be numbered serially, initialled, and dated on the first page by all the officials authorized to open the tenders. Each page of the price schedule or letter attached to it shall also be initialled by them with date, particularly the prices, delivery period etc., which shall also be circled and initialled with date. Blank tenders, if any, should be marked accordingly by the tender opening officials.

The original, duplicate, triplicate copies in a tender set are to be marked accordingly by the tender opening officials.

Alterations in tenders, if any, made by the tenderers, shall be initialled with date & time by the officials opening the tenders to make it perfectly clear that, such alterations were present on the tenders at the time of opening. Wherever any erasing or cutting is observed, the substituted words should also be encircled and initialled with date & time to make clear that such erasing/cutting of the original entry was present on the tender at the time of opening.

175.12 Responsibility of the Tender Opening Officials

In addition to what has been mentioned in above paras, the tender opening officials will prepare a list of the representatives attending the tender opening and obtain their signatures on the same. The list will also contain the representatives' names and the corresponding tenderers' names & addresses. The authority letters brought by the representatives will be attached with this list. This list will be signed by both the tender opening officials with date & time.

An on-the-spot report containing the names of the tenderers (serial number wise) salient features of the tenders, as read out during public opening of tenders will be prepared by the tender opening officers duly signed by them with date & time.

The tenders, which have been opened, the list of the representatives attending the tender opening and the on-the spot report are to be handed over to the nominated purchase officer and acknowledgement obtained for the same.	
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<u>Article No. 176 Limited Tender Enquiry (LTE)</u>	
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| <p>i) This method may be adopted when estimated value of the goods to be procured is less than Rs.25,00,000/- (Rupees Twenty Five Lakhs). Copies of the bidding document should be sent directly by speed post/ registered post/courier/e-mail to firms, which are borne on the list of registered suppliers for the goods in question as referred under Article 170 above. <u>Minimum three quotations should be obtained.</u> Further web-based publicity should be given for limited tender. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis (KVS circular no.F.125-29/2011-KVS(Budget) dated 30.9.2013</p> <p>ii) Purchase through limited tender enquiry may be adopted even where the estimated value of the procurement is more than Rs.25,00,000/- (Rupees Twenty Five Lakhs) in the following circumstances.</p> <p>a) When the demand is urgent and any additional expenditure involved by not procuring through Advertised Tender Enquiry is justified in view of urgency. The Head of Office/Department shall put on record the nature of the urgency and reasons why the procurement could not be anticipated.</p> <p>b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.</p> <p>c) The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped is remote.</p> <p>iii) Sufficient time should be allowed for submission of bids in LTE cases (two weeks).</p> <p>iv) Repeat order system is not permissible.</p> | |
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Article No.177 Two Bid System

- i) For purchasing high value goods (individually costing Rs.5,00,000/- and above) of a complex and technical nature, bids may be obtained in two parts as under:
 - a. Technical bid consisting of all technical details
 - a) Financial bid indicating item-wise price for the items mentioned in the technical bid along with commercial terms and conditions.
- ii) The technical bid and the financial bid should be sealed by the bidder in separate covers duly **super scribed** and both these sealed covers are to be put in a bigger cover which should also be sealed and duly **super scribed**.
- iii) The technical bids are to be opened by the Bid Opening Committee consisting of at least three Officers at the first instance and evaluated by a duly constituted Bid Evaluation Committee of technical and commercial experts. At the second stage, financial bids of only the technically acceptable offers should be opened for further evaluation and ranking before awarding the contract. Only the lowest evaluation responsive (both technical bid and commercial combined) bidder shall be accepted.

Article No.178 Specification, Warranty & Training etc.

- i) The specifications of the required goods should be clearly stated without any ambiguity so that the prospective bidders can send meaningful bids. In order to attract sufficient number of bidders, the specification should be broad based to the extent feasible. Efforts should also be made to use standard specifications which are widely known to the industry.
- ii) For finalization of specification, a Purchase Advisory Committee may be constituted. Finalisation of specifications should also be preferably based on a market survey of available models and their specifications.
- iii) Warranty and Annual Maintenance Contract (AMC) for the duration of the life of the equipment are desirable but there is a need to be careful in deciding the period for which they are to be provided. Laboratory equipment may get obsolete with time and there is a need to replace them. Providing a very long warranty with AMC coverage may therefore add to the cost without being fruitfully utilized as the length of commitment does have an effect on price. A warranty with AMC coverage of around 5 years (2+3 years or 3+2 years, respectively) may be preferred to begin with. The AMC can be extended beyond this period if

the equipment remains serviceable and is to be continued. The Warranty period of 24/27 months should be provided only if it is an accepted industry standard for the equipment being procured. Otherwise, this may result in reduced competition and increased cost. The period should therefore be stipulated after ascertaining the normal industry standards. Bank Guarantee (BG) coverage in the prescribed format for AMC should invariably be obtained so that the supplier or his agent has continued interest in maintaining the equipment.

- iv) It may be desirable to buy a standard model befitting the laid down specifications rather than equipment tailor-made for the purpose. This is likely to give more trouble-free service as such equipment has stood the test of time. In the qualification criteria, therefore, it may be included that the bidder or his principal should have been manufacturing and supplying the particular equipment for say six months or one year prior to bid opening. Qualification criteria like years of experience and extent of sales in the past have a bearing on quality as also on competitiveness. It is better to base them on a market survey. In case an Indian agent is to provide substantial incidental services it may be desirable to prescribe qualification criteria for the agent in addition to the qualification criteria for the manufacturer/supplier.
- v) Training for use of critical equipment is necessary and should form part of the incidental services. However, free training at a manufacturer's end adds to the cost and should be asked for only when it is considered essential. Otherwise non-utilization of this provision will only mean payment of a hidden cost, remaining unused. Further, the break-up of the cost of training must be obtained at the time of bidding itself. Also, the nature and scope of training should be clearly defined in the bid documents.
- vi) Unless onsite service is provided for both warranty and AMC, there may be problems, wherein the bidder may agree to provide replacement of parts but the work involved with documentation, import, customs clearance, insurance, etc. for replacement of parts may fall on the purchaser.

Article No.179 Single Tender Enquiry

Procurement from a single source may be resorted to in the exceptional circumstances viz.:

- i) It is in the knowledge of the Vidyalaya/RO/Hqrs that only a particular firm is the manufacturer of the required goods.
- ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of the **competent authority obtained**.

- iii) For standardization of machinery or space parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the **competent authority**) the required items is to be purchased only from a selected firms.

Note:

Proprietary Article Certificate in the following form is to be provided by the purchase unit before procuring the goods from a single source and after obtaining approval of competent authority :

- i) The indented goods are manufactured by M/s. _____.
- ii) No other make or model is acceptable for the following reasons: _____
- iii) Concurrence of the Chairman, VMC/ Regional Office/Hqrs to the proposal vide _____ has been obtained.
- iv) Approval of the **competent authority** vide _____ has been obtained.

Sig. with date of purchase officer

Sig. with date of Principal /DC/

ADDITIONAL COMMISSIONER (Admn.)

Article No.180 Evaluation of Tenders, Formulation of Purchase Proposal and Placement of Contract

- i) Evaluation of tenders is one of the most significant areas of Purchase Management. The contract should be placed only on responsive tender.

The Purchase Officer should prepare a comparative statement of quotations received in the order in which tenders were opened. This statement will have information about specifications of the material offered by the tenderer, rates quoted (including taxes or otherwise), discount, if any, delivery schedule, earnest money deposit, validity of the offer, payment schedule etc. this action should be taken before preliminary examination of the tenders. The comparative statement so prepared should be signed by the concerned officers.

All the tenders are to be evaluated strictly on the basis of the terms & conditions incorporated in the tender enquiry document (based on which offers have been received) and the terms, conditions etc. stipulated by the tenderers in their tenders. No new condition should be brought in while evaluating the tenders. Similarly, no tender enquiry condition (specially the significant/essential ones) should be over looked while evaluating the tenders. Aim should be to ensure that no tenderer gets undue advantage at the cost of other tenderers and/or at the cost of the purchaser.

ii) All the tenders so received will first be scrutinized to see whether the tenders meet the basic requirements as incorporated in the tender enquiry document. The tenders, who do not meet the basic requirements, are to be treated as unresponsive and ignored.

The following are the important points, for which a tender may be declared as unresponsive and to be ignored, during the initial scrutiny:

- (i) The tender is unsigned,
- (ii) The tenderer is not eligible,
(Example: The tender enquiry condition says that the bidder has to be a registered SSI unit; but the tenderer is a, say, Large Scale Unit).
- (iii) The tender validity is shorter than the required period,
- (iv) Required EMD has not been provided,
- (v) The tenderer has quoted for goods manufactured by a different firm without the required authority letter from the proposed manufacturer,
- (vi) Tenderer has not agreed to give the required performance security,
- (vii) The goods quoted are sub-standard, not meeting the required specification etc.
- (viii) Against a schedule in the List of Requirement (incorporated in the tender enquiry), the tenderer has not quoted for the entire requirement as specified in that schedule.
(Example; In a schedule, it has been stipulated that the tenderer will supply the equipment, install and commission it and also train the purchaser's operators for operating the equipment. The tenderer has however, quoted only for supply of the equipment).
- (ix) The tenderer has not agreed to some essential condition(s) incorporated in the tender enquiry.
(Example: Some such important essential conditions are - terms of payment, liquidated damages clause, warranty clause, dispute resolution mechanism, applicable law and any other important condition having significant bearing on the cost/utility/performance of the required goods, etc.

iii) During the above preliminary examination, the purchaser may also find some minor informality and/or irregularity and/or non-conformity in some tenders. The purchaser may waive the same provided the same does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the tenderers. Wherever necessary, the purchaser is to convey his observation on such 'minor' issues (as mentioned above) to the tenderer by registered letter/speed post etc. asking the tenderer to respond by a specified date also mentioning therein that, if the tenderer does not confirm the purchaser's view or does not respond at all by that specified date, its tender will be liable to be ignored. Depending on the outcome, such tenders are to be ignored or considered further.

(Example; A tender enquiry stipulates, as an essential condition, that the tenderer, along with its quotation, must also submit a certified copy of its latest Income tax clearance certificate (ITCC). If a tenderer does not provide this document, the purchaser may ask for it with target date as above. If, the tenderer does not respond by that target date, its offer will be liable to be ignored).

iv) Non-conformities between the figures and words of the Quoted Prices - Sometimes, non-conformities/errors are also observed between the quoted prices in figures and that in words. The same is to be taken care of as indicated below:

(a) If, in the price structure quoted for the required goods, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.

(b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

(c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.

If there is such discrepancy in an offer, the same is to be conveyed to the tenderer with target date on the above lines and if the tenderer does not agree to the observation of the purchaser, the tender is liable to be ignored.

v) Discrepancies between original and additional copies of a Tender -

Increase of discrepancies observed between the original copy and the other copies of the same tender set. The text etc. of the original copy will prevail.

vi) All the actions mentioned in the above paragraphs should have the approval of the competent authority at appropriate stages.

vii) Details of all the tenderers, which have been declared unresponsive and to be ignored as per above analysis and, also, the grounds for their becoming unresponsive are to be accurately recorded in the purchase file.

viii) Qualification Criteria

After completing the stage as per preceding para, it is to be examined whether the remaining tenderers (i.e. other than the unresponsive tenderers) meet the required qualification criteria incorporated in the tender enquiry document. The tenderers, which do not meet the required qualification criteria, are to be declared unresponsive and not to be considered further. Details of such

tenderers, which do not meet the required qualification criteria, are also to be recorded in the purchase file along with the grounds for their becoming unresponsive. For details please visit the website of Ministry of Finance/Department of Expenditure, Govt. of India.

Note: However, in case of Two Bid System the technical acceptability of the offers are first determined and, thereafter, the financial bids of only the technically acceptable offers are opened for further scrutiny and processing for placement of contract.

ix) Scrutiny of Responsive Tenders

The responsive tenders (i.e. after ignoring all the unresponsive tenderers as above) are to be evaluated and ranked as per the procedure indicated in subsequent paragraphs. However, when the required goods are simple in nature and have standard specifications, initial scrutiny as well as scrutiny for qualification criteria may be done simultaneously in one go. In case the required goods are of sophisticated nature and comparatively costly, then in the first stage the initial scrutiny will be done to segregate the unresponsive tenders. Thereafter, all the remaining tenders are to be evaluated and ranked. The next step will be to check fulfilment of required qualification criteria by the tenderers so ranked, starting from the lowest evaluated tender (LI). If LI meets the required qualification criteria, that tender is to be selected for placement of contract. But if it does not meet the required criteria then similar determination is to be done for the next lowest evaluated tender (L2) and so on till reaching the tender who meets the required qualification criteria. By adopting this procedure, the purchase organization will save time by not checking the qualification aspects of all the responsive offers, simultaneously in one go.

x) Reasonableness of Price

Before placing the contract on the lowest evaluated responsive tender (LI), the purchase organization is to ensure that the price to be paid is reasonable.

The broad guidelines for judging the reasonableness of price are as under:

- (i) Last purchase price of same (or, in its absence, similar) goods
- (ii) current market price of same (or, in its absence, similar) goods
- (iii) Price of raw materials, which go into the production of the goods
- (iv) Receipt of competitive offers from different sources
- (v) Quantity involved
- (vi) Terms of delivery
- (vii) Period of delivery
- (viii) Cost analysis (material cost, production cost, over-heads, profit margin)

NB: Price paid in an emergency purchase or purchase price of goods offered by a firm through 'distress sale' (i.e. when the firm clears its excess stock at throw away prices to avoid further inventory carrying cost etc.) are not accurate guidelines for future use.

xi) Price not Reasonable - If LI's price is not reasonable, then, in the first place, the purchase organization is to review its own data & details to recheck whether the reasonable price so arrived is correct or not. If it is correct, the purchase organization may, strictly as an exception, negotiate the price only with the lowest evaluated responsive tender (LI) in an attempt to bring down the same.

If LI reduces the price to the desired level, contract may be placed on it but if it does not agree, then further action like re-tendering etc. may be decided by the purchase organization depending on the merits of the case,

xii) Lack of Competition - Sometimes the purchase organization may not receive sufficient number of tenders. A situation may also arise where, after analyzing the tenders, the purchase organization ends up with one responsive tenderer. In such situations, the purchase organization is first to check whether, while floating/issuing the tender enquiry, all necessary requirements like standard tender enquiry conditions, industry friendly specification, wide publicity, sufficient time for formulation of tenders, etc. were fulfilled. If not, the tender is to be re-issued/re-floated after rectifying the deficiencies. However, if after scrutiny it is found that all such aspects were fully taken care of and in spite of that the purchaser ends up with one responsive tender only, then contract may be placed on that tenderer provided the quoted price is reasonable.

xiii) Dividing the Quantity

As per standard procedure, each schedule of requirement incorporated in the tender enquiry document is to be covered on the lowest responsive tenderer for that schedule without dividing the same. The tenderer who does not quote for the complete schedule as required is normally to be treated as unresponsive and ignored. However, there may be special occasions of purchase of very large quantities of goods which are beyond the capacity of a single tenderer and the lowest responsive tenderer is unable to take the load of the entire quantity. In such cases, the remaining quantity may be ordered on the second lowest responsive tenderer (L2) at the rates offered by the lowest responsive tenders (LI), as far as feasible and for this purpose negotiation may be held with the above tenderer (viz. L2). In such cases, it may also become necessary to divide the requirement under a schedule by placing multiple contracts for part quantities on more than 2 responsive tenderers. Such eventuality should normally be foreseen and provided for in the notice inviting tenders. The formula proposed to be adopted for allocation of orders to multiple (responsive) tenderers should be clearly brought out in the notice inviting tenders. The splitting of order by purchasing organization should be an exception rather than a rule.

xiv) Award of Contract

Before expiry of the tender validity period, the purchase organization shall notify the successful tenderer in writing, by suitable foolproof method, that its tender (briefly indicating therein relevant details like quantity, specification of the goods ordered, prices etc.) has been accepted. In the same communication, the successful tenderer is to be **instructed to furnish the required Performance Security within a specified period (generally 21 days)**. Promptly after the above notification, the purchase

organization is also to issue the contract to the successful tenderer asking therein, *inter alia*, to send its unconditional acceptance of the contract within fifteen days. It should also be made known to the successful tenderer that in case, it does not furnish the required performance security or does not accept the contract within the stipulated target dates, such non-compliance will constitute sufficient ground for **forfeiture of its EMD** and processing the case for further action against it (the successful tenderer).

xv) Tolerance Clause

To take care of any change in the requirement during the period starting from issue of tender enquiry till placement of the contract, a plus/minus tolerance clause is incorporated in the tender document, reserving purchaser's right to increase or decrease the quantity of the required goods up to that limit without any change in the terms & conditions and prices quoted by the tenderers. While awarding the contract, the quantity ordered may be increased or decreased, if necessary, within the prescribed plus/minus tolerance limit.

The tolerance limit should be reasonable. Higher the tolerance limit more is the uncertainty for the tenderers in formulating their prices. Therefore, higher the tolerance limit more is the chance of loading on the prices quoted by the tenderers to take care of such uncertainties. Generally, the **tolerance limit should not be more than plus/minus fifteen percent**.

xvi) Publication of Tender Result - The name of the successful tenderer awarded the contract should be mentioned in the notice board/bulletin/web site of the concerned Ministry/Department.

xvii) Return of EMD to Unsuccessful Tenderers

The EMDs of the unsuccessful tenders are to be returned to them without any interest, whatsoever.

xviii) Tenderer's Right to question Purchaser

A tenderer shall have the right to be heard in case it feels that proper procurement process is not being followed and/or its tender has been rejected wrongly. The tenderer is to be permitted to send its representation in writing, which is to be examined. But, such representation has to be sent within one month from date of placement of contract and to be replied within one month from date of receipt of the representation.

xix) Extension of Tender Validity Period

The entire process of scrutiny & evaluation of tenders, preparation of ranking statement and notification of award must be done within the original tender validity period. The validity period should not be unreasonably long as keeping the tender unconditionally

valid for acceptance for longer period entails the risk of getting higher prices from the tenderers. Generally, the **validity period should not be more than three months from the date of tender opening.**

If however, due to some exceptional and unforeseen reasons, the purchase organization is unable to decide placement of the contract within the original validity period, it should request, before expiry of the original validity period, all the responsive tenderers to extend their tenders up to a specified period. While asking for such extension, the tenderers are also to be asked to extend their offers as it is, without any changes therein. They may also be told to extend the validity of the EMD for the corresponding additional period (which is to be specified in the request). A tenderer may not agree to such a request and this will not tantamount to forfeiture of its EMD. But the tenderers, who agree to extend the validity, are to do so without changing any terms, conditions etc. of their original tenders.

Article No.181 Maintenance Contract

- i) Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter into maintenance contract(s) of suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods.
- ii) Such maintenance contracts are especially needed for sophisticated and costly equipment & machinery. It may, however, be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.
- iii) Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble free service. For this purpose, the purchase organization may enter into maintenance contract. It must however be kept in mind that maintenance contract is to start after the expiry of the warranty period, during which period the goods are to be maintained free of cost by the supplier.
- iv) Maintenance contract may be entered into either with the manufacturer/supplier of the goods or with a competent and eligible firm, not necessarily the manufacturer/supplier of the goods in question. The purchase organization should decide this aspect on case to case basis on merit.

If the maintenance contract is to be entered into with the supplier of the goods, then suitable clauses for this purpose are to be incorporated in the tender enquiry document itself and while evaluating the offers, the cost component towards

maintenance of the goods are also to be added in the evaluated tender value on overall basis to decide the inter se ranking of the responsive tenderers. Equipment with a lower quoted price may carry a higher maintenance liability. Therefore, total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for purchase.

However, if the maintenance contract is to be entered into with a competent and eligible supplier separately, then a separate tender enquiry is to be floated for this purpose and tenders evaluated and ranked accordingly for placement of maintenance contract. Here, the supplier of the goods may also quote and its quotation, if received, is to be considered along with other quotations received.

While evaluating the tenderers for maintenance of goods covering a longer period (say, more than one year), the quoted prices pertaining to maintenance in future years are to be discounted to the net present value (NPV) as appropriate for comparing the tenders on equitable basis and deciding the lowest evaluated responsive tender.

- v) The details of the services required for maintenance of the goods, the required period of maintenance and other relevant terms & conditions including payment terms are to be incorporated in the tender enquiry document. The terms of payment for the maintenance service will depend on the nature of the goods to be maintained as well as the nature of the services desired. Generally, payments for maintenance are made on half-yearly or quarterly basis.
- vi) A suitable provision should be incorporated in the tender enquiry document and in the resultant maintenance contract indicating that **the prices charged by the maintenance contractor should not exceed the prevailing rates charged by it from others for similar services. While claiming payment, the contractor is also to give a certificate to this effect in its bill.**
- vii) If the goods to be maintained are sophisticated and costly, the tender enquiry document should also have a provision for **obtaining performance security**. The amount of performance security will depend on the nature of the goods, period of maintenance etc. It generally varies from 2.5 % to 5% of the value of the equipment to be maintained.
- viii) Sometimes, the maintenance contractor may have to take the goods or some components of the goods to its factory for repair etc. On such occasions, before handing over the goods or components, suitable bank guarantee is to be obtained from the firm to safeguard purchaser's interest.

<p>ix) Sometimes, during the tenure of a maintenance contract, especially with a longer tenure, it may become necessary for the purchase organization to withdraw the maintenance contract due to some unforeseen reasons. To take care of the same, there should be a suitable provision in the tender document and in the resultant contract. A model clause to this effect is provided below:</p> <p>"The purchaser reserves its right to terminate the maintenance contract at any time without assigning any reason. The contractor will not be entitled to claim any compensation against such termination. However, while terminating the contract, if any payment is due to the contractor for maintenance services already performed in terms of the contract, the same would be paid to it as per the contract terms".</p> <p>Depending on the cost and nature of the goods to be maintained, suitable notice period for such cancellation to come into effect is to be provided in the documents.</p>	
<p><u>Article No.181.1 Turnkey Contract:</u></p> <p>A turnkey contract is a mix of goods contract and works contract. Generally, in the tender enquiry documents for a turnkey contract, the purchase organization specifies the performance and output required from the plant proposed to be set up and broadly outlines the various parameters it visualizes for the desired plant. The inputs and other facilities, which the purchase organization will provide to the contractor, are also indicated in the tender enquiry document. The contractor is to design the plant and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the plant; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc., as specified in the tender enquiry documents.</p> <p>While entering into a turn-key contract, the purchase organisation is to follow the relevant instructions prescribed in the Purchase Manual for Goods as well as in the Works Manual.</p>	
<p><u>Article No.181.2 Disposal of Surplus Goods</u></p> <p>With the passage of time, many of the goods purchased by the purchase unit become unserviceable or obsolete. Such goods are classified as surplus goods. The purchase unit should dispose of such surplus goods at the earliest, to avoid unnecessary inventory carrying cost, decrease in resale price of those goods etc.</p> <p>Detailed comprehensive instructions for disposal of surplus goods are available under Rules 196 to 202 of General Financial Rules, 2005. [Refer Article 187-B to 187-F of Chapter 18]</p>	

Article No.182.1 Bid Security

- i) To safeguard against a bidder's withdrawing or altering its bid during the bid validity period in the case of advertised or limited tender enquiry, Bid Security (also known as Earnest Money) is to be obtained from the bidders except the following:
 - a) Registered Suppliers with the Kendriya Vidyalaya.
 - b) Registered units with the National Small Industries Corporation (NSIC).
 - c) Government Approved Suppliers.
- ii) The bidders should be asked to furnish bid security along with their bids. Amount of bid security should ordinarily range between two (2%) percent to five (5%) percent of the estimated value of the goods and one percent (1%) to three (3%) percent for works. (In some cases, for example in vehicles, where bid security is considered not essential, it could be dispensed with.)
- iii) The bid security may be accepted in the form of:
 - a) Account Payee Demand Draft.
 - b) Fixed Deposit Receipt.
 - c) Banker's Cheque.
 - d) Bank Guarantee from any of the Commercial Banks in an acceptable form.
- iv) The bid security is normally to remain valid for a period of forty-five (45) days beyond the final bid validity period.
- v) Bid security of the unsuccessful bidders should be returned to them at the earliest after the expiry of the final bid validity and latest on or before the 30th day after the award of the contract.
- vi) Forfeiture of EMD: EMD of a tenderer will be forfeited, if the tenderer withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender. Further, **if the successful tenderer fails to furnish the required performance security within the specified period, its EMD will be forfeited.**

Article No.182.2 Performance Security

- i) To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract.

- ii) Performance Security is to be obtained from every successful bidder irrespective of its registration status etc.
- iii) Performance Security should be for an amount of five to ten percent of the value of the contract in case of goods and five percent (50% to be retained till completion of the whole of the works and 50% to be retained till the end of defects liability period) of the contract price works. Similarly, Retention money should be five percent of the contract value in works. There is no retention money for goods.
- iv) Performance Security may be furnished in the form of any one of the following:
 - a) Account Payee Demand Draft.
 - b) Fixed Deposit Receipt from a Commercial bank.
 - c) Bank Guarantee from Commercial Bank in an acceptable form, safeguarding the purchaser's interest in all respects.
- v) Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty objections.
- vi) Bid Security should be refunded to the successful bidder on receipt of Performance Security.
- vii) Forfeiture of Performance Security
Performance security is to be forfeited and credited to the purchase organization in the event of a breach of contract by the supplier, in terms of the relevant contract.
- viii) Refund of Performance
Performance Security should be refunded to the supplier without any interest, whatsoever, after it duly performs and completes the contract in all respects but not later than 60 days of completion of all such obligations under the contract.
- ix) Verification of the Bank Guarantees
Bank Guarantees submitted by the tenderers / suppliers as EMD / Performance Security need to be immediately verified from the issuing Bank before acceptance.
- x) Safe Custody and Monitoring of EMDs, Performance Securities & Other Instruments
Suitable mechanism for safe custody, etc. and monitoring of EMDs and Performance Securities and other Instruments should be evolved - and implemented by each Ministry/Department. The Ministries/Departments shall also make institutional arrangements for taking all necessary actions on time for extension or encashment or refund of EMDs and

Performance Securities, as the case may be. Monitoring should also include a monthly review of all Bank Guarantees and other instruments expiring after 3 months, along with a review of the progress of the corresponding contracts. Extension of Bank Guarantees and other instruments, where warranted, should be sought immediately and implemented within their validity period.

Article No.182.3 Advance payment to supplier

Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:

- i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipment, etc.
- ii) Advance payment demanded by firms against fabrication contracts, turnkey contracts etc.

Such advance payments should not exceed the following limits:

- i) Thirty percent of the contract value to private firms;
- ii) Forty percent of the contract value to a State or Central Government Agency or a Public Sector Undertaking; or
- iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

While making any advance payment as above, adequate safeguards in the form of Bank Guarantee etc. should be obtained from the firm.

Article No.182.4 Part payment to Suppliers

Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it dispatched the goods from its premises in terms of the rate contract.

Article No.182.5 Transparency, competition, fairness and elimination or arbitrariness in the procurement process.

All purchases should be made in a transparent, competitive and fair manner, to secure best value for money. This will also enable the prospective bidders to formulate and send their competitive bids with confidence. Some of the measures for ensuring the above are as follows.

- i) The text of the bidding document should be self-contained and comprehensive without any ambiguities. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. The bidding document should contain, inter alia:
 - a) The criteria for eligibility and qualifications to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position, etc;
 - b) Eligibility criteria for goods indicating any legal restrictions or conditions about the origin of goods etc., which may required to be met by the successful bidder;
 - c) The procedure as well as date, time and place for sending the bids;
 - d) Date, time and place of opening of the bid;
 - e) Terms of delivery;
 - f) Special terms affecting performance, if any.
- ii) Suitable provision should be kept in bidding document to enable a bidder to question the bidding conditions, bidding process and/or rejection of its bid.
- iii) Suitable provision for settlement of disputes, if any, emanating from the resultant contract, should be kept in the bidding document.
- iv) The bidding document should indicate clearly that the resultant contract will be interpreted under Indian Laws.
- v) The bidders should be given reasonable time to send their bids.
- vi) Bidders are usually required to furnish certificates from their consignees for satisfactory performance of the equipment supplied. If complete details are not given by the bidder, the purchaser is not able to verify. It is desirable to ask the bidder to provide the names of contact persons and their telephone numbers with a confirmation that the bidder has no objection to the purchaser verifying with the users.
- vii) The bids should be opened in public and authorized representatives of the bidders should be permitted to attend the bid opening.

- viii) It is better to constitute standing bid evaluation committees for major points of purchase at the site, to avoid delays in approvals for constituting such committees each time.
- ix) Criteria for determining responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the criteria for awarding the contract to the lowest evaluated responsive bidder should be clearly indicated in the bidding documents.
- x) Bids received should be evaluated in terms of the conditions already incorporated in the bidding documents; no new condition which was not incorporated in the bidding documents should be brought in for evaluation of the bids. Determination of a bid/s responsiveness should be based on the contents of the bid itself without recourse to extrinsic evidence.
- xi) Where bidders are not pre-qualified, minimum post-qualification criteria should be clearly specified in the bidding document and enforced.
- xii) Re-bidding shall not be used as a matter of routine. The reasons for not receiving sufficient bids need to be analyzed and corrective measures taken before re-invitation of bids.
- xiii) Negotiation with bidders after bid opening must be severely discouraged. However, in exceptional circumstances where price negotiation against an ad hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder.
- xiv) Before accepting the ordered goods, it must be ensured that the goods have been manufactured as per the required specifications and are capable of performing the functions as specified in the contract. To achieve the same, the tender document and the subsequent contract should specify the details of inspection and tests to be carried out and stages and manner for carrying out the same.
- xv) The inspection procedure will be as per the provisions contained in the contract.

xvi) Purchaser has the right to reject the goods on receipt at site during final inspection though the goods have already been inspected and cleared at pre-despatch stage by the purchaser's inspector. However, such rejection should be strictly within the contractual terms & conditions and no new condition should be adopted while rejecting the goods during final inspection.

xvii) Acceptance of Goods vis-a-vis Warranty Provisions:

Goods accepted by the purchaser at initial inspection and in final inspection in terms of the contract shall in no way dilute purchaser's right to reject the same later, if found deficient in terms of the warranty clause of the contract.

xviii) Joint Investigation against Complaints relating to Quality of Goods:

In case a written complaint is received from the supplier disputing rejection of goods by the purchaser's inspecting officer, the same should be jointly investigated by a team consisting of an authorized representative of the purchase organization, a senior representative of the inspecting agency, who is well conversant with the goods and an authorized representative of the supplier. Detailed procedure to be followed in this regard and the format of the joint inspection report (to be signed by all the team members) are to be prescribed by the purchasing Ministry / Department and the matter processed accordingly for further necessary action.

xix) In such cases of collusive (unreasonably high) prices, bidders must be requested to furnish breakdown of unit rates providing justification for higher bid prices. If this justification, after review, is determined rational, the contract should be awarded to the lowest evaluated responsive bidder. If not, these bidders must be declared as ineligible in the re-bid for that contract.

xx) Contract should ordinarily be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document. However, where the lowest acceptable bidder against ad hoc requirement is not in a position to supply the full quantity required, the remaining quantity, as far as possible, be ordered from the next higher responsive bidder at the rates offered by the lowest responsive bidder.

xxi) The name of the successful bidder awarded the contract should be mentioned on the notice board or bulletin or website.

xxii) In case of procurement of works, Bill of quantities should have a separate schedule for those general items, which are not covered in analysis of rates adopted for estimation.

- xxiii) Bids should not be invited on the basis of bidders quoting a percentage premium or discount over the estimated cost of the Employer.
- xxiv) In all contracts for works, the adjudicator/technical expert or Dispute Review Committee should be in position constituted immediately on signing of the Contract Agreement.
- xxv) Bank guarantees submitted by bidders/contractors/suppliers should be unconditional and be in the specified formats. Bid and performance securities of Joint Ventures should be in the name of all partners in the Joint Ventures submitting the bid.
- xxvi) Bidding documents should general avoid submission of samples along with bid by bidders as this requirement discourages competition and increases the bid prices. Alternatively bidders should be requested to confirm that their product meets with the required specifications and in support attach appropriate test certificates from recognized testing laboratories.

Article No.182.6 Buy-Back Offer:

- i) When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the Purchase authority may trade the existing old item while purchases the new one. For this purpose a suitable clause is to be incorporated in the bidding document, so that, the prospective and interested bidders formulate their bids accordingly.
- ii) Depending on the value and conditions of the old item(s) to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document.
- iii) Suitable provisions should also be kept in the bidding document to enable the purchaser either to trade or not to trade the old item while purchasing the new one.

Article No. 183 Rate Contract:

183.1 Definition:

A Rate Contract (commonly known as RC) is an agreement between the purchaser and the supplier for supply of specified goods (and allied services if any) at specified price and terms & conditions (as incorporated in the agreement) during the period covered by the Rate Contract. No quantity is mentioned nor is any minimum drawal guaranteed in the Rate Contract. The Rate Contract is in the nature of a standing offer from the supplier firm. The firm and/or the purchaser are entitled to withdraw/cancel the Rate Contract by serving an appropriate notice on each other. However, once a supply order is placed on the supplier for supply of a definite quantity in terms of the rate contract during the validity period of the rate contract, that supply order becomes a valid and binding contract.

183.2 Goods for which Rate Contracts are to be concluded:

- a) Commonly used goods needed on recurring basis.
- b) Goods for which prices are likely to be stable or where Rate Contracts could be finalized with provision of price variations to account for fluctuation of market rates of raw materials etc.
- c) Goods for which Rate Contract is convenient to operate and annual drawls are economical.

NB: i) In case of goods of low value and which are required by the users in very small quantities, rate contracts may not be concluded.

ii) Rate Contract may not be concluded for the scarce / critical/ perpetually short supply goods.

183.3 Period of Rate Contract:

The period of a Rate Contract should normally be one year for stable technology products. However, in special cases, shorter or longer period may be considered. As far as possible, termination period of rate contracts should be fixed in such a way as to ensure that budgetary levies would not affect the price and thereby frustrate the contracts. Attempts should also be made to suitably stagger the period of rate contracts throughout the year.

183.4 Criteria for award of Rate Contract

- (a) Rate Contracts shall be awarded to the firms who are registered for the goods in question and fulfil the laid down eligibility and qualification criteria including availability of ISI mark, service centres across the country etc. Suitable stipulations are to be incorporated in the tender enquiry documents to this effect. In respect of new items being brought on rate contract for the first time where there is no registered supplier (for the subject items), the requirement of registration can be relaxed with the approval of competent authority. The award of such rate contracts will, however, be subject to the suppliers' satisfactory technical and financial capability.

- (b) Some of the tenderers (who are otherwise registered for the subject goods) may also be holding current rate contracts and/or held past rate contracts for the required goods. Their performance against such earlier/current rate contracts shall be critically reviewed before they are considered for award of new rate contracts. Specific performance and achievement criteria as on a selected cut-off date is to be evolved for this purpose and incorporated in the tender enquiry document. The tenderers will be asked to furnish the relevant details (along with their tenders) to enable the purchaser to judge their performance and achievement against the past/current rate contracts. These criteria are to be evolved and decided by the purchase organization during procurement planning stage for incorporation in the corresponding tender enquiry documents.

183.5 Special Conditions applicable for Rate Contract:

Some conditions of rate contract differ from the usual conditions applicable for ad hoc contracts. Some such important special conditions of rate contract are given below:

- i) Earnest Money Deposit (EMD) is not applicable.
- ii) In the Schedule of Requirement, no quantity is mentioned; only the anticipated drawal may be mentioned without any commitment,
- iii) The purchaser reserves the right to conclude more than one rate contract for the same item,
- iv) The purchaser as well as the supplier may withdraw the rate contract by serving suitable notice to each other. The prescribed notice period is generally thirty days,
- v) The purchaser has the option to renegotiate the price with the rate contract holders,
- vi) In case of emergency, the purchaser may purchase the same item through ad hoc contract with a new supplier,
- vii) Usually, the terms of delivery in rate contracts are FOR dispatching station. The terms of delivery may be suitably modified in case it is done by the single entity purchase unit.
- viii) Supply orders, incorporating definite quantity of goods to be supplied along with all other required conditions following the rate contract terms, are to be issued for obtaining supplies through the rate contract.

- ix) The purchaser and the authorized users of the rate contract are entitled to place supply orders up to the last day of the validity of the rate contract and, though supplies against such supply orders will be effected beyond the validity period of the rate contract, all such supplies will be guided by the terms & conditions of the rate contract.
- x) The rate contract will be guided by "Fall Clause" (as described later in this chapter).

183.6 Parallel Rate Contracts:

In case it is observed that a single supplier does not have enough capacity to cater to the entire demand of an item, the rate contract issuing authority may enter into more than one rate contract with different suppliers for the same item. Such rate contracts are known as Parallel Rate Contracts.

183.7 Conclusion of Rate Contracts including Parallel Rate Contracts:

Techniques for conclusion of rate contract are basically identical to that of ad hoc contract. Identical tender documents may be utilized for conclusion of rate contracts subject to inclusion therein the special terms and conditions as applicable for rate contracts.

In the normal course, the rate contract is to be awarded to the lowest responsive tenderer (L1). However, depending on the anticipated demand of the item, location of the users, capacity of the responsive bidders, reasonableness of the prices quoted by the responsive bidders, etc. it may become necessary to award parallel rate contracts also. For this purpose, a reasonable price band above the L1's price is to be decided and parallel rate contracts awarded to the responsive tenderers falling within that price band. Efforts should be made to conclude parallel rate contracts with suppliers located in different parts of the country. For the sake of transparency and to avoid any criticism, all such rate contracts are to be issued simultaneously.

183.8 Price Negotiation/Counter-Offer:

Price Negotiation with the tenderers should be severely discouraged. However, in case the price quoted by the lowest responsive tenderer (L1) is not reasonable and acceptable, the price may be negotiated with **LI only** and, if it reduces the price to the desired level, rate contract may be concluded with LI.

There may be a situation, where parallel rate contracts are needed, but though the price of LI is reasonable, the number of responsive tenderers falling within the reasonable price band is inadequate. To take care of such situation, with special permission negotiation may be resorted to and counter offering as indicated below:

To start with, the rate contract may be awarded to LI tenderer. Then the price of LI is to be counter offered to the higher quoting responsive tenderers under intimation to LI asking them to send their revised tenders in sealed covers to be opened in public at a specified place, date and time (as per the standard procedure). LI may be specifically informed that it may, if it so desires, reduce its price and send its revised tender accordingly as above. The tenderers who accept the counter offer rate or rate lower than that are to be awarded parallel rate contracts. If LI lowers its rate in its revised offer, same may also be accepted with effect from that date and its rate contract amended accordingly.

There may also be a situation where parallel rate contracts are necessary, but even the price of the lowest responsive tenderer (LI) is not reasonable. In that case, price negotiation may be conducted with LI in the first instance. If LI agrees to bring down the price to the desired level, rate contract may be concluded with it and that price counter offered to other responsive tenderers under intimation to LI for further action in identical manner as indicated in the above paragraph. If, however, LI does not agree to reduce its price in the first instance itself, then the price, which has been decided as reasonable may be counter offered to all the responsive tenderers (including LI) for further action on above lines.

183.9 Cartel Formation / Pool Rates:

Sometimes a group of tenderers quote identical rates against a rate contract tender. Such Pool/Cartel formation is against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices should be severely discouraged with strong measures. Suitable administrative actions like rejecting the offers, reporting the matter to Registrar of Companies, MRTP Commission, National Small Industries Corporation etc. should be initiated against such firms, on case to case basis, as decided by the competent authority besides bringing to the notice of the concerned trade associations like FICCI, ASOCHAM, NSIC, etc. requesting them, inter alia, to take suitable strong actions against such firms. The purchase organisation may also encourage new firms to get themselves registered for the subject goods to break the monopolistic attitude of the firms forming cartel.

183.10 Fall Clause

Fall clause is a price safety mechanism in rate contracts. The fall clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods following conditions of sale similar to those of the rate contract, at a price lower than the rate contract price, to any person or organization during the currency of the rate contract, the rate contract price will be automatically reduced with effect from that date for all the subsequent supplies under the rate contract and the rate contract amended accordingly. Other parallel rate contract holders, if any, are also to be given opportunity to reduce their price as well, by notifying the

reduced price to them and giving them 15 (fifteen) days time to intimate their revised prices, if they so desire, in sealed cover to be opened in public on the specified date and time and further action taken as per standard practice.

On many occasions, the parallel rate contract holders attempt to grab more orders by unethical means by announcing reduction of their price (after getting the rate contract) under the guise of Fall Clause. This situation is also to be dealt with in similar manner as mentioned in the preceding paragraph.

It is however, very much necessary that the purchase organizations keep special watch on the performance of such rate contract holders who reduce their prices on one pretext or other. If their performances are not up to the mark, appropriately severe action should be taken against them including de-registering them, suspending business deals with them, etc.

183.11 Performance Security

Depending on the anticipated overall drawal against a rate contract and, also, anticipated number of parallel rate contracts to be issued for an item, the Purchase Organization shall consider obtaining performance security of reasonable amount from the rate contract holders. A suitable clause to this effect is to be incorporated in the tender enquiry documents. Performance Security shall, however, not be demanded if the supply orders issued against rate contracts.

183.12 Renewal of Rate Contracts

It should be ensured that new rate contracts are made operative right after the expiry of the existing rate contracts without any gap for all rate-contracted items. In case, however, it is not possible to conclude new rate contracts due to some special reasons, timely steps are to be taken to extend the existing rate contracts with same terms, conditions etc. for a suitable period, with the consent of the rate contract holders. Rate contracts of the firms, who do not agree to such extension, are to be left out.

Period of such extension should generally not be more than three months. Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.

183.13 Placement of Supply Orders:

Supplies are to be obtained against a rate contract by placing supply order on the rate contracted firm, containing the quantity of the goods to be supplied and incorporating the prices and other relevant terms and conditions of the rate contract. The officials placing such supply orders should be duly competent and authorized to do so,

A supply order should generally contain the following important details:

<p>(a) Rate Contract No. and date.</p> <p>(b) Quantity. (Where there is more than one consignee, the quantity to be despatched to each consignee is to be indicated).</p> <p>(c) Price.</p> <p>(d) Date of Delivery by which supplies are required. (In the supply order, a definite delivery date based on the delivery period stipulated in the rate contract is to be provided).</p> <p>(e) Full address of the purchase organization along with telephone. No., Fax No. and E. mail address.</p> <p>(f) Complete and correct designation and full postal address of the consignee(s)/goods receiving officer(s) along with telephone No., Fax No. and E-mail address.</p> <p>(g) Nearest Railway Station (NRS)of the consignee(s).</p> <p>(h) Despatch instructions.</p> <p>(i) Designation and address of the inspecting officer.</p> <p>(j) Designation and address of the paying authority to whom the bills are to be raised by the supplier.</p> <p>Copies of supply order are to be endorsed to all concerned. Model format of Supply Order is available with DGS&D. The same may be obtained from them when needed.</p>	
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<p><u>Article No. 183-A : Procurement of services & Outsourcing of Services:</u></p> <p>Kendriya Vidyalaya Sangathan (HQ)/Regional offices/Kendriya Vidyalayas may hire external professionals, consulting firms or consultants (referred to as Consultant hereinafter) for a specific job which is well defined in terms of contract and time frame for its completion or outsource certain services in conformity with Rule 163 to 185 of General Financial Rules, 2005.</p>	
<p><u>Article No. 183-B : Procurement of Works:</u></p> <p>Kendriya Vidyalaya Sangathan (HQ)/Regional offices/Kendriya Vidyalayas shall procure works in accordance with the stipulations of Rule 123 to 133 of the General Financial Rules, 2005 as amended from time to time except the fact that in the case of KVS in consultation with MHRD instead of Ministry of Urban Development shall be held, if otherwise required.</p>	
<p><u>Article No. 183-C: Integrity Pact:</u></p> <p>Kendriya Vidyalayas/Regional Offices/ZIETs/Headquarters shall include the generally applicable integrity Pact as given in Appendix 4 their all procurement transactions/contacts/ proposals/Tender Documents.</p>	

The threshold value above which the Integrity Pact to be included in Tender/Quotation is Rs.3,00,000/- [Three Lakhs] for Kendriya Vidyalayas and Rs.5,00,000/- [Five Lakhs] for Regional Offices/ZIETs and Headquarters.

The above guidelines for all transactions/contracts should be followed without fail.

CHAPTER XVIII (18)

REVISED HEADING:

INVENTORY MANAGEMENT

STORE OF ARTICLES, STOCK TAKING AND WRITING OFF OF LOSSES OF STORES

Article No.	Proposed Modification	Remarks
184.	<p><u>Storing of Articles (Receipt of goods and materials from private suppliers):</u></p> <ol style="list-style-type: none">1. While receiving goods and materials from supplier, the Stock Holder of stores should refer to the relevant contract terms and follow the prescribed procedure for receiving the material provided by the KVS.2. All materials shall be counted, measured or weighed and subjected to visual inspection at the time of receipt to ensure that the quantities are correct, the quality is according to the required specification and there is no damage or deficiency in the materials.3. Details of the material so received should thereafter be entered in the appropriate stock register. The Stock Holder of stores should certify that he/she has actually received the material and recorded it in the appropriate stock register.	Chapter 7 New GFR - 2005

(i)	4. Valuable articles like Computer, Microscope, Epidiascope, Film Strip Projector, Television Set, Post Office Box, Travelling Microscope, etc. should be kept locked their containers have locking arrangement and stored in steel almirahs. One set of keys of the almirah should be with the Teacher-in-charge and another set with the Principal.	
(ii)	5. Wherever articles have machine numbers, a note of the machine numbers should be kept in the Stock Register for the purpose of identification.	
(iii)	6. Articles of furniture should be serially numbered followed by the code name for each nomenclature of furniture and the year of purchase (for example Almirah Wooden-ALM-W-1/66). The serial numbers should be noted in the Stock Registers for the purpose of identification. A register or list should be maintained showing the detailed distribution of furniture roomwise and a copy of the list should be maintained in the respective rooms. The class teacher should be made responsible for the furniture in his class room. Articles of furniture in the common rooms should be put in charge of a particular senior teacher.	
(iv)	7. Articles like Fortin's Barometer, Physical Balance, Analytical Balance, etc. Should be kept in suitable cases and locked when not in use.	
(v)	8. Glassware should be handled carefully during demonstration or experiments. Glassware should be stored in the laboratory rooms or as near thereto as possible so that the incidence of handling may be reduced to the minimum.	
	Receipt /issue of Articles :	
185.(i)	<u>Receipt /issue of goods and materials :</u> (i) Valuable articles intended for demonstration purposes or doing experiments should be taken out from the place of storage and placed back only in the presence of the Teacher-in-charge. On no account, the students should be allowed to meddle with the valuable articles.	
(ii)	(ii) Chemicals and consumable articles required for consumption in experiments should not be issued in large quantities to the students so as to prevent wastage.	
(iii)	(iii) Reference books should not be issued by the Librarian, to the students for study at home. These should not also be issued to the teachers except for reference and return on the same day under proper receipt. A Register in Form C.S.27 should be maintained for the purpose of issuing and watching the return of library books. As an absolute rule, no library book should be allowed to remain with the students/teachers (including the Principal) longer than necessary. For the purpose of conducting the annual physical verification, the Librarian shall be responsible to collect back all the library books from the students and teaching staff before the close of the school for vacation.	
(iv)	(iv) Except in the case of articles which will be consumed in the process of experiments, no article should be struck off from the Stock Register, even if it is lost or damaged, before its value is written off by the competent authority. The approval of the Sangathan is necessary for striking off an article which is lost or has become unserviceable, in case its written off does not fall within the powers delegated to the Principal. Chemicals and other consumable	

	<p>articles used for experiments should be shown as issued on day-to-day or weekly basis as may be found convenient and the entry in the Stock Register attested by the Teacher-in-charge with date.</p> <p>Note: The term consumable articles do not include glassware, etc. which are liable to breakage in handling. It includes only articles which are physically consumed in the process of doing experiments such as chemicals, kerosene, distilled water, etc.</p>	
(v)	<p>(v) Articles of stationery may be shown issued on a monthly basis if it is not convenient to account for the same on a weekly or fortnightly basis and the entry attested by the Principal or a PGT designated for the purpose by the Principal. The Principal should keep a proper control over the consumption of articles of stationery so as to ensure that there is no wastage.</p>	
	<p><u>Stock Verification</u></p>	
186.	<p>1. <u>Physical Verification of Fixed Assets</u> : The inventory for fixed assets shall ordinarily be maintained at site. Fixed assets should be verified at least once in a year and the outcome of the verification recorded in the corresponding register. Discrepancies, if any, shall be promptly investigated and brought to account.</p> <p>2. <u>Physical Verification of Consumable Articles:</u> A physical verification of all the consumable goods and materials should be under taken at least once in a year and discrepancies if any should be recorded in the stock register for appropriate action by the competent authority.</p> <p>3. <u>Procedure for Verification</u></p> <p>i) Verification shall always be made in the presence of the officer responsible for the custody of the inventory being verified.</p> <p>ii) A certificate of verification along with the findings shall be recorded in the stock register.</p> <p>iii) Discrepancies, including shortages, damages and unserviceable goods, if any identified during verification, shall immediately be brought to the notice of the competent authority for taking appropriate action in accordance with provisions as given below:.</p> <p>4. <u>Physical Verification of Library Books</u> :</p> <p>(i) Complete Physical Verification of books should be done every year in case of Libraries having not more than twenty thousand volumes. For Libraries having more than twenty thousand volumes and upto fifty thousand volumes, such verification should be done at least once in three years. Sample physical verification at intervals of not more than three years should be done in case of Libraries having fifty thousand volumes. In case such verification reveals unusual or unreasonable shortages complete verification shall be done.</p>	

(ii) Loss of five volumes per one thousand volumes of books issued/consulted in a year may be taken as reasonable, provided such losses are not attributable to dishonesty or negligence. However, loss of a book of a value exceeding Rs.1000 (Rupees One Thousand Only) and rare books irrespective of value shall invariably be investigated and appropriate action taken.

- (i)
- (i) Once a year in April after the Annual Examination is over and not later than the end of vacation-preferably during the vacation; and the excesses or
 - (ii) shortages noticed as a result abstracted in a list, department-wise, in the following form in triplicate:-

NAME OF THE DEPARTMENT

Stock Regr. Page No.	Name of the article	Stock as per		Excess (+) Shortage (-)	Results of investigation
		Stock Regr.	Physical verification		

(a) Excess.
Excesses should be investigated to find out any omission or shortage in accounting with reference to the invoices of articles received. They should be brought to account in the Stock Register with suitable remarks and proper steps taken to safeguard against such omissions or commissions in future

(b) Shortages
Shortages indicate losses or breakages in handling and as such required detailed investigation. The lines on which investigation should be conducted are indicated in Article 187.

(ii) Whenever there is a change in the incumbency due to transfer, death etc.,

187. In regard to loss of stores due to theft, report should be sent as explained in Article 235.
In regard to loss of stores other than due to theft, responsibility has to be fixed on the stock holder. For this purpose a report should be furnished immediately after such losses come to notice.
In regard to loss of stores due to breakage, action should be taken as indicated below:-

	<p>As and when breakages arise, action should be taken to fix responsibility on the student or staff at fault and to recover the cost price or market price, whichever is higher. A receipt in form CS 12 should be issued to the part concerned and the amount credited as miscellaneous income.</p> <p>A note of the breakage should be kept in a register in form CS 48. As regards other breakages, that is, accidental breakages while conducting experiments, an on-the-spot investigation should be conducted by the Principal and the result thereof recorded in a register which should be maintained for each department separately. The broken articles should be preserved for investigation by the Condemnation Board.</p> <p>As soon as the annual physical verification is completed, a Condemnation Board consisting of two members of the Management Committee and the Principal should be constituted to investigate into the deficiencies in the Stock and make recommendations to the Sangathan either for recovery of the cost of articles or for writing off the cost price of the articles, if justified.</p> <p>While making recommendations for write off, the Condemnation Board should take into consideration the period of effective life of the article wherever the same has been prescribed or the normal period of life.</p> <p>The report of the losses/breakages should be considered by the Executive Committee, VMC who has full powers up to Rs.2.00,000/- in a year to condemn stores of all kinds. Cases involving condemnation of stores beyond this limit and all cases involving fraud, embezzlement, misappropriation or theft will be condemned with the approval of the Competent Authority of KVS. The report of the losses/breakages should be sent to the Regional Officer along with the minutes of the Executive Committee/VMC by 1st July each year. However, if the total book value of articles to be written off works upto Rs.500/- the articles may be written off under the powers delegated to the Principal and a copy of the sanction along with the report submitted to the Regional Office in duplicate.</p> <p>On receipt of the orders of the Regional Office/Sangathan, action should be taken by the Principal as indicated therein.</p> <p>No articles should be written off from the Stock Register without proper sanction and a reference to the sanction No. and date should be given in the Stock Register in support of the entry for write off.</p>	
187 A	<p>187 A - Transfer of charge of goods, materials etc. : In case of transfer of Officer-in-charge of the goods, materials, etc. the transferred officer shall see that the goods or material are made over correctly to his successor. A statement giving all relevant detail of the goods, materials etc in question shall be prepared and</p>	

187 B

signed with date by the relieving officer and the relieved officer. Each of these officers will retain a copy of the signed statement.

187 B - Disposal of Goods :

(i) The competent authority may, at his discretion, constitute a committee at appropriate level to declare item(s) as surplus or obsolete or unserviceable.

(ii) The book value, guiding price and reserved price, which will be required while disposing of the surplus goods, should also be worked out. In case where it is not possible to work out the book value, the original purchase price of the goods in question may be utilized. A report of stores for disposal shall be prepared in the Form given below [GFR – 17].

Form of surplus or obsolete or unserviceable report of stores for disposal

[See Article 187-B [iii]

Item No	Particulars of stores	Quantity/ Weight	Book Value/ Original purchase price	Condition And year Of purchase	Mode of disposal [sale, public auction or otherwise]	Remark

Signature.....
Designation.....
Date.....

(iii) In case an item becomes unserviceable due to negligence, fraud or mischief on the part of a Government servant, responsibility for the same should be fixed.

187 C - Modes of Disposal :

(i) Surplus or obsolete or unserviceable goods of residual value above Rupees Two Lakh should be disposed of by:-

(a) Obtaining bids through advertised tender or

(b) Public auction

	<p>(ii) For surplus or obsolete or unserviceable goods with residual value less than Rupees Two Lakh, the mode of disposal will be determined by the competent authority, keeping in view the necessity to avoid accumulation of such goods and consequential blockage of space and, also, deterioration in value of goods to be disposed of.</p> <p>(iii) Certain surplus or obsolete or unserviceable goods such as expired medicines, food grains, ammunition etc. hazardous or unfit for human consumption, should be disposed of or destroyed immediately by adopting suitable mode so as to avoid any health hazard and / or environmental pollution and also the possibility of misuse of such goods.</p> <p>(iv) Surplus or obsolete or unserviceable goods, equipments and documents, which involve security concerns (e.g. currency, negotiable instruments, receipt books, stamps, and security pressetc.), should be disposed in an appropriate manner to ensure compliance with rules relating to officials secrets as well as financial prudence.</p>	
	<p><u>187 D - Disposal through Advertised Tender:</u></p> <p>(i) The broad steps to be adopted for this purpose are as follows :-</p> <ul style="list-style-type: none"> a) Preparation of bidding documents. b) Invitation of tender for the surplus goods to be sold. c) Opening of bids d) Analysis and evaluation of bids received. e) Selection of highest responsive bidder. f) Collection of sale value from the selected bidder. g) Issue of sale release order to the selected bidder. h) Release of the sold surplus goods to the selected bidder. i) Return of bid security to the unsuccessful bidders. <p>(ii) The important aspects to be kept in view while disposing the goods through advertised tender are as under :-</p> <ul style="list-style-type: none"> a) The basic principle for sale of such goods through advertised tender ensuring transparency, competition, fairness and elimination of discretion. Wide publicity should be ensured for the sale plan and the goods to be sold. All the required terms and conditions of sale are to be incorporated in 	

	<p>the bidding document comprehensively in plain and simple language. Applicable of taxes, as relevant, should be clearly stated in the document.</p> <p>b) The bidding document should also indicate the location and present condition of the goods to be sold so that the bidders can inspect the goods before bidding.</p> <p>c) The bidders should be asked to furnish bid security alongwith their bids. The amount of bid security should ordinarily be ten percent of the assessed or reserved price of the goods. The exact bid security amount should be indicated in the bidding document.</p> <p>d) The bid of the highest acceptable responsive bidder should normally be accepted. However, if the price offered by that bidder is not acceptable, negotiation may be held only with that bidder.</p> <p>e) In case the total quantity to be disposed of cannot be taken up by the highest acceptable bidder, the remaining quantity may be offered to the next higher bidder(s) at the price offered by the higher acceptable bidder.</p> <p>f) Full payment i.e. the residual amount after adjusting the bid security should be obtained from the successful bidder before releasing the goods.</p> <p>g) In case the selected bidder does not show interest in lifting the goods, the bid security should be forfeited and other actions initiated including re-sale of the goods in question at the risk and cost of the defaulter, after obtaining the legal advice.</p> <p>(iii) Late bids i.e. bids received after the specified date and time of receipt should not be considered.</p>	
	<p>187 E - Disposal through auction:</p> <p>(i) Kendriya Vidyalaya Sangathan may undertake auction of goods to be disposed of either directly or through approved auctioneers.</p> <p>(i) The basic principles to be followed here are similar to those applicable for disposal through advertised tender so as to ensure transparency, competitions, fairness and elimination of discretion. The auction plan including details of the goods to be auctioned and their location, applicable terms and conditions of the sale etc., should be given wide publicity in the same manner as is done in case of advertised tender.</p> <p>(ii) While starting the auction process, the condition and location of the goods to be auctioned, applicable terms and conditions of sale etc., (as already indicated earlier while giving wide publicity for same), should be announced again for the benefit of the assembled bidders.</p> <p>(iii) During the auction process, acceptance or rejection of a bid should be announced immediately on the stroke of the hammer. If a bid is accepted, earnest money (not less than twenty five percent of the bid value) should immediately be taken on the spot from the successful bidder either in cash or in the form</p>	

of Deposit-at-call-Receipt (DACR), drawn in favour of the Kendriya Vidyalaya/Kendriya Vidyalaya Sangathan [RO/ZIET/HQ] selling the goods. The goods should be handed over to the successful bidder only after receiving the balance payment.

(iv) The composition of the auction team should however include an officer of the Internal Finance Wing of the department./an officer authorised by VMC

187 F - Disposal at scrap value or by other modes: If a Kendriya Vidyalaya/Kendriya Vidyalaya Sangathan [RO/ZIET/HQ] is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose of the same at its scrap value with the approval of the competent authority in consultation with the Finance Division. In case of Kendriya Vidyalaya/Office is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

A sale account should be prepared for goods disposed of in Form GFR 18 duly signed by the officer who supervised the sale or auction. Form is given below

**GFR 18
[Article 187 F]
Sale Account**

Item No	Particulars of Stores	Quantity/Weight	Name and full address of purchaser	Highest bid accepted
1	2	3	4	5
Highest bid rejected	Earnest money realized on the spot	Date on which the complete amount is realized and credited in to treasury	Whether the articles were actually handed over on the spot. If not, the actual date of handing over of the articles with quantities.	Auctioneer's Commission and acknowledgement for its payment
6	7	8	9	10

Signature.....
Designation.....
Date.....

187 G - Losses not due to Depreciation:

Losses not due to depreciation shall be grouped under the following heads:-

(i) Losses due to theft or fraud;

(ii) Losses due to neglect;

	<p>(iii) Anticipated losses on account of obsolescence of stores or of purchases in excess of requirements;</p> <p>(iv) Losses due to damage, and</p> <p>(v) Losses due to extraordinarily situations under 'Force Majeure' conditions like fire, flood, enemy action, etc.;</p>	
	<p>187 H - GUIDELINES FOR CONDEMNATION & DISPOSAL OF ARTICLES INCLUDING IT. EQUIPMENTS</p> <p>1. I.T. equipment in KVS(HQ) / Regional Offices / ZIETs / Kendriya Vidyalayas will include the following Items:</p> <ul style="list-style-type: none"> (i) Personal Computers (PCs) (ii) Servers (iii) Dumb Terminals (iv) Printers (v) Uninterrupted Power Supply (UPS) (vi) Laptops (vii) Original packaged software (viii) Technical books and manuals pertaining to Hardware and software (ix) Data Communication Equipment (Switches, hubs and other LAN equipment) (x) LCD Projectors and other projection devices. <p>2. Guidelines for condemnation and disposal of I.T. equipment will be applicable to:</p> <ul style="list-style-type: none"> o KVS(HQ) o Regional Offices o Zonal Institutes of Education & Training o Kendriya Vidyalayas <p>3. The Computers / I.T./ equipment will be condemned only on the following grounds:</p> <p>(a) <i>Technically obsolete.</i></p> <p>Hardware / Data Communication Equipment / Packaged Software which have been used for last 5 years or more and are not in working condition.</p> <p>(b) <i>Beyond economic repair</i></p> <p>When repair cost in respect of Hardware / Data Communication Equipment / Packaged Software is too high as compared to the current value (taking depreciation into account) and the age of the equipment.</p> <p>4. Procedure for declaration and disposal of obsolete computers and Peripherals</p>	

This lays down the procedure for declaring the obsolete I.T. equipment as obsolete / unserviceable /beyond economical repair for and their disposal. There are a number of I.T. equipment which are more than five years old.

i) Preliminary Action:

The following actions shall be taken before declaring I.T. equipment as Beyond Economic Repair (B.E.R.);

- (a) The I.T. equipment will continue to be used as long as they can be maintained or upgraded economically. The I.T. equipment shall be listed for condemnation only when they cannot be upgraded or maintained economically / warrant extensive repairs and replacement of sub-assemblies / accessories and combined cost of which exceeds 50% of the current cost of an equivalent system.
- (b) Possibility for replacement with buy-back procedure shall be explored prior to disposal.
- (c) Ascertain from the vendor who is giving A.M.C. support that the machine is Beyond Economic Repair (B.E.R).
- (d) Record the reasons for the I.T. equipment to be declared as obsolete, *Declaration of I. T. equipment as B. E. R.*

5. All the I.T. equipment to be declared as B.E.R. by following competent authorities:

Level	Competent Authority
Vidyalaya	Executive Committee of VMC with one regular PGT (Computer Science). In case regular PGT (Computer Science) is not available. PGT (Computer Science) from neighbouring KV should be associated.
Regional	Committee consisting of Deputy Commissioner, Assistant Commissioner (In-charge Computer Education), Administrative Officer and one regular PGT (Computer Science) from KV
ZIET	Committee consisting of Director Section Officer, Assistant and one regular PGT (Computer Science) from nearby KV.
KVS (HQ)	Committee consisting of Joint Commissioner (Acad), Assistant Commissioner (Admin), Statistical Officer and one PGT (Computer Science) from nearby KV.

6. All the categories as mentioned at Para 1 may be declared as obsolete after 05 years from the date of purchase, if found so.

7. The designated competent authority mentioned at Para 5 should take into account the prescribed or stipulated life period of the item to be declared as obsolete / unserviceable. If no life period on any prescribed item is mentioned, it should be examined by the competent authority(s) as to whether item is unserviceable due to normal wear and tear.

8. The competent authority will also assess the cost of items declared obsolete / unserviceable and recommend for disposal.

9. Disposal of Computer System / Peripherals

The proceedings with the necessary recommendations of competent authority shall be forwarded through following channel for obtaining the approval:

Up to the limit of Rs2,00,000 in a year for a particular KV	Executive Committee of VMC of the KV Concerned
In respect of Kendriya Vidyalayas: Full power excluding cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment.	Deputy Commissioner of the Regional Office concerned
Up to the limit of Rs.2 Lakhs in a year for the concerned Regional Office/ZIET.	Deputy Commissioner of the Regional Office concerned/Director of the ZIET concerned.
Up to the limit of Rs.5 Lakhs in a year for Regional Office/ZIETs.	Additional Commissioner (Admn), KVS
Beyond the limit of Rs.5 Lakhs in a year for a particular KV	Commissioner, KVS

10. I.T. goods declared as obsolete will be auctioned as per existing norms for other store items.

11. On receipt of the orders of the Regional Office / KVS (HQ), action should be taken by the Principal as indicated therein. No equipment should be written off from the Stock Register without proper sanction. A reference to the sanction number and date should be given in the Stock Register in support of the entry for write off. If the equipment has been damaged due to fire or other reason, proposal shall be sent by the Kendriya Vidyalayas to the concerned Regional Office and the Regional Office, in turn, should send a proposal along with comments and recommendations to Commissioner, KVS for consideration and approval.

12. Such equipment shall be disposed of strictly following the procedure as laid down in Rule 196 to 201 of GFR 2005. Once the equipment has been condemned, it will be removed from the office use and kept in the area allotted for scrapped equipment. KVS(HQ)/Regional Offices/ ZIETs/ KVs will also ensure removal of 'service and inventory labels from such I.T. equipment. All data including operating system must be removed after taking proper backup.

13. Each I.T. Department at the level. of KVS(HQ)/Regional Office/ZIET/KV will prepare Equipment Condemnation Note which will be individually numbered having equipment description (including make, model) SI. No of Asset Register, Purchase date, purchase price, reason for condemnation and additional information, if any. The I.T. Wing of KVS will constitute a Condemnation Committee which will review the Condemnation Note and decide about the condemnation of equipment

as per guidelines specified above. The Committee should have at least one member having I.T. background.

14. All procedures and rules of KVS on maintenance of records for condemnation of non-consumable Items will be adhered to in these cases. The Condemnation Report prepared by the I.T. Department of KVS(HQ)/ ROs/ ZIETs/ KVs based on these guidelines shall be sent to the competent authorities described at Table given below. As per the delegation of powers for write off irrecoverable losses (excluding cases of theft / embezzlement etc.) as contained in Appendix II of the Education Code, the competent authorities given at Table given below shall be considered:

Table

The power of condemnation of stores including IT equipment purchased out of VVN/School Fund at various levels of KVS is as under.

S. No	Authority	Power delegated in respect of Kendriya Vidyalayas.	Power delegated in respect of Regional Office/ZIETs.
1	Commissioner	Full power including cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment	Full power including cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment
2	Additional Commissioner (Admn), KVS		Up to Rs.5 Lakhs per annum excluding the cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment
3	Deputy Commissioner/Director of the Region/ZIET concerned	Full power excluding cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment.	Up to Rs.2 Lakhs per annum but excluding the cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment.
4	Executive Committee of VMC of the KV Concerned	Up to Rs.2 Lakhs per annum but excluding the cases involving fraud, embezzlement, fire, misappropriation or theft and the articles whose life span has not been expired including IT Equipment.	N.A.

The condemnation will be done only after approval of the competent authority. The write off from the books of accounts shall be done only after proper sanction is received.

15. To avoid piece-meal approach, all cases of condemnation and disposal of computer / I.T. equipment should start within one week of receipt of the guidelines in this financial year (2008-2009).

But in subsequent years, it must be processed at least twice in a year during the months of May-June and Nov-Dec.

Chapter 19

CONSTRUCTION WORKS AND THE ACCOUNTS CONNECTED THEREWITH MODIFIED	
188.	The work of construction of buildings, staff quarters and hostels for the Kendriya Vidyalayas is undertaken according to a planned programme depending on the availability of land and priorities. No work can be undertaken unless there is an approved budget provision for the same or funds are made available by re-appropriation from other heads of accounts.
189.	As the Sangathan has no agency of its own for planning, designing and executing of Construction Works, agencies like the M.E.S., C.P.W.D. and P.W.D. are employed for the purpose on payment of the prescribed departmental charges. Sometimes none of these agencies is free to undertake the construction projects or may not have a sizeable unit to be able to handle the projects. In order to meet such situations, the Sangathan enters into agreement with one of the Semi-Government Construction Agencies for designing and supervision of works with the specific approval of Board of Governors. Note – (1) In the case of works entrusted to M.E.S., no departmental charges are leviable as the Sangathan works are now being treated as an “Agency basis” by the Ministry of Defence, Govt. of India. (2) In exceptional cases, the execution of work by employment of private contractor’s etc. may be entrusted by the Sangathan to the Vidyalaya Management Committee. However, it is done only in cases of Petty Works and/or Maintenance and Repairs works.
189 A.	The following requirements must be met before a new work is commenced or liability incurred in connection with it – (1) The name of the work approved by the Works Committee of the Sangathan; (2) The lease deed in respect of the transfer of the land to the Sangathan already exists/has been executed; (3) Administrative approval for undertaking the work has been accorded by the competent authority. (4) A properly detailed design and estimate has been received from the Construction Agency and necessary sanction to incur expenditure issued; and (5) Necessary funds to cover the charge during the year are available.
A.	Works Entrusted to M.E.S.
(i)	The agency of the M.E.S. is generally employed in respect of works to be executed in regimental areas. In terms of the understanding reached with the Ministry of Defence, vide their letter No.F.25(3)/63/D (GS II) dated 13.3.1964 (copy reproduced in Appendix XXX VIII(a) to the Edu. Code, about 15 acres of land will be made available on a long-term basis on nominal rent without any premium. In order to earmark the land, the Station Commander or the Commandant of the Regimental Centre should convene a Recce-cum-Sitting Board. The Military Estate Officer of the area concerned will be associated with the sitting Board. Copies of the proceedings of the Board should be forwarded to the Director of Military Lands and Cantonments through the Military Estates Officer for taking necessary action for the transfer of the land under the orders of

the Ministry of Defence. According to the standing orders of the Ministry of Defence, vide their letter No.6336/65/D (Lands) dated 19-07-65 (copy reproduced in Appendix XXX VIII(c) to the Edu. Code, in cases where the land belongs to the Ministry of Defence and is not encumbered in any way, the Military Estates Officer concerned will hand over the possession of the land with the prior approval of the Station Commander to the Sangathan's nominee (Chairman of the Kendriya Vidyalaya) and take action to obtain formal orders for the transfer of the land in due course.

For registration of lease on long-term basis at a nominal rent, a draft lease deed should be prepared in consultation with the respective sponsoring agencies and be sent to the Headquarters duly completed in all respects for approval before its execution. The lease deed form is standard in the case of Ministry of Defence and can be obtained either from the MEO office or from the Kendriya Vidyalaya Sangathan. In other cases, the lease deed should be suitably drafted as per terms and conditions of allotment in consultation with the sponsoring authority and the Sangathan. Registered lease deed which will be signed by Joint Commissioner (Administration) on behalf of the Sangathan, alongwith a copy of the site plan showing clearly the plot boundaries, existing structures, if any, be kept as a record in the Vidyalaya. A copy of the same may also be sent to the Headquarters for record.

As soon as the land is earmarked, a Master Plan of the entire campus should be got prepared by the M.E.S. and sent to the Sangathan. The Master Plan should contain details of all the components such as (i) school buildings, (ii) hostels, (iii) staff quarters, (iv) playground, etc

The Principal will then send the proposal for the construction of necessary school building, staff quarters and boundary wall etc. for the approval of the Sangathan.

The Sangathan will approach the Construction Agency for preparation of plans and estimates of the proposed works after obtaining the approval of the Works Committee. The detailed plans and estimates are to be prepared on the basis of norms, space requirements and specifications framed by a Committee of Experts on school building set up by the KVS and as laid down in the publication entitled "Kendriya Vidyalaya Buildings".

The plans and estimates will be considered by the Sangathan and thereafter sent to the Army Headquarters in the case of MES (Director General of Works in the case of CPWD) for scrutiny. On receipt of their clearance, administrative approval and expenditure sanction shall be issued by the Sangathan for the same with the approval of the competent authority. Some amount shall also be released by the Sangathan as the first instalment for an early commencement of the work.

The Sangathan shall remit funds by means of RTGS/NEFT/Bank Draft/Cheque drawn in favour of the school to the Principal who will in turn deposit the sanctioned funds with the Construction Agency.

Release of second and subsequent instalments of funds will be sanctioned by the Sangathan in stages depending on the progress of the work and after taking into account the expenditure incurred out of funds already placed at the disposal of the construction agency.

The Principal should keep himself in close touch with the Garrison Engineer or other Stock Holder of the work regarding the progress of the work, such as calling of tenders, finalization of tenders, awarding of contract, construction in phases, provision of internal and external services, etc. A monthly progress report in the prescribed proforma should be submitted by the Principal in CS 71, duly filled in by the Agency entrusted the work, at the end of every month to reach the Sangathan by the 10th of the

	<p>succeeding month together with a demand for additional instalment of funds, if warranted. Important development as a result of which progress of the work is likely to be retarded or completion of the work is likely to be delayed beyond the target date should be specifically brought to the notice of the Sangathan.</p> <p>No deviations from the approved estimates should be authorized by the Principal or the school management committee without the prior approval of the Sangathan, even if the work may result in savings.</p> <p>When the work is completed, a completion certificate; record drawings and completion report should be obtained and kept in the Vidyalaya record. The Principal should take possession of the completed building and inventory after carefully examining whether the components have actually been completed/fitted according to the approved specifications in the estimate. A copy of inventory (list) of all electrical fittings, sanitary and water supply fittings and other fittings should be kept in the school record. An account of expenditure incurred on the work should be obtained from the construction agencies soon after the completion of work and further action taken as indicated in Article 84 of the Accounts Code. The Principal should also check up to ensure that the conditions and other procedural instructions already mentioned in the administrative approval and expenditure sanction are enforced from time to time. The same procedure is to be followed for works other than construction of school building i.e. construction of additional class rooms and other ancillary work.</p> <p>A copy of the completion report should be furnished to the Sangathan. Final expenditure statement should also be obtained from the construction agency and sent to the Sangathan for settlement of accounts of the individual work.</p>
B.	Works Entrusted to C.P.W.D./State P.W.D.
	<p>The agency of the C.P.W.D./State P.W.D. is generally employed in respect of works to be executed in civil areas. The transfer of land should be got effected under the orders of the State Government.</p> <p>In order to facilitate execution of the work with the maximum possible expedition, action should be taken to co-opt the senior most Engineer of the C.P.W.D./State P.W.D. at the station on the school management committee under intimation to the Sangathan.</p> <p>With the exception of the points mentioned above, the procedure described for M.E.S. should be followed mutatis mutandis.</p>
C.	Works entrusted to the Semi-Govt. agencies viz. Central Building Research Institute, Roorkee and School of Planning and Architecture, New Delhi or Vidyalaya Management Committees.
	<p>The detailed procedures to be followed will be prescribed by the Sangathan from time to time.</p> <p>After the construction work is completed, necessary note should be made in the Property Register (C.S.25).</p>
	Maintenance and Repairs

191 (a)	The Executive Committee, VMC, will be responsible for the proper upkeep and maintenance of the Vidyalaya building and its campus.
(b)	It is open to the Executive Committee, VMC, to utilize the VVN subject to the provisions of VVN norms and ceiling for expenditure on :-
(i)	Repairs and maintenance (including alterations and modifications) of the school building, its toilets, septic and overhead tanks and campus.
(ii)	Petty repair works.
(iii)	Maintenance and development of school play grounds.
(c)	In case where there is no construction agency available to take up to repair works or the existing construction agency is not able to undertake them, the repair works can be carried out under the overall supervision of the Executive Committee, VMC by inviting tenders or by engaging labour and purchasing materials.
(d)	Special repairs as distinct from day to day and annual repairs shall continue to be sanctioned by KVS Hqrs. As per the need of the Vidyalaya. These proposals, with all facts, details, planned life of facility/fixtures, causes of deterioration, date of completion, detailed justification, photographs along with an estimate prepared by a construction agency will be sent to KVS Headquarters, when such a need arises.
	General Points Applicable to all Construction Works
191 A.	Construction works involve heavy financial outlay. Whatever may be the agency employed for the work, the Principal is responsible to see that the work is commenced without delay, funds do not remain blocked unnecessarily and the work is completed expeditiously.
191B.(a))	Section 194 C of the Income Tax Act, 1961 makes the disbursing officer responsible for the deduction of income-tax from payment to contractors exceeding Rs.30,000/- in a financial year for carrying out any work. The deduction may be made at the following rates (Provisions of this section are subject to revision under the Income Tax Act from time to time):- Payments to contractors 2%
(b)	TDS should be credited into Govt. Treasury through a crossed cheque within the prescribed time alongwith the prescribed form. The person deducting tax at source is required to issue a certificate of TDS to the payee in the prescribed form. This certificate enables the payee to get the credit of TDS in his return of income

Chapter - 20

LEDGER ACCOUNTS, MONTHLY ACCOUNTS AND ANNUAL ACCOUNTS RETURNS		
Article No.	Proposed Modification	Remarks
A(i)	Ledger Accounts	
192	<p>Every transaction after its being entered in the Cash Book should ultimately find a place in the ledger. The ledger is the head-wise repository of all transactions. The necessity for maintaining the ledger arises due to the fact that the accounts of the school are required to be maintained under the Accrual Based double entry accounting system. The double entry system is based on the principle that every transaction has two-fold aspects, viz., the debit and the credit. Accordingly, every ledger account has two sides, the left hand side representing the debit side and the right hand side representing the credit side. The forms of various ledger accounts to be maintained are given in C.S.28. As soon as a transaction is passed through the Cash Book, it should be entered on the opposite side of the ledger account and the name of the ledger account and ledger folio number indicated in the Cash Book. A cross reference to page number of the Cash Book should also be given in the ledger account. The ledger accounts for a month should be closed at the beginning of the next month. The detailed instructions in regard to the maintenance of ledger accounts as per requirement of the Sangathan are given in Appendix (Form CS28). These instructions should strictly be followed by each Kendriya Vidyalaya.</p> <p>Heads of ledger shall be in conformity with the items of income/expenditure/assets/liabilities depicted in financial statements (Receipt & Payment Account, Income & Expenditure Account and Balance Sheet).</p>	As per KVS circular
(ii)	Each Kendriya Vidyalaya shall maintain a Register of Adjustment Accounts received from the construction agencies; transfer advices in respect of monthly provident fund and EWS deductions from pay bills, sanctions for the losses written off, deposits forfeited. For non cash/Bank transaction a JOURNAL Book shall be maintained to record such transactions. The journal provides a date wise records of all such transactions with details of the accounts debited and credited, and the amount of transaction. Journal entries should be made on the date of receipt of adjustment account and issue/receipt or write off sanction etc. The posting of these entries will have to be made in the Ledger which is required for preparation of financial statements.	
193.	Another feature of the double entry system of accounts is the segregation of the transactions into capital and revenue. Capital represents the transactions which result in the creation of assets, while revenue represents expenditure on services of staff,	

	<p>maintenance and repairs of assets and purchase of articles which do not represent assets. This feature is made use of in the preparation of Annual Accounts, the chronological stages of which are :-</p> <p>(i) Receipts and Payments Account, summarizing the cash receipt and cash payments for the year under prescribed heads;</p> <p>(ii) Income and Expenditure Account incorporating the revenue picture of the transactions; and</p> <p>(iii) Balance Sheet incorporating the capital picture of the transactions.</p>	
B		
194.	<p>The Sangathan is required to submit to the Ministry of Human Resource Development (Department of Education) a statement of expenditure incurred out of the grants received by it. Besides, a control over the utilization of funds distributed to the schools has to be kept by the Sangathan. In order to serve these purposes, a monthly account return showing the receipts and expenditures under the various heads of account is to be submitted. The form of monthly account return (C.S.23) which is called the Consolidated Monthly Statement of Account is given Part II of this volume. The Consolidated Statement of Account should be furnished to the Regional Office/Sangathan positively on or before the fifteenth of the month following the month of account. The Consolidated Statement of Account should be accompanied by copies of pay bills, T.A. bills, etc. working up to the total amount charged under the head Pay and Allowances in the Consolidated Statement. In order to ensure that all the copies of pay bills, etc. have actually been sent, an abstract of payments in the following form should also be sent along with the Consolidated Statement of Account:</p> <p>Abstract of Pay and Allowances during the Month of _____</p> <p>(i) Pay Bills: Pay Bill No.1(Gross Amount _____ Management's share of C.P. Fund _____ Leave Salary and Pension Contribution _____ Pay Bill No.2 and so on _____</p> <p>(ii) T.A. Bills : T.A. Bills No.1,2 and so _____ On (Gross amount) _____</p> <p>(iii) Medical Bills : Medical Bills No.21,22 _____ and so on _____</p> <p>(iv) Leave Travel Concession: Bills No.3, _____ 4 and so on _____</p> <p>(v) Children's Educational Allowance: _____ Bills NO.3, 4 and so on _____</p> <p>Grand Total _____ Amount charged under Pay and _____ Allowances in Consolidated _____ Statement of Account : _____</p>	

	<p>It should be noted that only gross amount should be shown under the head Pay and Allowances in both the Consolidated Statement of Account and the Abstract of Payments. The term gross amount is explained below:</p> <p>(i) Pay and Allowances. The total amount of pay, DA, HRA, CCA due, before making deductions for C.P. Fund, Income-tax, etc. Overpayment of pay and allowances may, however, be shown as reduction of expenditure.</p> <p>(ii) T.A. Bill</p> <p>(a) ON TRANSFER/TOUR. Advance of TA on transfer/tour of an employee should be shown under the separate head Advances Recoverable and not under the head "Pay and Allowances". When the claim is settled the amount shall be shown under the head "Pay & Allowances" to the extent of expenditure incurred and the advance of T.A. on transfer/tour should be credited to the head "Advances Recoverable".</p>	
(iii)	<p>Medical Bill.</p> <p>The advance for medical expenses should be shown as Medical advance under the head Advances. On settlement of bill the amount will be transferred to Medical Reimbursement under Pay & Allowances.</p>	
(iv)	<p>Leave Travel Concession. Same procedure as for TA on transfer/tour</p>	
C.		
195	<p>Under Rule 51 of the Rules of the Kendriya Vidyalaya Sangathan, the Sangathan is required to submit the Annual Report alongwith the audited statement of accounts to the Ministry of Human Resource Development, Department of Education, Government of India for laying it on the tables of both the houses of Parliament by the end of December every year. For this purpose, the Annual Accounts of the Vidyalayas for the financial year have to be compiled and consolidated well in time. The Annual Accounts will be prepared in 3 parts, viz. Receipts and Payments Account, Income and Expenditure Account and the Balance Sheet, in the forms prescribed. The detailed instructions for compiling the same are given Appendix 6. Five sets of Annual Accounts shall be prepared by the Vidyalaya. Two sets shall be forwarded to the Regional Office for consolidation etc. and two sets to the respective Director of Audit/Accountant General for audit and certification. One of the two sets received by the Regional Office shall be forwarded by that office to the Sangathan as enclosure to the consolidated Annual Accounts of the Region. The work in regard to the Annual Accounts should be completed expeditiously and the same sent to the Regional Office by the 30th April each year.</p>	
D.		
196.	<p>The accounts maintained by the Kendriya Vidyalayas are to be audited by the Accountant General. All possible cooperation should be extended to the Director of Audit/Accountant General's Inspection Party in conducting the audit. The audit fees claimed by the Accountant General will be paid, centrally by the Sangathan on receipt of a demand from the Director General of Audit, Central Revenues, New Delhi.</p>	
E.	<p>Register of Assets</p>	

196 B.	According to the rules of the Government of India, every grantee-institution has to furnish a return of the Register of Assets created out of the grants sanctioned during a year. The term assets for this purpose means all movable assets of a capital nature exceeding Rs.10,000 in value and all immovable assets irrespective of value. The return is to be furnished by the Vidyalayas in the following form along with the Annual Accounts:-						
REGISTER OF ASSETS ACQUIRED WHOLLY OR SUBSTANTIALLY OUT OF GOVERNMENT GRANTS							
Date	Particulars of Assets	Particulars of supplier/received as gift		Cost of Asset	Location of the asset	Remarks	
		Name & Address	Bill No. and Date				
1.	2.	3.	4.	5.	6.	7.	
Attach separate sheet according to Schedule 5 and 5 (A) separately for School Fund and VVN.							

Chapter-21 VIDYALAYA VIKAS NIDHI

Article No.	Proposed Modification	Remarks
197.	<p>197. Background Upto 31.03.1999, the Sangathan was charging money from students over and above tuition fee (to the extent applicable) under the following heads :-</p> <ol style="list-style-type: none"> 1. Pupils Fund, and 2. Science Fund <p>Instructions relating to these contained in Chapter 21 and 5 of the Accounts Code for Kendriya Vidyalayas (1989 Edition). As decided in 63rd and 65th meetings of the Board of Governors held on 21.07.1998 and 19.03.1999 respectively, a third charge viz towards “maintenance & Development Fund” was levied w.e.f. 01.04.1999 @ Rs.25/- per child per month.</p>	<p>KVS VVN CIRCULAR</p> <p>(1) No.F.6-1/91-92/KVS(Budget) dt. 15.3.1999</p> <p>(2) No.F.6-1/99-2000/KVS(Budget) dt. 9.9.1999</p> <p>(3) No.F.6-1/99-2000/KVS(Budget) dt. 6.12.1999</p>

However, in 66th meeting dated 16.09.1999 of the Board, it was decided that the three funds i.e. (i) Pupil Fund, (ii) Science Fund and (iii) Maintenance & Development Fund should be merged into single fund called 'Vidyalaya Vikas Nidhi (VVN)' w.e.f. the next financial year. Accordingly, the VVN was introduced w.e.f. 01.04.2000. Rates at which contribution towards Vidyalaya Vikas Nidhi is to be collected from students were approved by the Board of Governors from time to time as under, based on recommendation of the Finance Committee:-

Sl.No	Date with effect from	Amount collected from all students except Science students of Classes XI and XII	Amount collected from Science Students of Classes XI and XII	Date on which recommended by Finance Committee	Date of approval by Board of Governors
1.	1.4.2000	Rs.100/-	Rs.125/-	11.08.1999	16.09.1999
2.	1.4.2002	Rs.120/-	Rs.150/-	12.12.2001	22.02.2005
3.	1.4.2004	Rs.160/-	Rs.200/-	01.08.2003	22.02.2005
4.	1.10.2009	Rs.240/-	Rs.300/-	29.06.2009	29.07.2009
5.	1.4.2013	Rs.500/-	Rs.500/-	-	11.03.2013

Contribution to VVN is being charged from all students and is collected on a quarterly basis. However, the following are exempted from payment of VVN :-

Category	Tuition fees	Computer Fund	VVN Contribution
Girls students from class 1-XII	Exempted	No Exemption	No Exemption
SC/ST students	Exempted		No Exemption
Children of KVS employees	Exempted		No Exemption
Children of officers and men of armed forces and Paramilitary personnel killed or disabled during the hostilities 1962;1965;1971 and 1999 and as well as to the children of Defence Personnel of Indian Peace Keeping Force(IPKF)in Srilanka and personnel of armed forces killed or disabled in "Operation Meghdoot" in Siachen area and "Operation Vijay" in Kargil. x The said concession of exemption from payment of tuition fee, (VVN and Computer fund) is also extended to the children of Armed Forces and Para Military Forces personnel whose parents were killed/declared missing or permanently disabled during any counter insurgency operation in India or abroad. Provided the children produce the certificate granted by the concerned Ministry.	Exempted		No Exemption

Children of parents, who are living below poverty line, up to two children and having BPL card	Exempted		Exempted
Disabled students. (Subject to the condition laid down in KVS Letter No.F125-19/2007-08/KVS (Budget) dt.15.10.2009).	Exempted		Exempted
All girl students from classes VI to XII who happen to be the only child of their parents (w.e.f. 01.01.2006 from VVN & Computer Fund.)	Exempted	Exempted	Exempted
Emergency Assistance to the students	Exemption of VVN for one academic session is allowed		

197-A	<p>197-A Classification of Vidyalayas</p> <p>For the purpose of utilization of VVN, Vidyalayas shall be classified into two categories as follows :-</p> <p>“Small” Vidyalayas shall be those having one section of each class I to XII, and total strength not exceeding 500.</p> <p>“Large” Vidyalaya shall be those, which do not come within the category of “Small’ Vidyalayas.</p>	
	<p>197-B Liability of “Large” Vidyalayas to contribute 10% of their VVN collection to other Vidyalaya Activities</p> <p>‘Large Vidyalayas’ shall transfer 10% of their quarterly collection under VVN to various authorities outside the Vidyalaya in the last week of each quarter as follows:-</p> <p>(i) 8% to the Regional Office of which</p> <p>a) 5% would go to Regional Office VVN Deposit Account for re-distribution to “Small” Vidyalayas of the Region, as well as incurring expenditure on various curricular activities conducted at the Regional level and preparing resources like printing of study material question papers at Regional level, development/ procurement of e-class rooms, MIS solutions, e-content etc. and co-curricular activities like conduct of Youth Parliament, Science Exhibition, Social Science Exhibition, celebration of National Science Day etc. (letter no.F.11053/18-2013/KVS(Acad.) 18.1.2012.)</p> <p>Appropriation of required reserve for grant of computer advance to teachers as applicable. (F.110240/(3)/FC/2010-KVS(HQ)/Budget dated 18.2.2011.</p> <p>b) 3% would go to Regional Sports Control Board Account.</p> <p>(ii) 2% to KVS HQrs-National Sports Control Board Account.</p>	<p>KVS VVN CIRCULAR</p> <p>No.F.6-7/2005-06/KVS(Budget) dt. 31.3.2006</p>

197-C: Purpose for the VVN may be utilized.

(1) Subject o the financial ceilings specified in the Article 202, the Vidyalaya Vikas Nidhi shall be utilized exclusively for the purpose of School Development.

(2) Broadly, the purpose for which the VVN may be utilized shall be the following:-

(i) Engagement of Part time teachers (including Computer Instructor/Teachers) on contract basis against leave vacancies, vacancies caused by suspension or regular employees, and for other temporary activities but excluding remuneration of part-time teachers appointed against vacancies in regular sanctioned posts. Remuneration of contract teachers appointed clear vacancies in regular sanctioned posts shall be met out of School Fund i.e. Govt. Grant.

(ii) Petty Construction work undertaken;

(iii) Repairs and maintenance of

(a) School Building including toilets, septic and overhead tanks, campus and playground;

(b) Classroom furniture and fixtures;

(c) Laboratories and Laboratory equipments;

(d) Audio Visual and Musical Instruments; and

(e) Sports Articles/Goods.

(iv) Purchase of Sports articles/kits;

(v) Sports Meets, Participation in Adventure Activities, SGFI Sports Meet etc.

(vi) Scout & Guide Activity;

(vii) Pupil Societies; Annual Function; Other School Functions (e.g. Republic Day; Independence Day; Teacher's Day, etc.) and other Children Group Activities;

(viii) School Excursions;

(ix) Conduct of Examinations and related activities;

(x) Incidental expenses connected with visits to the school by dignitaries like Hon'ble Ministers, Parliamentary Committees, etc.

	<p>(xi) Beautification and horticultural development of the school campus including tree plantation;</p> <p>(xii) Purchase of laboratory equipment, audio visual aids, musical instrument and library books;</p> <p>(xiii) Publication and printing of Vidyalaya Magazine and Student Diary;</p> <p>(xiv) Purchase and maintenance of Computer Hardware and Software including e-mail/Internet facility for students.</p> <p>(xv) Provision of first-aid and other necessary medical facilities during school hours.</p> <p>(xvi) Security of the School.</p> <p>(xvii) Creation of ICT – enable class rooms in the Vidyalayas to modernize the teaching – learning environment as mandated through ICT policy of Govt. of India which has further been stressed upon by the CBSE calling its affiliated institutions for conversion of at least one class room in each class into IT-enabled smart E-class rooms, to begin with the increase the said infrastructure in a phased manner.</p> <p>(xviii) Creation of suitable infrastructure for language labs etc.</p> <p>(xix) Provide for suitable operational requirements of fire safety.</p> <p>(xx) Purchase of CCTV;</p> <p>(xxi) NCC Activities</p>	
	<p>197-D <u>Emergency Assistance to students in distress</u></p> <p>In case of untimely death of the parent/guardian of a student for continuation of studies for that academic session as per Article 202 subject to satisfaction that there are no other family members to enable the students to pursue with studies.</p>	
	<p>197-E <u>Purpose for which the Vidyalaya Vikas Nidhi shall not be utilized</u></p> <p>The Vidyalayas Vikas Nidhi shall not be spent on any purpose other than those specified in Article 197-C. In particular, it shall not be utilized for :-</p> <p>(i) Meeting expenditure on Pay and Allowances, other expenses other than those specified in Article 202;</p>	

	<p>(ii) Construction/repairs of Staff Quarters;</p> <p>(iii) Meeting expenditure for the benefit of particular person or persons including the officers of the Sangathan and</p> <p>(iv) For running of bus service, subsidy for canteen, books, store or subsidy of any kind.</p> <p>197-F Transfer of the Vidyalaya Vikas Nidhi to School Fund' and other purposes is forbidden except for salary payments in an emergency situation and in anticipation of receipts of funds only after obtaining prior approval from the Sangathan HQ.</p> <p>197-G Funds for meeting infrastructural (building/ Sports) requirements. All Kendriya Vidyalayas irrespective of their size shall transfer 20% of their VVN quarterly collection in the last week of each quarter to the KVS(HQ) through their Regional Offices for creation of corpus at KVS(HQ). Corpus thus created will be utilized towards major maintenance/ repairs and construction of additional class rooms/ laboratories/ play grounds/ auditorium etc. for the existing Vidyalayas. This contribution may not be utilized for construction of school building/ staff quarters for the newly sanctioned Vidyalayas for which financial support is provided by Govt. (F.110240/04/2013/KVS(Budget) dated 13.05.2013)</p> <p>In addition to the above corpus fund will be utilized for modernisation and upgradation of school labs (basic lab & other lab). (F.110240/04/2013/KVS(Budget)/VVN dated 20.11.2013)</p>	
198.	<p>198. <u>Management of Vidyalaya Vikas Nidhi</u> Management of the Vidyalaya Vikas Nidhi shall vest in the Vidyalaya Management Committee of the Vidyalaya subject to instructions and guidelines of the KVS.</p>	
199.	<p>199. <u>Budgetary Control</u> In March every year, each Kendriya Vidyalaya shall prepare and present its Annual Budget in respect of VVN for the next financial year showing opening balance, estimated receipts and expenses under various heads for consideration and approval of the Vidyalaya Management Committee. Expenditure out of Vidyalaya Vikas Nidhi shall be incurred only after and in accordance with the budget approved by the Vidyalaya Management Committee of the Vidyalaya.</p>	
200.	<p>200. Bank Account</p> <p>The Bank Account of the 'Vidyalaya Vikas Nidhi' should be maintained with State Bank of India or any scheduled bank of Indian origin, As far as possible, each Vidyalaya may maintain School Fund Account and</p>	

VVN Fund Account in the same bank. The account should be operated jointly by **the Principal and Vice-Principal/Senior most Teacher of the Vidyalaya.** For meeting Petty Cash payments relating to the Fund, a permanent imprest not exceeding Rs.5000/- may be kept by the Principal. Rules regarding the operation of the bank account and maintenance of Cash Book contained in Chapter 8 of the KVS Accounts Code may be followed.

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201. Accounts

The periodical account shall be prepared based on the Cash Book and Ledger maintained and same are subject to Internal Audit as well as AG Audit. The Annual Accounts of the VVN alongwith the audit observations of the Accountant General, Internal Audit Party of the Sangathan and replies thereto shall be placed before the Executive Committee for consideration and adoption. A report on the working of the fund should also be submitted to the VMC annually.

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202. Financial Ceilings

The financial limit upto which expenditure can be incurred at the School level out of VVN on various items per annum are as under :- F.110240/6/2009-KVS(HQ)(Budget) dated 13/25.10.2011.

S.No	Item	Existing Financial Limit (in Rs.)		Revised Financial Limit	Remarks
		At Vidyalaya Level	Powers of Deputy Commissioner	Deputy Commissioner	
1	Engagement of Part time Teachers including Art & Craft/ Coaches /Spoken English etc. on contract basis	Actuals	Actuals	Actuals	Computer Instructor Shifted to Sl.No.14
2	Petty construction work concerning the school viz Toilets , Sewerage Tank, Overhead Tank, Stage/Activity Room etc.	4,00,000 p.a.	500000 p.a.	1000000 p.a.	

	<p>3</p> <p>3(A)</p>	<p>Repairs and maintenance of :</p> <p>School Building, its toilets, Septic and overhead tanks, including playground and campus. once in two years School Building:</p> <p>1. White Wash/ Enamel Paint/Oil Paint (Internal & External).</p> <p>2. Electrical Work</p> <p>3. Civil Work</p> <p>Repairs of Floor, plastering of walls, roof seepage (minor) repair; replacement of doors & windows, black boards etc.</p> <p>Up to 2 Section Up to 3 Section Up to 4 Section Up to 5 Section Up to 6 Section Up to 7 Section Up to 8 Section</p>	<p>3,00,000 4,00,000 5,00,000 6,00,000 7,00,000 8,00,000 9,00,000</p>	<p>700000 p.a.</p>	<p>A-1 Type (01 Section) Rs.400000</p> <p>A Type (02 Sections) Rs.600000 B Type (03 Section) Rs.800000 C Type (041 Section and above) Rs.900000</p>	<p>Internal and external white wash to be done once in two years Note: For double shift schools, internal white wash to be done every year.</p>	
	<p>3(B)</p>	<p>Repairs and maintenance of Classroom Furniture & Fixture (Per Shift):</p> <p>i) Up to 1 Section</p>	<p>35,000 60,000 70,000 80,000</p>	<p>500000 p.a.</p>	<p>500000 p.a.</p>		

	ii) Up to 2 Section	90,000			
	iii) Up to 3 Section	1,00,000			
	iv) Up to 4 Section	1,10,000			
	v) Up to 5 Section				
	vi) Up to 6 Section				
	vii) Up to 7 Section				
	viii) Up to 8 Section				
3(C)	Repair and maintenance of Lab Equipments:	35,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
3(D)	Repair of PA System and Musical Instruments:	20,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
3(E)	House Keeping/ Conservancy Services (Per Shift)	1,50,000 p.a.	5,00,000 p.a.	10,00,000 p.a.	
4.	Purchase of Classroom Furniture & Fixture	2,00,000 p.a.	5,00,000 p.a.	10,00,000 p.a.	
5.	Purchase of Lab Equipments/ Consumable and also upkeep of Laboratories	2,00,000 p.a.	5,00,000 p.a.	10,00,000 p.a.	
6.	Purchase of Audio-Visual aids, CCTV (one time purchase) and Musical Instruments	50,000 p.a.	5,00,000 p.a.	10,00,000 p.a.	
7.	Purchase of Sports goods and kits, Prize to winners in school sports and inter-class or inter-house matches: entry fee of the school teams for tournaments, photography and providing of refreshments, TA/DA of Students	3,00,000 p.a.	5,00,000 p.a.	10,00,000 p.a.	

8.	Pupils societies, Annual Function, Other School Function (e.g. Republic Day, Independence Day, Teachers Day etc.)	2,00,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
9.	School Excursions	1,00,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
10.	Conduct of Examination (Per Shift)	3,00,000 p.a.	7,00,000 p.a.	10,00,000 p.a.	
11.	Incidental Expenses connected with visits to the school by dignitaries like Hon'ble Ministers, Parliamentary Committee etc.	30000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
12.	Beautification and Horticulture development of the school campus including tree plantation. 1. Upto 5 Acres of land 2. More than 5 Acres of land	1,00,000 p.a. 2,00,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
13.	Development of facilities for library such as purchase of books, educational technology aids (CDs, Teaching learning Packages etc.) and printing of Magazines, Students, Diary, Newsletters etc. (Per Shift)	1,50,000 p.a.	5,00,000 p.a.	5,00,000 p.a.	
14.	Procurement and Maintenance and Development of Computer and Computer related technologies, hardware as well as software including	Limited to actual collection of Computer Fund	5,00,000 p.a.	10,00,000 p.a.	

		broadband connectivity for internet for students/teachers and Principal, Interactive White Boards and similar technological aids which can be very useful for enhancing effectiveness of teaching learning process for the students, Computer Instructor, AMC of Computers Stationary, etc.					
15.		Provision of medical facilities of emergent nature during school hours. a) For medical facilities b) For two medical check-up per child	20,000 p.a. 40 p.a.	5,00,000 p.a.	5,00,000 p.a.		
16.		Security of School: Expenditure on outsourcing agencies	3,50,000 p.a.	5,00,000 p.a.	10,00,000 p.a.		
17.		Miscellaneous Office expenses a) Taxes b) Electricity/Water Charges c) Other expenditure (Telephone charges, Toner, Cartridges, Office Stationary etc.)	On actual basis On actual basis 50,000 p.a.	5,00,000 p.a.	5,00,000 p.a.		
18.		Misc. Printing as per direction of KVS a) Study Materials	On actual basis	On actual basis	On actual basis		

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1. In respect of items at Serial Number 4,5,6,7,8,9,10,13,14 and 17 schools having more than two sections with an average students strength exceeding 1000 can incur expenditure with pro-rata increase.

2. In respect of other items schools having more than two sections can incur expenditure as per actual requirement upto a maximum 20% In excess of prescribed ceiling proportionate to the increase in the students' strength.

Ex: Students Strength is 1,500

For Item No, 12 prescribed ceiling is Rs.5,00,000.

(a) Proportionate increase of students strength = $5,00,000/1000*1500 = \text{Rs.}7,50,000$.

(b) 20% increase in prescribed ceiling = $\text{Rs.}7,50,000*20\% = \text{Rs.}9,00,000/-$.

3. In respect of items at Serial Number 7, 12 and 15 expenditure can be made to procure non-consumable items subject to approval of the competent authority and the same should be booked under the sub-heads of Non-recurring expenditure accordingly.

4. NCC:- Expenditure to be incurred in connection with the maintenance of NCC troops in the Vidyalaya at Rs.2.2 lakh for every troop (100 cadets) in the KVs where NCC troops are sanctioned by the NCC Directorate. KVS Circular No.F.110239/58/2008/PC/KVS (Budget) dt. 20/30 January 2009.

5. There will not be any upper ceiling for incurring expenditure on the above approved activities in those cases where the expenditure has been incurred on the authority/ directives of the Sangathan.

• # At least 25% of the amount should be utilized exclusively for primary section of the school (Sl. No.7)

• Contribution @ Rs.5/- per student towards Regional B5 & G fund and Contribution @ Rs.3/- per student towards NBS& G fund.

ANNEXURE-B

DELEGATION OF POWERS UNDER VVN

The expenditure out of VVN shall be incurred in the Vidyalayas as per the following delegated powers:

S.No.	Level of Delegation	Existing Financial Limits	Revised Financial Limits
1.	Principal	Rs.25000/- per annum on each item of expenditure of the ceiling prescribed for each item whichever is less.	Rs.0.50 Lakh per annum on each item of expenditure of the ceiling prescribed for each item whichever is less.
2.	Executive Committee	Rs.1.00 Lakh per annum for each item or the ceiling prescribed for each item, whichever is less.	Rs.2.00 Lakh per annum for each item or the ceiling prescribed for each item, whichever is less.

		3.	Vidyalaya Management Committee	<p>a) Up to the ceiling prescribed for each item.</p> <p>b) In respect of Maintenance & Repair.</p> <p>i) Schools having up to two Sections - Rs.3.00 lakh per annum.</p> <p>ii) Schools having three and above Sections - Rs 4.00 lakh per annum.</p>	<p>a) Up to the ceiling prescribed for each item.</p> <p>b) In respect of Maintenance & Repair.</p> <p>i) Schools having up to two Sections - Rs.3.00 lakh per annum.</p> <p>ii) Schools having three and above Sections - Rs 4.00 lakh per annum.</p>	
		4.	Deputy Commissioner	<p>Rs.5.00 Lakh per annum per KV for each item except for the following items.</p> <p>(1) In respect of maintenance & repair up to Rs.7.00 lakh per annum per KV.</p> <p>(2) For conduct of examination upto Rs.7,00 lakh per annum per KV.</p>	<p>Rs.10.00 Lakh per annum per KV for each item except item 3(B), 3(C), 3(D), 8, 9, 11, 12, 13, 15 & 17 shall continue. In the case of Sl.No.3(A) the financial power is as under:-</p> <p>A-1 Type (01 Section) Rs.400000</p> <p>A Type (02 Sections) Rs.600000</p> <p>B Type (03 Section) Rs.800000</p> <p>C Type (04 Section & above) Rs.900000</p>	
		5.	Additional Commissioner (Admn)	<p>Rs. 10.00 lakh per annum per KV for each item except for the following items:</p> <p>(1) In respect of maintenance & repair up to Rs.12.00 lakh per annum per KV.</p> <p>(2) For conduct of examination up to Rs.10.00 lakh per annum.</p>	<p>Rs. 15.00 lakh per annum per KV for each item</p>	
		6.	Commissioner	<p>Full powers with the concurrence of Joint Commissioner (Fin.) KVS</p>	<p>Full powers with the concurrence of Joint Commissioner (Finance), KVS</p>	
204	<p>Surplus Funds: As far as possible, contributions made to the VVN in a year should be utilized within that year itself as per well planned programme of activities aimed at overall school development including the extra curricular activities, health and welfare of the student community. Surplus funds i.e. funds remaining unutilized shall be allowed to be carried forward for a period of three years. Thereafter, the said unutilized balance, which remains beyond three years, shall be transferred to VVN Deposit Account of the Regional Office. Likewise, surplus funds remaining unutilized in Regional Office VVN Deposit Account beyond a period of three years shall be transferred to KVS Hqrs. The amount of VVN Deposit Account with KVS Hqrs shall be reflected and adjusted in Non-Plan School Fund Deposit during the financial Year.</p>					
205	<p>Advance from the Vidyalaya Vikas Nidhi:</p>					

	Save in exceptional circumstances on grounds of urgency, no advance should be taken from the Fund except with the prior approval of the Executive Committee. Advances in exceptional circumstances should satisfy the following requirements	
(i)	(i) The expenditure to be met out of the advance should be a legitimate charge against the 'Vidyalaya Vikas Nidhi'.	
(ii)	(ii) The advance is intended to meet expenditure at an outside place, which cannot be precisely estimated and which cannot book any delay in payment in the normal course.	
(iii)	(iii) The advance should be limited to the anticipation expenditure. An account of the advance should be rendered immediately after the event is over and note of the advance should be kept in the Register of Advances and Recoveries for the purpose of watching the adjustment thereof.	
206	A quarterly statement of receipts and expenditure should be furnished to the Regional Office on the 15th April, 15th July, 15th October and 15th January of each year in respect of the quarters from January to March, April to June, July to September and October to December respectively.	
207	Annual Accounts in respect of 'Vidyalaya Vikas Nidhi' should be prepared in the forms (as prescribed by the Sangathan) in accordance with the instructions contained in Appendix of the Accounts Code and submitted to the Regional Office along with the Annual Accounts of School Fund Account.	

Chapter 22 - HOSTEL FUND RULES AND ACCOUNTING PROCEDURE

Article No.	Proposed Modification	Remarks
208	The finances of the hostel (other than the funds for hostel equipment and the salary of the regular employees of the hostel, i.e. Clerk, Staff Nurse, Chowkidar and Sweeper) should be kept distinct in a bank account in the same way as the Vidyalaya Vikas Nidhi. If the Boy's hostel and Girl's hostel function completely independent of each other, separate bank account should be opened for each of them. The bank account should be jointly operated by the Principal and the Warden. The rules regarding the operation of the bank account and maintenance of Cash Book contained in Chapter 8 should be followed with slight variations as may be necessary to suit the constitution of the Hostel Fund.	
209	The administration of the Hostel Fund is to be entrusted to a Committee called Hostel Fund Committee (hereinafter called the Committee) consisting of the Principal, the Senior most PGT, Warden, Assistant Warden and at least two student representatives on behalf of the hostlers (Preferably belonging to the senior secondary classes). It will be a duty of the Warden to maintain relevant accounts record with the assistance of the Hostel Clerk.	
210	The Hostel Fund Committee should meet as often as necessary, but not less than three times in a year. One of the meetings should inter alia be devoted for considering and approving the budget for the year. The budget of the hostel	

	should be prepared for the period from the date of opening of the hostel to the normal date of closing and should include the anticipated collections and expenses under the heads for which separate ledger accounts have been prescribed.																									
211	The quorum for meeting should be four. In the absence of the senior most PGT or a student-member, the Principal may nominate another PGT or student for the particular meeting in which the member concerned is absent.																									
212.	The proceedings of every meeting of the Committee shall be recorded in a Minute Book and should be signed by all the members present in the meeting. The Annual Accounts of the fund should be placed before the Committee for consideration and adoption and such further action as may be considered necessary.																									
213	The various kinds of staff attached to the hostel and their scales of pay, privileges, etc. are detailed below:- <table border="1" data-bbox="430 459 1827 1345"> <thead> <tr> <th>Designation</th> <th>Scale of Pay</th> <th>Privileges</th> <th>Other Provisions</th> </tr> </thead> <tbody> <tr> <td>Warden</td> <td>Draws Pay as PGT</td> <td>Free board & Free Lodging facilities</td> <td>Free Boarding should be admissible only on the condition that the Warden would dine in the hall with the students and no food would be allowed to be taken out for them in the Tiffin box.</td> </tr> <tr> <td>Assistant Warden</td> <td>Draws pay as teacher in the TGT or same Pay scale</td> <td>(i) Free board & lodging facilities and in addition an honorarium of Rs.400/- pm subject to recovery of water & electricity charges. (ii) Entitled to free food during term time.</td> <td></td> </tr> <tr> <td>Nurse</td> <td>Rs.4000-100-6000</td> <td>(i) Entitled to free accommodation, subject to recovery of Water & electricity charges. (ii) Entitled to free food during term time.</td> <td></td> </tr> <tr> <td>Hostel Clerk</td> <td>Same as for LDC</td> <td>NIL</td> <td>He should furnish security in cash or LIC. Fidelity Bond for Rs.5,000/- (Premium to be borne by him).</td> </tr> <tr> <td>Chowkidar/ Sweeper</td> <td>Same as for Group 'D' Employee</td> <td>Nil</td> <td></td> </tr> </tbody> </table>	Designation	Scale of Pay	Privileges	Other Provisions	Warden	Draws Pay as PGT	Free board & Free Lodging facilities	Free Boarding should be admissible only on the condition that the Warden would dine in the hall with the students and no food would be allowed to be taken out for them in the Tiffin box.	Assistant Warden	Draws pay as teacher in the TGT or same Pay scale	(i) Free board & lodging facilities and in addition an honorarium of Rs.400/- pm subject to recovery of water & electricity charges. (ii) Entitled to free food during term time.		Nurse	Rs.4000-100-6000	(i) Entitled to free accommodation, subject to recovery of Water & electricity charges. (ii) Entitled to free food during term time.		Hostel Clerk	Same as for LDC	NIL	He should furnish security in cash or LIC. Fidelity Bond for Rs.5,000/- (Premium to be borne by him).	Chowkidar/ Sweeper	Same as for Group 'D' Employee	Nil		
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	<p>(i) Refundable security deposit Rs.2000/-</p> <p>(ii) Non refundable admission fee Rs.500/-</p> <p>(iii) Monthly room rent per student (inclusive of water & electricity charges)</p> <p>(a) Rs.300/- for a double sharing room.</p> <p>(b) Rs.200/- for a seat in the dormitory.</p> <p>This money would be deposited in the VVN and utilised for upkeep of the hostel. (KVS (Hqrs) letter no.F.32-7/2003-KVS(Acad) dated 29.5.2003).</p>	
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(c)	<p>The hostel charges should be paid on or before the tenth of each month. If the tenth of a month happens to be a holiday, the charges may be collected on the next working day. After the tenth of a month, a late fee at the rate of Rupee one per day should be levied.</p>	
217	<p>Receipt in form C.S. 10 should be issued by the Hostel Clerk in respect of hostel charges collected from the hostlers. The receipt (which should be machine-numbered) should be prepared in duplicate by means of Carbon paper. The original of the receipt is to be handed over to the hosteller while the duplicate copy should be kept intact. As and when a receipt book is brought into use, certificate of count of its pages should be furnished by the Hostel Clerk. A summary of hostel charges collected should be maintained in form C.S.55. The total collections entered in the Cash Book should be checked and attested by the Warden. The collections should be deposited into the bank within 24 hours.</p>	
218.	<p>For accounting of the cash transactions of the hostel a Cash Book in form C.S. 22 should be maintained. Besides the Cash Book, a General Ledger and a Personal Ledger should be maintained to accommodate the following accounts :-</p>	
(a)	<p>General Ledger (C.S. 56)</p> <p>(i) Boarding Account</p> <p>(ii) Establishment and Lodging Account.</p> <p>(iii) Caution Deposit Account</p>	
(b)	<p>Personal Ledger</p> <p>Personal account of each hosteller (C.S. 56)</p> <p>The personal ledger is only a subsidiary record intended to facilitate recovery of hostel charges for individual hostlers. This ledger is not made use of in connection with the preparation of Annual Accounts of the Hostel Fund.</p>	

	<p>The expenses on boarding should be distributed over the number of hostellers so as to arrive at the pro-rata charge per hosteller. For this purpose, the minimum unit period for recovery of charges may be reckoned as a half month-fifteen days and less may be treated as half a month and over fifteen days treated as a full month.</p> <p>Except in the cases of hostellers who join or leave the hostel during the middle of a month (wherein the Principle explained in the preceding sub-para will be applicable), recovery of establishment and lodging charges should not be made on proportionate basis, but for the whole month.</p> <p>The individual collections from the hostellers should be credited to their personal accounts in the personal ledger on the basis of the fee receipts and the ledger folio numbers indicated on the fee receipts. The pro-rata charges worked out for every month should be debited to the personal account and balance to the credit of each hosteller's account worked out. Action should then be taken for recovery of any short collection. There is no objection to adjust the short collection in a month against the excess collection in a previous month, provided this adjustment is not carried over beyond the hostel year. At the end of a hostel year only the advance deposit of Rs.500/- should remain to the credit of each hosteller's personal account.</p> <p>In the first week of every month, the Principal should carefully review the expenditure under boarding and establishment and lodging vis-à-vis the relevant collection to see how for the collection is adequate and take such remedial action as may be necessary to adjust the expenditure. If the strength of the hostel goes below the limit at which it is not feasible to run the hostel within the schedule of charges, the matter should be brought to the notice of the parents and the orders of the Sangathan obtained for either increasing the charges or closing the hostel, duly taking into account the views of the parents.</p> <p>A quarterly statement showing a summary of the transactions concerning the Hostel Fund should be rendered to the Regional Office in form C.S.57 on the same due dates as prescribed for the Vidyalaya Vikas Nidhi Account (vide Art.206 of Chapter 21).</p> <p>The Annual Accounts of the Hostel Fund should be prepared in the proforma given in Part II of this volume after taking into account the instructions contained in Appendix 6. A copy of the Annual Account should be furnished to the Regional Office alongwith the Annual Accounts for the School Fund and Vidyalaya Vikas Nidhi Account.</p>	
219. (i)	<p>The expenditure on boarding should be rigidly controlled by means of a standard menu to be approved by the Committee. Slight variations in the menu may be made by the Warden in consultation with the Principal to suit the prevailing circumstances.</p> <p>A committee of student-inmates of the hostel should be formed to make all purchases of ration items from the Super Bazar/Govt.Store/Open market.</p>	

	As far as possible, guests of hostellers and the staff should not be entertained in the hostel. In exceptional circumstances guests may be permitted to avail of the hostel facility (boarding, lodging or both) on payment of charges to be fixed for the purpose by the Committee.	
(ii)	The hostlers should be provided basic minimum facilities e.g. cot, mattresses with cover, pillows with pillow cover, study table, chairs, book racks and cupboard. No other facility such as washing of clothes, hair cutting etc. should be provided at the cost of the Hostel fee.	
(iii) (a)	A separate sick room should be earmarked in each hostel for providing first-aid and treatment of common ailments. For medical-aid including the visits of the Doctor, each hostel will be provided by the Sangathan medical grant of Rs.10,000/- per annum per hostel.	
(b)	A reading room should be provided where news-papers, magazines and library books are available to the hostellers.	
(c)	Acquaguard, Geysers, Water Coolers and Colour TV should also be provided.	
(iv)	As far as possible, purchase of provisions, milk, fuel and vegetables may be made on monthly basis as this arrangement would be economical and save administrative work. At places where Military Canteen facilities exist, provisions etc., may be purchased from the Canteen. There should be a rigid system of control over the consumption of provisions, milk, fuel and vegetables so as to avoid pilferage, etc. As a rule, kitchen staff should not be entrusted with purchases of provisions etc. on their own responsibility. The Hostel Clerk and Warden should physically verify the stock of provisions etc. once a week.	
(v)	If the hostel is not provided with separate meters for electricity and water, arrangements should be made to get the meters installed separately for the hostel. Electricity should not be allowed to be used for ironing and other purposes involving heavy consumption. A share of electricity and water charges should be recovered from the Warden, Assistant Warden and Nurse, who are provided with accommodation in the hostel, on the basis of notional consumption, if separate meters were not installed	
(vi)	Stock of Furniture, Utensils, etc. in the Hostel A complete stock register of furniture, fans, utensils and other articles in the hostel should be maintained. The stock should be kept separately and not mixed up with other stock items of the Vidyalaya and the Warden/ Assistant Warden made responsible for their proper storage and safe custody. In case of transfer of the Warden/Assistant Warden to another Vidyalaya or whenever there is a change of incumbency, the Principal should ensure that the charge of the hostel stock is properly handed over and shortages or excesses brought to the notice of the Sangathan. A separate stock register showing the utensils and other items in daily use in the hostel should also be maintained. Utensils normally required for constant use by the kitchen staff and the students should be made over to the Head Cook and his signature obtained in a part of this register. After use and at the end of each day, the utensils should be kept securely in an almirah and for this purpose; the Head Cook should be made responsible. The Warden/Assistant Warden	

	<p>should keep a watch on this. The utensils kept in the custody of the Head Cook should be physically verified once a week and recorded in the register. Once in two weeks, the Warden/Assistant Warden should independently conduct a physical verification and record a certificate on the register. These verifications should also cover other items in use in the hostel. The surplus items in stock (items not in actual use, but kept in stock) should be physically verified once a month by the Warden/ Assistant Warden and a certificate recorded in the main stock register.</p> <p>All shortages in stock should be investigated then and there and responsibility fixed. The Principal should periodically examine the stock registers and ensure that these are maintained properly.</p> <p>Before appointment of the Head Cook, his antecedents should be got verified from police/district authorities.</p>	
219 A	<p>GRANT FOR SPORTS HOSTELS</p> <p>As per KVS (HQ) letter No.F.13-11/2002-KVS(Acad) dated 19.8.2002 the sports Hostel has been closed.</p> <p>The furniture and annual repairs and maintenance in General Hostels are provided by the KVS.</p>	

Chapter-23 INTERNAL AUDIT OF VIDYALAYA ACCOUNTS

Article No.	Proposed Modification	Remarks
220	<p>The Internal Audit Branch of the Sangathan which is responsible for the internal audit of its accounts at the Vidyalaya and Regional Office levels. It operates both from the Headquarters office and Regional Offices and functions under the overall supervision of Joint Commissioner (Finance).</p> <p><u>Scope of Internal Audit</u></p> <p>221. The main object of the internal audit inspection of various Kendriya Vidyalayas is to examine the correctness and accuracy of the accounts maintained and rendered by them. This is in addition to the Statutory audit conducted by the Audit Inspection Parties of the Director General of Audit/Accountant General.</p>	
222	<p>The primary duty of the Finance Officer is to assist the Kendriya Vidyalayas in avoidance of financial irregularities. He is required for this purpose to see that.</p> <p>(i) Accounts maintained truly represent facts;</p> <p>(ii) That the rules and orders on the subject framed by the Competent Authorities have been followed by the school authorities in the spirit in which they have been framed;</p> <p>(iii) That the expenditure is regular and bonafide;</p> <p>(iv) That the claims are correctly prepared, proper records are kept of initial transactions, bills are entertained according to rules and regulations and properly classified accounts have been kept;</p>	

	<p>(v) That the prescribed procedure for maintaining the accounts, service records and registers are being followed properly and efficiently.</p> <p>(vi) The Finance Officer should not only find out mistakes, but also to suggest remedial measure. He should try to educate the staff concerned schools office inspected.</p> <p>(vii) The Internal Audit Inspection has to consider the detection of fraud as one of its duties.</p> <p>(viii) The Finance Officer is expected to review the position in respect of outstanding objections in the inspection reports of the Statutory Auditors etc. and offer on the spot guidance for getting them settled.</p> <p>(ix) Investigative Audit/Special Audit can be conducted with the approval of KVS (Hq.).</p>	
	Nature of Checks :-	
223.	The various records relating to accounts which come under the purview of Internal Audit local checking at a school are broadly classified as under :-	
1.	Cash Book	
2.	Ledger Accounts	
3.	Bank-reconciliation	
4.	Cheque-book and pay-in-slips	
5.	Custody and verification of cash	
6.	Fidelity bond	
7.	<p>Audit of the accounts of receipts :</p> <p>(a) Fines</p> <p>(b) Miscellaneous Income;</p> <p>(c) Recovery of lost and damaged articles;</p> <p>(d) Recovery of over payment.</p>	
8.	Examination of paid vouchers.	
9.	Pay Bills.	
10.	Travelling Allowances	
11	Tour/LTC Advances	
12	Transfer TA Advance	
13	Medical Reimbursement claims.	
14	Children Education Allowance and Tuition fee reimbursement.	
15	Contingent Expenditure	
16	Construction, maintenance and Repair Works	
17	Purchase Procedure	
18	Purchase files & Vouchers etc.	

19	Earnest Money Register	
20	Other claims Register	
21	Library	
22	Service Book and leave accounts	
23	Vikas Nidhi Accounts.	
24	Boarder fee account and Hostel Account etc.	
25	Stock Register and physical verification	
26	Register of assets	
27	Other Miscellaneous records. (a) Register of Bills (b) Register of Advances (c) Donations and Collection of additional funds, if any. (d) Punitive fine. (e) Monthly Accounts Returns. (f) Annual Accounts (g) Canteen contract, if any. (h) Excursions and Educational Tours, if any.	
28	Valuable Register.	
29.	Store Accounts and relevant Registers/Vouchers/Files.	
	The above list is illustrative and not exhaustive. The Internal Audit team can call for and examine any documents as deemed necessary by the Finance Officer.	
	Planning for Internal Audit	
224.	<p>a) At the beginning of each calendar year Finance Officer will prepare a tentative list of schools in the region to be inspected during the next financial year. He will submit the quarterly tour programme of his party to the Deputy Commissioner for approval. A copy of the quarterly approved tour programme will also be sent to Joint Commissioner (Finance)</p> <p>(b) The tour programme should be drafted in such a manner that minimum transit time is involved from one Kendriya Vidyalaya to another in the area visited by the Internal Audit Party and that every Kendriya Vidyalaya is visited at least once in a year.</p> <p>(c) Intimation regarding audit programme should be sent to the concerned Principals of Vidyalayas well in advance by the Audit team.</p> <p>(d) The duration of Audit should normally depend upon the size of the school as given below which may slightly be modified as per actual need:-+</p> <p>i) Senior Secondary School Not more than 3-5 days</p>	OM dated 14-03-2005

	<p>ii) Secondary School Not more than 3-4 days iii) Middle School Not more than 2 days</p> <p style="text-align: center;">Note: One day extra may be allotted for the audit of Hostel accounts.</p>	
	<p>Issue of Internal Audit Reports</p> <p>225. (a) The Finance Officer will prepare his internal audit report before he leaves the Vidyalaya inspected. The Principal should be given an opportunity to scrutinize and discuss the draft audit report and suggest any omission or modification. An opportunity should be provided to rectify the routine objections, wherever possible, even on the spot.</p> <p>(b) The Finance Officer shall put up the draft audit report for perusal by the Deputy Commissioner before it is formally issued to the Principal concerned. The Deputy Commissioner of Region will seek comments of Principal with in 30 days of issuance of report and Principal have to furnish comments with in 30 days of receipt of routine Audit Report dropped. The Deputy Commissioner of Region is empowered to settle the Audit Para after obtaining the comments of Principal and recommendation of Finance and Administration wing. A copy of the audit report shall also be forwarded to the Joint Commissioner (Finance) for such scrutiny as may be deemed necessary. The para are to be settled in a time bound manner. To review the outstanding para, Audit Adalat should be organized on quarterly basis and outcome may be submitted to KVS(HQ)</p> <p>(c) If there is any glaring irregularity involving misappropriation/defalcation of funds, full facts should be immediately reported through the Deputy Commissioner of the Region to the Commissioner, KVS for departmental action.</p> <p>(d) However the para of serious financial irregularities referred to Joint Commissioner (Finance), KVS(HQ) and settlement of same will be remain in the closing of KVS (HQ) and as soon as the Audit Reports are received in the Administration Section of the Regional Office, paras indicating administrative lapses would be evaluated after obtaining the replies from the Principal. If it is concluded that the lapses are of serious nature warranting disciplinary action at Regional Office level, action shall be initiated. In cases where action is to be initiated by the competent authority in KVS Headquarters, full facts of the case along with draft memorandum of charges to be sent to Chief Vigilance Officer of KVS.</p>	Principal
226.	<p>i) Necessary follow up action in respect of internal audit reports shall be taken by the Audit and Accounts Section in the Regional Office. The reports can be closed only after obtaining the orders of the Deputy Commissioner.</p> <p>ii) Follow up action in respect of serious objections found in the audit reports on receipt of their copies will also be initiated by the Audit & Account Section in the Sangathan Office for necessary orders at the appropriate level.</p>	

226 A	226A. A common Irregularities Noticed during Audit – Appearing in Appendix 6 C.	OM dated 14.03.2013
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CHAPTER-24 MISCELLANEOUS TOPICS

Article No.	Proposed Modification	Remarks
227	The following procedure should be followed whenever a Principal is transferred to another Kendriya Vidyalaya or is absent on regular leave or tour for a period exceeding one month :	
(i)	The cash in the office chest in respect of all the funds (School Fund, VVN, etc.) should be counted and handed over to the incoming Principal or the Vice-Principal or the senior-most Post Graduate teacher-in-charge. Certificate of amount handed over and taken should be recorded in the Cash Book and signed by both the relieving and relieved officials.	
(ii)	<p>A memo of transfer of charge of the following documents/articles should be prepared and signed by both the relieving and relieved officials:</p> <p>(a) Unused cheque book, counterfoils of used-up cheque books and pass books, if any.</p> <p>(b) Service Books.</p> <p>(c) Confidential documents (in case of transfer of Principal).</p> <p>(d) Keys of office almirah, etc, (including duplicate keys of laboratories, etc.).</p> <p>(e) Fidelity bond furnished by UDC/LDC.</p> <p>(f) Receipt books.</p> <p>(g) Lease deed of land transferred.</p> <p>(h) Deposit receipts of fixed deposits.</p> <p>(i) Security Deposits with gas agencies/telephone and other departments.</p> <p>(j) List of articles costing individually more than Rs.5,000/-.</p>	OM Dated 14-03-2005
(iii)	Specimen signature of the relieving official duty attested should be intimated to the bank concerned.	
(iv)	The physical stock of valuable articles in the office which are under the direct charge of the Principal should be handed over and a dated certificate of handing over/taking over recorded on the Stock Register besides attestation of the balances of stock on the individual folios.	
(v)	In respect of stock under the charge of teachers, the incoming Principal should ensure that Stock Registers with certificates of charge/physical verification are in the science laboratories, computer room, crafts room, drawing room,	

230	For the handling of official correspondence a small imprest of postal stamps and stationery may be kept separately for the School Fund, Vikas Nidhi and Hostel Fund. Utmost economy by having printed post cards and inland letters. The issue of telegrams should be avoided. Care should also be taken to limit the number of works used in the telegrams. The postal stamps and stationery should not be used for private correspondence with the Sangathan's officials, etc.	
231	A stamp account in form C.S. 31 should be maintained for accounting of the receipts and issue of stamps and the balance at the end of each day attested by the Principal. The physical balance of stock of stamps should be verified once a week and on the last day of each month. At the end of the month the stock of stamps should be analysed into various denomination and indicated in the stamp account.	
232	In respect of the stamps issued for official correspondence, a Despatch Register in form C.S. 30 should be maintained. The total value of stamps used on each day should be struck and the same transcribed into the stamps account. The Despatch Register should be signed each day by the Principal in token of his having verified the correctness of the usage of stamps. The certificate of posting and receipts for Registered letters should be affixed against the relevant entries in the Despatch Register and the postal registration number noted against the relevant entry.	
	Receipts Register	
233.	All official correspondence received each day should be diarised in a register in form C.S.20, with a view to watch their disposal. Tenders/quotations received should be diarised immediately after they are opened. Each receipt should be assigned a serial number and the serial numbers should be indicated on calendar year basis. A note of disposal of the correspondence should be kept against each letter diarised. Once a week the Principal should review the Receipts to verify whether all the receipts up to the end of the previous week have been disposed of.	
	Telephone Register	
234	234 A - Every school authorized to have a telephone for official purposes. Utmost economy should be secured in the use of telephone and no person should be allowed to use the telephone for personal purpose except on payment of appropriate charges. The telephone should be kept under lock and key of the Principal. No trunk call should be made unless it is absolutely necessary. A telephone register in form C.S.21, showing the details of trunk calls made and collections from the staff for private calls should be maintained. The collections made each day should be credited in the accounts the same day. When the telephone bill is received, it should be verified with reference to the Telephone Register to see whether the trunk calls were actually made for official purposes. A certificate to the effect that the telephone calls were made for official purposes and appropriate charges were recovered in respect of private calls, should be furnished on each telephone bill passed for payment. 234-B: Reimbursement of expenditure on use of Land line/Mobile connection and Broad Band connections for official purpose by KVS officers.	

	Reimbursement of Rs.1,500/- to The Deputy Commissioner, Assistant Commissioner and Principals those who are in the Grade Pay of Rs.7,600/- (Director and Deputy Secretary to the Government of India and equivalent rank) on use of Land line/Mobile connection and Broad Band connections for official purpose is allowed. All other terms and conditions regarding the reimbursement are as per OM No.87(14)/C&V/2006 dated 14-11-12006.	
	Losses of Cash and/or Stores due to Theft	
235.	All cases of losses of cash/stores due to theft, etc. should be reported to the Police for investigation should be furnished to the Sangathan. In case where the school employees are involved, disciplinary action should also be instituted for effecting recovery. Effective steps should be taken to prevent the recurrence of theft, wherever necessary. Report should be sent even in respect of cases where the loses are made good by the employees at fault.	
	Statistics Regarding Strength of Students on Rolls	
236.	A register showing the strength of students on rolls on the first of each month should be maintained in Form C.S.8 for statistical purposes.	
	Expenditure on Excursions and Educational Tours	
237	<p>The Kendriya Vidyalayas may arrange excursion of students to places of historical, geographical, scientific, industrial and cultural interests during long vacations and breaks, such as those during Dusehara, Diwali, summer, winter, etc. The tours should, as far as possible, be confined to places in the vicinity of the Vidyalaya, but tours to far off undertaking the tours and meeting the expenditure thereon. It should be noted that expenditures out of the Vikas Nidhi on excursions and educational tours should be met only to the extent indicated in these instructions and the Vikas Nidhi funds should not be drawn upon in any other manner for this purpose without the prior sanction of the Sangathan.</p> <p>(i) Tours to places situated at a distance of more than 500 Kilometres from the location of the Vidyalaya should be undertaken only with the prior approval, of the Deputy Commissioner of the Region on dated 14.03.2005 the number of days involved in the tour and other details, including estimates of expenditure on rail-fares and/or bus fares (at concessional rates admissible to students), boarding and lodging charges at the places to be visited, incidental charges to be incurred, number of days required for the tour, etc., should be furnished. The amount available in the Vikas Nidhi budget should also be intimated alongwith the proposal.</p> <p>(ii) The expenditure on students, who wish to participate in the tours, should be met by the students themselves and there should be no contribution from Vikas Nidhi for School Fund towards this expenditure.</p> <p>(iii) For 10 students participating in an excursion tour, one member of the staff should be sent as an escort. If the number of students is 20 or near about, one more member of the staff should be sent as an escort, but in no case, should more than three escorts be sent with a party. Where the number of students, participating in a tour is very large, that is</p>	

more than 30; there is no objection to include one Group 'D' employee in the party as an additional escort, if it is felt by the Principal that it would facilitate arrangements during the excursion. The escorts' should be nominated by the Principal on the basis of their ability for management etc.

(iv) The estimated pro-rata expenditure on students will be recovered from them in advance. At the end of the excursion the actual pro-rata expenditure incurred should be worked out and the balance, if any, refunded to or recovered from the students concerned.

(v) The escorts will travel and stay with the students and partake of the common boarding arrangements. The entire pro-rata expenditure on the escorting staff members will be debited to the Vikas Nidhi. Necessary advance for meeting the expenditure on the escorting staff members may also be taken from the Vikas Nidhi. No daily allowance and travelling allowance will be paid to escorts, either from the School Fund or Vikas Nidhi.

(vi) There will be no objection to the family members of the escorts or other interested staff members accompanying students on the excursion tours but such members should bear the pro-rata expenditures themselves. The estimated expenditure should be collected from them in advance. Only very close members of the family should be permitted and their numbers should be kept at the minimum.

(vii) A complete and detailed account of the expenditures incurred on the excursion should be maintained by one of the escorts, who should be nominated by the Principal for this purpose. This escorting member will also be entrusted with the advances collected and drawn. The account should be available for inspection by Audit or any officer of the Sangathan or for examination by the parents of the participating students.

(viii) Short excursions within the town or on the outskirts may also be undertaken by students and where only a limited number of students participate, the expenditure should be met on the basis indicated in the above sub-paragraphs. However, if the entire school goes for educational excursions in groups to places according to the need but within the city or its proximate outskirts once a year, there is no objection to meeting the entire or part of the expenditures out of Vikas Nidhi in respect of each group provided the students of all classes are covered.

Explanation: The entire or part of expenditure should be interpreted to mean only the cost of transportation in respect of the tour which should be restricted to within a radius of fifty kilometres. The excursionists have to return to the Vidyalaya on the same day and no night half is permissible. No part of the expenditure on refreshment is to be met from Vikas Nidhi. The students are required to bring their own refreshments.

NORMS OF ADMINISTRATIVE & ACCOUNTS STAFF IN KENDRIYA VIDYALAYAS

237 –
A

The administrative and accounts staff in Kendriya Vidyalayas may be sanctioned on the basis of the following norms :-

No. Of sections in K.V	Superintendent (now known as Section Officer).	Assistant Superintendent [now known as Assistant]	UDC	LDC

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	F.110333/01/2010-KVSHQ/Acad/ dated 4th June 2010																										
	Payments of License Fee																										
237-B.	<p>An allottee has to pay either the flat rate of license fee in respect of the type of accommodation provided to him or 10% of his emoluments whichever is less. Further –</p> <p>(a) When an allotment of official accommodation or alternate accommodation is accepted, liability for its license fee will commence from the date of occupation or the eighth day from the date of receipt of the allotment, whichever is earlier.</p> <p>(b) If after acceptance, possession is not taken of the accommodation within eight days from the date of receipt of allotment letter, license fee will be charged from such date upto a period of twelve days for which period House Rent Allowance is also not payable.</p> <p>(c) At least ten days intimation is to be given to the Allotment Officer for vacation of residence, when the allotment of the residence will be deemed to have been cancelled with effect from the eleventh day of the receipt of intimation, or the date specified in the letter whichever is later. Failure to give due notice will entail payment of license fee for ten days or the number of days by which the notice falls short of ten days.</p>																										

CHAPTER-25

PRESERVATION OF ACCOUNTS RECORDS&FILING SYSTEM

Article	PRESERVATION OF ACCOUNTS RECORDS	Remarks
238.	<p>No accounts records, returns and other vouchers relating to accounts of the school shall be destroyed under any circumstances, even if the audit thereof is over, but the same should be preserved financial year-wise in guard file and kept in safe custody for production to Finance Officers or the Audit Department/Ministry/Sangathan.</p> <p>238 [1] – Following documents should be preserved at the Vidyalaya/Regional Office in a compact disc in addition to the records as detailed in this chapter.</p> <p>A] All the admission form from Sl.No.1 onwards.</p> <p>B] Staff particulars in the prescribe form.</p>	<p>OM dated 14-03-2005</p>

	<p>C] AG/Internal Audit Reports of all the years. D] Students' strength month-wise as on 1st of every month. E] Monthly consolidated statement of account in respect of School Fund, VVN. F] Annual Accounts of School Fund & VVN. G] GPF/CPF Monthly Schedules and Annual Accounts. H] Nominations of GPF/CPF obtained from all the employees.</p> <p style="text-align: center;">RO LEVEL</p> <p>A] Consolidated Monthly Statement of Accounts of School Fund and VVN Accounts of all the Vidyalaya and Regional Office. B] Annual Accounts of School Fund and Vidyalaya Vikas Nidhi of all the Kendriya Vidyalaya and Regional Office. C] Monthly Accounts and Annual Accounts in respect of Regional Sports Control Board and Scouts & Guides Fund Account. D] Staff particulars of all the Vidyalayas and Regional Office. E] Internal Audit Report of all the Vidyalayas. F] AG Audit Report of all the Vidyalayas. G] GPF/CPF Monthly Statements and Annual Statements of the Vidyalayas and Regional Office. H] Nomination Form of Provident Fund, DCRG, EWS etc.</p>	
239.	<p>The general principles regarding the period of preservation of accounts records are as follows :</p> <p>(i) Records which are required to be produced or which are likely to be called for in a Court of Law should not be destroyed without the prior approval of the Sangathan.</p> <p>(ii) Records which are required or which are likely to be of help in conducting a departmental investigation or investigation by the Central Bureau of Investigation etc. should not be destroyed without the prior approval of the Sangathan.</p> <p>(iii) Records which are required for the purpose of settlement of objections raised by the Director of Audit/Accountant General or the Internal Inspection Party of the Sangathan should not be destroyed until the objections are admitted by the authority concerned finally.</p>	
240	<p>Subject to the general principles set out above and subject to the administrative instructions that may be issued by the Sangathan from time to time, the records mentioned below should be preserved at least for the period indicated against each. There is no objection to retain the records for a longer period than that indicated below, if there are facilities for storage or if the Principal has specific reasons to do so.</p>	
241.	<p>Records for which specific period of preservation has not been prescribed, should not be destroyed without the prior approval of the Sangathan. In respect of the records mentioned in the Annexure, the year of destruction is</p>	

to be reckoned with reference to the last date of transaction or the year to which the record relates, as the case may be. Outstanding items, if any, should be copied from the old register in the new registers.

ANNEXURE

(Art. 241)

Sl. No. CS Form Name of the record Period of preservation

1. 2. 3 4

- | | | | |
|----|--------|---|------------------------------------|
| 1. | 1 to 6 | Form of Requisition For funds | 2 years or until internal is over. |
| 2. | 7 | Register of received Received and their Utilization | Permanent |
| 3. | 8 | Register of strength | 5 years |
| 4. | 9 | Register of Daily Attendance and fee Collection | 5 years |

5.	10	Fee Receipt	3 years or until/AG's Audit/internal inspection is over.
6.	11	Summary of Daily Fee Collection	- do -
7.	12	Receipt for Miscellaneous Income	- do -
8.	13	Comparative Statement Of Quotations	6 years
9.	14	(a) Pay bills (Containing Acquaintance)	35 years
		(b) Pay bills (not Containing acquaintance)	6 years
10.	15	Bill for drawing funds Sanctioned for Construction works	Until construction is completed and accounts are settled
11.	16	Increment certificate	6 years
12.	17	Travelling Allowance Bill	3 years or until AG's audit/internal Inspection is over; Whichever is later.
13.	18	Acquaintance Roll	35 years
14.	19	Register of contingent charges	5 years
15.	20	Register of correspondence Received	3 years
16.	21	Telephone Register	3 years or until AG's audit/internal inspection is over, whichever is later.
17.	22	Cash Book	20 years
18.	23	Monthly consolidated Statement of account	3 years
19.	24	Stock Account	20 years
20.	25	Property Register	Permanent
21.	26	Library Accession	- do -

	Register	
22.	27 Library issue register	5 years or until all Outstanding items are recopied and got acknowledged.
23.	28 Ledger Accounts	6 years
24.	29 Stock Register for	6 years
25.	30 Despatch Register	3 years
26.	31 Postage Stamp Accounts	6 years
27.	32 Bill for Medical Reimbursement	6 years
28.	33 Claim for Children's Education Allowance	6 years
29.	34 Claim for Reimbursement Of Tuition Fees	6 years
30.	35 Register of Tuition fees Reimbursed	10 years
31.	36 Leave Account (Service Book)	20 years after death or retirement
32.	37 Last Pay Certificate	6 years
33.	38 Quarterly Statement Of Vikas Nidhi Account	3 years
34.	39 Average Pay Statement	6 years
35.	40 Register of Provident Fund	30 years
36.	41 Standard Form for Making Payments of claims and Vouchers for payments	10 years
37.	42 Register of advances and Recoveries	6 years
38.	43 Statement of Remittance of Provident fund collections	10 years
39.	44 Application for CPF/GPF Advance	3 years after final recovery
40.	45 Application for final Withdrawal from CPF/GPF	3 years after final payment of

		Account	provident fund.
41.	46	Application for Conversion Of provident fund advance Into final withdrawal	- do -
42.	48	Register of Breakage Articles	6 years
43.	50	Forms of annual accounts	3 years or till AG,s audit/ internal inspection is over, whichever
		is later.	
44.	52	Register of Fee Concessions and Exemptions	5 years
45.	53	Register of Library Fine	3 years or till AG,s audit/ internal inspection is over, whichever
		is later.	
46.	54	Class-wise summary of Fees and fines collected	- do -
47.	55	Summary of Hostel Charges collected	- do -
48.	56	Hostel Ledger Accounts	- do -
49.	57	Quarterly statement of Account – Hostel fund	3 years
50.	58 to	61 Book store accounts	5 years
51.	62	Register of undisbursed Accounts	3 years or till AGs audit/ internal inspection is over, whichever
		is later.	
52.	-	Register of Assets Acquired out of Grants	20 years permanently.
53.	-	Correspondence files, Statements, etc.	3 years

	54. - Standing orders/instructions Permanently Issued by the Sangathan.	
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CHAPTER-26

NEW RESTRUCTURED DEFINED CONTRIBUTION PENSION SYSTEM FOR NEW ENTRANTS W.E.F 01-01-2004 (NEW PENSION SCHEME)

The Kendriya Vidyalaya Sangathan has adopted mutatis mutandis the NRDCPS for all the posts, both teaching and non teaching in respect of the New Pension scheme with effect from 01-01-2004 in its meeting of the Board of Governors held on 04.10.2004 as applicable to Government employees for the new entrants to the Sangathan. The New Pension Scheme shall apply to all regular employees of the Sangathan who have joined from 01-01-2004 on wards as New Entrants. As per the New Pension Scheme, 10% of the pay + DA (DP+DA) up to 31.12.2005 and Revised Pay structure (Band Pay + Grade Pay) + Dearness Allowance is to be recovered from all the new entrants who are covered in the new scheme and an equal amount is to be contributed by the Sangathan. However, there will be no contribution from the subscriber during Suspension. On exoneration or otherwise, the subscription will be based on emoluments to which he was entitled on the first day after his return to duty. If he elects to pay for the period of suspension, the subscription will be based on emoluments allowed for the period of suspension. During Half Pay Leave, the subscription will be based on Leave Salary. During Extra Ordinary Leave, including on medical grounds, no contribution either from the employee or from Sangathan to the NPS is permissible.

A unique 16 digit Permanent Pension Account Number (PPAN) will be allotted by PAO initially and later on a 12 digit unique Permanent Retirement Account Number (PRAN) will be allotted by the CRA through National Securities Depositories Limited to each subscriber registered in CRA system. NSDL has been appointed as the Central Record Keeping agency by the Pension Fund Regulatory and Development Authority (PFRDA). It shall, accordingly, take over the roles and responsibilities of the Central Pension Accounting Office with regard to the NPS w.e.f.1st June, 2008. PAOs shall remit the pension contributions, including Sangathan's matching contribution, in respect of the employees covered under the NPS to the CRA w.e.f. the salary of June, 2008 and NOT TO THE CPAO. For this purpose, the individual subscribers (new entrants to Sangathan service on or after 1st January, 2004), DDOs, PAO and Pr. AO (and equivalent designations in other accounting formations) need to get registered afresh in the CRA system. Circulars describing in detail the functions of accounting office during registration in CRA system, process of registration, verification, consolidation of forms and other incidental activities to be followed by each entity are placed in the Appendix 8C.

No withdrawal is admissible from this account. Exit from the Scheme will be on attaining 60 years of age. It is mandatory to invest 40% of the pension wealth in an annuity (from IRDA regulated Life Insurance Company) to provide pension for life time of the employee and his dependent parents/spouse. The following are the details for the withdrawals allowed in case of All Citizen model and Swavalamban scheme subscribers:

- a) Upon reaching the age of 60 Years: At least 40% of the accumulated pension wealth of the subscriber needs to be utilized for purchase of annuity providing for monthly pension to the subscriber and balance is paid as lump sum payment to the subscriber.
- b) Upon Death: The entire accumulated pension wealth (100%) would be paid to the nominee/legal heir of the subscriber and there would not be any purchase of annuity/monthly pension.
- c) Exit from NPS before the age of 60 Years (irrespective of cause): At least 80% of the accumulated pension wealth of the subscriber needs to be utilized for purchase of annuity providing for monthly pension to the subscriber and the balance is paid as a lump sum payment to the subscriber.

The subscribers would be able to purchase the annuities directly from the empanelled Annuity Service Providers as per their choice of annuity that is available in the market/with the Annuity Service Provider's (ASP's) empanelled by PFRDA.

For Swavalamban withdrawals under (a) & (c) above, there is an overriding condition on the lump sum payment payable due to which the entire accumulated pension wealth would be annuitized in case if the monthly pension obtained by using the 40%/80% of the pension wealth is below Rs.1000/- per month.

PFRDA has approved the 'Deferment option' for the annuity purchase for at the time of exit from NPS with condition that such deferment can be for a maximum period of 3 years. One can initiate the annuity purchase before lapse of 3 years from the date of such deferment, by giving an application or notice to the Central Record Keeping Agency.

If no such notice is given before the lapse of 3 years from the date of such deferment, the percentage of accumulated pension wealth as provided by the subscriber in NPS withdrawal application form (subject to a minimum of 40 %/80% of accumulated pension wealth as applicable) for purchase of annuity would be automatically monetized and such amount would not earn any investment income or interest to the subscriber thereafter.

Option has been provided to withdraw the entire accumulated pension wealth in case the accumulated pension wealth in the subscribers retirement account is equal to or less than Rs.200000 at the time of superannuation of Government employee

Sangathan employees who are covered by the New Pension Scheme and who are discharged on invalidation/ disablement/ died during service since 01.01.2004 are entitled to the following benefits on **PROVISIONAL BASIS till** further orders of the Government:

- (I) Retirement from Sangathan Service on invalidation not attributable to Government duty; (i) Invalid Pension as per Rule 38 and 49 of CCS (pension) Rules 1972. (ii) Retirement Gratuity as per Rule 50,

- (II) Death in service not attributable to Government duty; (i) Family Pension (including enhanced family pension) as per Rule 54 (ii) Death Gratuity as per Rule 50,
- (III) Discharge from Sangathan service due to disease/injury attributable to Government duty; (i) Disability pension as per CCS(EOP)Rules (ii) Retirement Gratuity as per CCS(EOP) Rules read with Rule 50 of CCS(Pension)Rules,
- (IV) Death in service attributable to Government duty; (i) Extra ordinary Family Pension as per CCS(EOP) Rules and Scheme for Liberalised Pensionary Awards (ii) Death Gratuity as per Rule 50.

In addition to the above benefits, Dearness Pension/ Dearness Relief is admissible on **PROVISIONAL BASIS**.

The Provisional payments are adjustable against the future payments to be made on the basis of the Rules regulating the benefits under the New Pension System to be brought into place (O.M. dated 05.05.2009).

NPS Pensioners drawing relief on death/ disability of employee, as above are also entitled to draw Fixed Medical Allowance (O.M. Dated 24.05.2011)

Necessary provisions shall be made in the budget for non plan grants for meeting the expenditure on NPS Pensioners.

Architecture of the New Pension Scheme

It will have a Central Record Keeping and Accounting (CRA) infrastructure. Several Pension Fund Managers would give out easily understood information about past performance. Pension Fund Regulatory and Development Authority (PFRDA) was established through a Government order to oversee and regulate implementation of the NPS System.

The functioning of PrAO/PAO/DDO in Kendriya Vidyalaya Sangathan for operation of NPS architecture is as under:

Principal AO	Deputy Commissioner(Fin)	
PAO	KVS Headquarters	Assistant Commissioner(Fin)
	ZIETs	Director
	Regional Offices & Kendriya Vidyalaya	Finance Officer, RO concerned
DDO	Kendriya Vidyalaya	Principal

	Regional Office	Deputy Commissioner
	ZIET	Director
	KVS(Hqrs)	Finance Officer

PAOs shall remit the pension contributions, including Sangathan's matching contribution in respect of the employees covered under the NPS to the CRA. For this purpose, the individual subscribers (new entrants on or after 01.01.2004) DDOs PAOs and Pr.AOs need to get registered afresh in the CRA system. Process of registration, verification, consolidation of forms and other incidental activities to be followed by each entity as laid down in various circulars are placed in Appendix 8C. Offices like Pr.AO, PAO and DDO which will interact with CRA on behalf of the Subscriber are collectively referred as Nodal Office. Subscriber is the employee of the Sangathan who has joined service on or after 1st January 2004 and is covered under the New Pension Scheme and registered with the CRA system. NPS has three tier architecture with Pr.AO as an oversight office, PAO as an office which interacts directly with the CRA and DDO as a link between the PAO and the subscribers. There are instances wherein a DDO moves from jurisdiction of one PAO to another. The CRA has now enabled a new functionality whereby the entire process of DDO shifting can be handled between PAO and Pr.AO itself without making a separate communication to CRA. The various steps involved are;

1. Target PAO (i.e where DDO has/is getting shifted) will capture a request in the system by using one of the two log in.IDs,
2. Target PAO will verify the request in the CRA system by using the second log in ID
3. The Pr.AO will then authorise the DDO shifting request in CRA system.

The Standard Operating Procedure (SOP) for carrying out the DDO shifting is given as annexure 1 to NSDL circular dated 31st October 2012 placed at Appendix 8C.

Consequent upon opening of the new Regional offices and ZIETs, PAO No. has been allotted to all new ROs effective from 01.04.2012. The formalities of addition/deletion of Kendriya Vidyalayas have been completed by NSDL. The Regional Offices (PAO) effective from 01.04.2012 should ensure completion of registration of New DDO as per the guidelines available in nsdlcra website. The employees who have joined services on or after 01.01.2004 in KVS and now have been transferred to the new region, the action for issue of PRAN to them should be done along with the new entrants who have joined the new region. The details of the amount not yet uploaded in respect of subscriber or DDO in his previous region pertaining to the period the employee / KV was under previous PAOs is to be demanded by the new region (PAO). All legacy and regular contribution should be uploaded by the new region (DDO) under intimation to Pr.AO. Any unspent legacy amount should be returned to Pr.AO. In order to ensure 100% uploading the work should be done on war footing immediately to NSDL Website. Status of uploading is displayed in KVS Hqrs website under Finance menu on weekly basis. PAO should browse the website regularly and reconcile the difference between the uploaded amount and the amount displayed in KVS website. Consolidated Monthly Statement of account in respect of NRDCPS reflecting the receipts and payments shall be operated by the Regional Offices and ZIETs and submitted to Pr.AO every month before 15th in the prescribed proforma circulated in letter dated 09.07.2013. The reasons for not uploading 100% data should also be intimated to the Pr.AO every month.

CHAPTER 27

MODIFIED ASSURED CAREER PROGRESSION SCHEME (MACPS)

The Modified Assured Career Progression Scheme for Central Government Civilian Employees as accepted by the Government based on the recommendations of the Sixth Central Pay commission with some modifications has been adopted by KVS for non teaching staff with the approval of MHRD vide their letter No.F.3-18/2010-UT-2 January 2011. This scheme is operational for all the non teaching staff from 1st September 2008. The Scheme envisages grant of three financial up gradations to Group 'A', 'B' and 'C' employees on completion of 10, 20, and 30 years of continuous regular service. The scheme will in no way affect the normal regular promotional avenues available on the basis of vacancies.

Conditions for grant of benefits

- (i) The scheme envisages mere placement in the immediate next higher grade pay in the hierarchy of the recommended Pay Bands and grade Pay
- (ii) The financial up gradations under the MACPS would be admissible up to the new HAG Scale of Rs. 67,000-79,000 (S-30)
- (iii) Under the scheme the first financial upgradation will be admissible when an employee has spent 10 years continuously in the same Grade Pay. The second up gradation, after completion of 10 years' regular service from the date of first financial up gradation. Similarly the third up gradation after completion of 10 years' of regular service from the date of the second financial up gradation. If the first financial up gradation gets postponed on account of the employee not found fit or due to departmental proceedings, this would have consequential effect on second and third up gradations.
- (iv) Three financial up gradations under the Scheme in the entire career of an employee will be counted against regular promotions availed from the grade in which an employee was appointed as a direct recruit.
- (v) If an employee in PB-1 in the Grade Pay of Rs. 1900 gets his first regular promotion in the Grade of Rs. 2400 on completion of 8 years of service and then continues in the same Grade Pay for further 10 years without any promotion, then he would be eligible for second financial up gradation under the MACPS in the PB-1 in the Grade Pay of Rs. 2400 after completion of 18 years (8+10 years). In case he does not get any promotion thereafter, then he would get third financial up gradation in PB-2 in the Grade Pay of Rs. 4200 on completion of further 10 years of service (8+10+10 years)
- (vi) The period of regular service for the grant of benefits under the Scheme will be counted from the grade in which an employee was appointed as a direct recruit.
- (vii) Financial up gradation under the Scheme will be given next higher Grade Pay in the hierarchy of the revised pay Bands and Grade Pay without creating new posts for the purpose.

- (viii) The financial up gradation will have no relevance to his seniority position.**
- (ix) Pay of an employee will be fixed under Rule 13 of CCS (RP) Rules 2008. No pay fixation benefit will accrue at the time of regular promotion. Only difference of the Grade Pay would be made available.**
- (x) If an employee has been offered regular promotion but was refused by the employee before becoming entitled to a financial up gradation, no financial up gradation shall be allowed.**
- (xi) If an employee after availing the financial up gradation under the MACPS subsequently refuses to accept the regular promotion, the financial up gradation already availed will not be withdrawn. However, next financial up gradation will get postponed.**
- (xii) Past service rendered in a State Government/ Statutory Body/ Autonomous Body/ Public Sector Organization should not be counted towards regular service (O.M.dated 19.05.2009)**

Copies of the orders of the Government of India circulated by the KVS and further clarifications issued by KVS are placed in Appendix 8D