



यालय रक्षा लेखा प्रधान नियंत्रक (मध्य कमान) करियप्पा मार्ग, कैंट लखनऊ-266002  
Office of the Principal Controller of Defence Accounts (Central Command)  
Cariappa Road, Cantt., Lucknow, Pin Code - 226002  
कार्यालय दूरभाष सं०- 0522-2451547 कार्यालय फैक्स सं०- 0522-2451993  
Office Phone NO. 0522-2451547 Email ID:paytechpcdacclko.dad@gov.in

No: PT/3088/Vol-X/GC

Date: 08.09.2022

To,

The OI/C,  
LAO/RAO  
AAO(CC) Kanpur&Allahabad  
Pay Group(Local)  
under PCDA(CC),Lucknow

Subject: Direct Bank Transfer of Pay and allowance in r/o Industrial Employees.

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A copy of Hqrs office letter No. AT/III/A/CIV/2366/NDA/Vol-I/E-1911 dt 31.08.2022 alongwith proposals and related documents of PCDA, Bengaluru and PCDA(SC), Pune are received from HQrs office regarding direct Bank transfer(DBT) of pay and allowances(Salary) in individual's Bank account in r/o of Industrial employees in Non MES establishments.

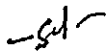
Keeping in view of HQrs office letter and enclosed proposals, it is requested that the same may be examined thoroughly and your valuable input, considered views, including the practice and procedure being followed in your office in making payment of monthly salary to Industrial employees of Non-MES category, may please be offered.

Your comments on the proposed changes/adoption of DBT may also please be furnished to this office through e mail by 09.09.2022 positively so that a consolidate report on the subject issue may be furnished to HQrs office.

Please accord Top priority.

Encls: As stated above.

Email ID: [paytechpcdacclko.dad@gov.in](mailto:paytechpcdacclko.dad@gov.in)

  
Asst. CDA

Copy to,

1. The CGDA,

: For information.

Audit Army BR Section,  
Ulan Batar Road,  
Palam, New Delhi-110010

✓ 2. The Officer-in-charge,  
OA Cell(Local)

for uploaded the same in PCDA website.

  
Asst. CDA



“हर काम देश के नाम”  
रक्षा लेखा महानियंत्रक,  
उलान बटार रोड, पालम, दिल्ली छावनी. - 110010  
Controller General of Defence Accounts  
Ulan Batar Road, Palam, Delhi Cantt - 110010

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०२/०९/२०२२

भाजादी  
अमृत महोत्सव

Phone: 011 - 25665746

Fax: 011- 25674806, 25675485

email: hgarmybr.dad@hub.nic.in

No: AT/Army-BR/Pay Civ/IT/Pay Committee/Vol-VI/E-4859

Date : 31-08-2022

To

All Principal Controllers/Controllers

Subject – Direct Bank Transfer of Pay and allowance in r/o Industrial Employees.

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Kind reference is invited to this office letter of even number dated 02.06.2022 (copy enclosed) wherein it was informed that a proposal along with all related documents related to DBT of pay and allowances (Salary) in individual's bank accounts in respect of Industrial Staff in non-MES Establishments had been forwarded by office of the PCDA, Bengaluru vide their letter dated 14-01-2020 (copy enclosed). A similar proposal was received in this HQrs office from office of the PCDA (SC), Pune vide their letter dated 25-05-2021 (copy enclosed).

2. Considering that the ibid proposals require changes in the audit procedure from post-audit to pre-audit and modification in TULIP software and also involves consideration of legal provisions viz. Labour Law, Industrial Employment Act, etc., it is requested that the proposals may be examined thoroughly and your valuable input, considered views, including the practice and procedure being followed in your organizations in making payment of monthly salary to Industrial employees of Non-MES category, may please be offered.

3. The copies of correspondences received from the offices of the PCDA (SC), Pune, PCDA, Bengaluru and AAO, Kolkata on above subject matter are enclosed for your examination and comments on the proposed changes/adoption of DBT. The comments may please be furnished to this HQrs office by 09.09.2022 positively.

4. Please accord 'Priority'.

All show action taken

29/22  
31 AUG 2022  
Accounts Officer

PCDA  
form-a pl.  
AOE  
AO(PT)  
AO(E)  
AO(PT)  
01/08/19

137-21  
02/09



"हर ज्ञान देव के नाम"

**रक्षा लेखा विभाग (र.ले.वि.) मुख्यालय**  
 उत्तम बदार रोड, पालम, दिल्ली छात्रावली-110010  
**DEFENCE ACCOUNTS DEPARTMENT (DAD) HEADQUARTERS**

Uttam Badar Road Palam, Delhi Cantt 110010

Phone 011 - 2566736

Fax 011-25674806, 25675485

email: hqarmybrdad@hub.mil.in

File No. AT/Army/BR/Pay Civ/IT/Pay Committee/Vol-VI/E-4859

Dated: 02-06-2022

To

- The PCA (Fys), Kolkata
- The PCDA (Navy), Mumbai
- The PCDA (Air Force), New Delhi
- The PCDA (R&D), New Delhi
- The PCDA (R&D), Hyderabad
- The CDA (R&D), Bangalore

Subject - Direct Bank Transfer of Pay and allowance in r/o Industrial Employees.

\*\*\*\*\*

Please find enclosed the copies of the following letters:

- a. PCDA Bangalore's DO No. Pay Tech/2933/Gen Corr dated 14-01-2020 and letter of even No. dated 15-06-2020.
- b. HQrs office letter No. AT/Army/Pay Civ/IT/Pay Committee/Vol-IV/E-1355 dated 15-07-2021 addressed to PCDA Bangalore
- c. PCDA (SC) Pune letter No. LA/TLB/e-Pay/Proposal/2020 dated 25-05-2021
- d. HQrs office letter No. AT/Army/Pay Civ/IT/Pay Committee/Vol-IV/E-1355 dated 28-07-2021 addressed to PCDA (SC) Pune
- e. PCDA (SC) Pune letter No. LA/TLB-ePay/Proposal/2020 dated 06-09-2021
- f. PCDA Bangalore letter No. Pay Tech/2933/Gen Corr dated 12-10-2021

2. A proposal along with all related documents related to DBT of pay and allowances (Salary) in individual's bank accounts in respect of Industrial Staff in non-MES Establishments had been forwarded by PCDA Bangalore vide their dated 14-01-2020. A similar proposal was received in this HQrs office from PCDA (SC), Pune vide their letter dated 25-05-2021.

3. Considering that the ibid proposals require changes in the audit procedure from post audit to pre-audit and modification in TULIP software and also involves consideration of legal provisions viz. Labour Law, Industrial Employment Act etc. It is requested that the proposals floated by PCDA Bangalore and PCDA (SC), Pune may be examined thoroughly and your valuable input, considered views, including the practice and procedure being followed in your organizations in making payment of monthly salary to Industrial employees of non-MES category, may be offered.

4. Please accord 'Priority'.

Accounts Officer  
P&A (Civil)

Encl: As above

शशि ब. श्रीवास्तवा, भा.र.नि.से.  
प्रधान नियंत्रक

SHASHI B. SRIVASTAVA, IAS  
Principal Controller

भारत सरकार रक्षा मंत्रालय (वित्त)  
कार्यालय रक्षा लेखा प्रधान नियंत्रक  
सं 107, लोअर अग्रम रोड, अग्रम पोस्ट,  
बंगलुरु - 560 007

Government of India  
Ministry of Defence (Finance)  
Principal Controller of Defence Accounts  
No. 107, Lower Agram Road, Agram Post,  
Bengaluru - 560 007

DO No Pay Tsch/2933/Cen Corr  
Dated 14<sup>th</sup> January, 2020

Dear Sir,

This is with reference to review meeting of PCDA, Bengaluru and CDA Secunderabad held under Chairmanship of the CGDA on 7<sup>th</sup> November 2019 at Delhi. The minutes of the meeting were circulated vide HQrs UO no AT-Coord/13002/Meeting/Bengaluru-Secunderabad dated 19.11.2019. In the review meeting the issue regarding DBT of salary in case of Industrial employees of various units in Bengaluru was discussed. PCDA Bengaluru was asked to initiate DBT for IEs as a pilot project.

While the DBT in case of IEs at GEs offices has been started as the AOGEs were able to obtain the bank mandate and salary was uploaded after pre-audit and table recoveries were credited into the Public Fund Account of the GEs. The DDOs (GEOs) were insisting on table recovery from the amount before releasing the payment. As they are still the DDOs and AOGEs are just one of the authorisers, such payments (court fees LIC, Associations subscription) were deducted and deposited in Public fund Account of GEs. This procedure adopted for DTF to IEs may be confirmed by HQrs Office, where the payments after pre-audit by AOGEs are being credited to the banks of the beneficiary and table recoveries, booked to Pay & Allowances but deposited in Public Fund Account of DDO as requested by him.

Secondly there are still 965 IEs at the following Units/ Formations/offices where the DTF is yet to be done due to want of bank mandate from Units and directions from CGDA Office.

- 515 Army Base Work Shop
- Stn Workshop, EMI
- Stn Work Shop, EMI, Bangalore
- CQAI
- CQAR DIQA
- CQA(BLMI)
- SQAE(Veh)
- KGF Kolar
- Military Farm, Belgaum
- ADMC

The existing procedure on monthly salary to Industrial employees and details of the same are enclosed at Annexure 'A' for perusal. In the present system there is Post Audit of Pay Bills by LAOs. It is felt that post audit of pay bills (Check Rolls) of Industrial employees will have to be discussed with as

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pre-audit of pay bills will be necessary if Cash Requisition is to be dispensed with. Further, table recovery will have to be deducted and credited to the Public Fund account on request of the DDOs

HQrs may kindly take a decision in this regard and issue necessary directions whether Post Audit should be continued or pre-audit of Pay-bills by LAOs may be done before crediting salary through DFT to IEs ( other than GEs offices).

*regards ,*

Yours

*Sincerely  
S. Srinivas*

Shri K.S. Lather, IDAS  
Jt. CGDA  
Office of the CGDA,  
Ulan Batar Road, Palam,  
Delhi Cantt. - 110 010.

Encl: as above

**BRIEF ON AUDIT OF PAYBILL OF INDUSTRIAL EMPLOYEES (IE's)**

Existing Procedure:

- Pay bills of Industrial Employees are received by their respective LAO auditing the units. Pay bills are submitted to the LAO by 24<sup>th</sup> of the calendar month and leave availed, late attendance and EOL up to 24<sup>th</sup> of that month is accounted in the pay bill.
- LAO conducts preliminary check of these pay bills and endorses the bill for payment out of funds drawn through Cash Requisition.
- Unit authorities authorise payment of the bills and the bill along with supporting vouchers are subsequently post audited by the LAO after scrutiny of all the vouchers. Any overpayment detected in post audit is objected by the LAO and recovery of the amount carried out in the subsequent month pay bill. Undisbursed amount in the pay bill is remitted through MRO in favour of PCDA Bangalore.
- Part II Orders are published by the unit authorities for regulating Leave. DOs are also scrutinised by the LAO to ensure that pay and allowances are regulated for HPL, EOL, Late Attendance etc by the IE's.
- All table recoveries pertaining to IE's are remitted to the Public Fund Account of the Unit.
- Recoveries on account of NPS are being processed by the Fund Cell of PCDA/CDA.
- All claims on account of CBA, GPF Advance, LTC Advance etc are being pre audited by the LAO and forwarded to PCDA/CDA for payment action.
- Claims on account of Final Settlement of GPF, Encashment of Leave and LPC are also being pre audited by the LAO and forwarded to PCDA/CDA for further action.
- List of documents scrutinised by the LAO are:
  - Daily Attendance Record
  - Monthly attendance Register
  - Leave card each IE wise.
  - Check Roll.

Photocopy of the above documents are enclosed

Check roll is subsequently audited with reference to the other three documents which are being submitted by the unit after payment (post audit is being conducted by the LAO).

**Step 1:** The daily attendance Sheet is scrutinised to arrive at the number of late attendance and EOL availed by each IE and noted in the Monthly attendance report.

**Step 2:** Total number of EOL and late attendance of each IE is arrived at by verifying the Monthly attendance register.

**Step 3:** Leave card of each IE is also verified to ensure that leave balance after availing leave has been correctly arrived at.

**Step 4:** Observations on the pay bill are communicated to the unit for rectification action.

If the existing procedure is to be changed to the audit and remittance of the payment to designated bank account of the IF, following procedure will have to be adopted.

- a. All the documents including Part B Orders which are being verified by the LAC at the time of post audit will have to be submitted by the unit at the time of submission of Check Roll (IE Pay bill)
- b. With the present staff in Civil Pay Section in the PCDA Bengaluru, it will not be possible to pre-audit the bills and ensure that the bills are uploaded to the bank account within the payment due date.
- c. NEFT Bank Mandate forms for all the bills will have to be received before implementation of pre-audit of check rolls.

It is noticed that there is a delay in submission of the relevant supporting documents by the Units leading to further delay in the Post audit of Check Rolls by the LAO.

hy/BR

Resd AD



कार्यालय: रक्षा लेखा प्रधान नियंत्रक (दक्षिण कमान)  
Office of the Principal Controller of Defence Accounts  
(Southern Command)

नं. 1, फाइनेंस रोड, पुणे - 411001  
No. 1, Finance Road, Pune - 411001



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Phone: 020-26128757(Extn: 133,179)

e-mail: inpedase.dad@hub.nic.in

No. IA/TLB/e-Pay/Proposal/2020

Date: 25/05/2021.

To  
C.G.D.A  
I A Section  
New Delhi.

Speed Post

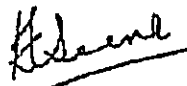
Subject: Proposal for streamlining the TLB Payment procedure in respect of Industrial staff in Defence Establishments.

\*\*\*\*\*  
This office has undertaken a study regarding dispensing with releasing of Cash Assignments to Defence Establishments and instead making e-payments directly to the bank accounts of the Industrial Employees of these Defence Establishments, as is being done in Ordnance Factories.

A detailed Statement of Case for simplification of payment procedure in respect of Industrial staff in Defence Establishments is enclosed herewith.

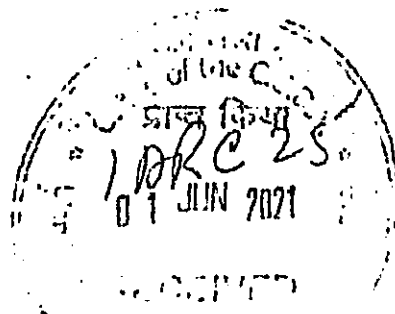
HQrs. Office is requested to examine the proposal and issue necessary directives/guidelines on the subject.

This issues with the approval of Principal Controller.

  
ACDA (IA)

Encl.: As above

सीना थॉमस, प्र.र.ले.से.  
Seena Thomas, IDAS  
र. ले. स. नि.  
ACDA  
रक्षा लेखा प्रधान नियंत्रक (द.क.), पुणे-1.  
Pr. C.D.A.(S.C.) PUNE-1.



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**STATEMENT OF CASE FOR MAKING E-PAYMENT TO THE INDUSTRIAL EMPLOYEES OF DEFENCE ESTABLISHMENTS**

**1. Introduction:**

The Industrial Employees (IEs) serving in Defence Establishments are presently being paid from Cash Assignments placed at the disposal of the unit every month. The payment system of the Industrial Employees is governed by the Factories Act, 1948. The unit prepares Temporary Labour Bills (TLB) every month and makes the payment. TLBs are post audited by the LAO/RAO under whose audit jurisdiction the unit falls and the TLB is forwarded to Pay Section in Main Office for compilation. CGDA office had recently issued instructions to switch-over to direct bank transfer (DBT) of pay and allowances of the Defence Civilians. In line with these directions, it was decided to explore the feasibility of dispensing with Cash Assignment and make the payment of the Industrial Employees serving in the Defence Establishments also through DBT.

**2. Study:**

Since LAO 512 ABW, Kirkee with Industrial Staff of 1400 IEs is making payments through Cash Assignment, the LAO of 512 ABW Kirkee was directed to conduct a study on the feasibility of conversion of TLB to make e-payments to the IEs serving in Defence Establishments and submit a report thereof. The report submitted by the officer is enclosed as Annexure - "A". A scrutiny of the study report revealed similarities in attendance marking of their IEs with those of the Ordnance Factories. As such, it was decided to obtain the practice/procedure being followed by the Factories organisation in respect of payment to their IEs and a request was made to CFA (Fys), Ammunition Factory, Kirkee to submit a write-up and flow chart with timelines for each activity. The flow chart received there from is enclosed as Annexure- "B".

**3. Comparative Study with procedure in Ordnance Factories organisation:**

After receiving the flowchart, discussions were held with the officers in Accounts Office Ammunition Factory, Kirkee, to further understand each activity in the entire payment process like audit of pay bills, date of payment, attendance for preparing the pay bill, software for generation of pay bill, methodology of payment, financial compilation and timelines. A comparison of all the activities related to generation of pay bill and payment to the Industrial

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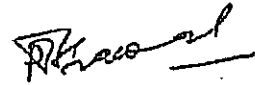
Employees of 512 ABW Kirkee and Ordnance Factories was done and the same is enclosed as Annexure - "C".

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#### 4. Conclusion:

On comparison of the payment procedure followed by 512 ABW, Kirkee and Ammunition Factory, Kirkee, it is felt that the present system of releasing Cash Assignment to the Defence Establishment for making payment on account of the TLBs can be dispensed with and the factory model of payment to the IEs, i.e. payment through CMP directly into the bank account of the IEs of the Defence Establishments (DEs) could be implemented for but it would require the following:

- a. Changing the wages payment date of the IEs of the DEs and bring it at par with that of the IEs in Ordnance Factories for which all the stakeholders need to be consulted after which an amendment to the provisions contained in Ministry of Defence letter No. RS/Pers-10/ICM/75830/833/D (Civ.) dated 4.3.91 would be required.
- b. Change in date of closure of check rolls of the IEs in DEs which is now on the 25<sup>th</sup>/24<sup>th</sup> every month for months having 31/30 days. This would also require an amendment to the MoD letter dated 4.3.91 mentioned in 3. a. above.
- c. Standardisation of software for generation of pay bill of the IEs of DEs.
- d. Mechanism of pre-audit of pay bills of IEs of Des.
- e. Provision for a new section in Main Office Pay Group for pre-audit and passing of pay bills of the IEs of DEs.



Annexure 5

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## Study Report on feasibility of conversion of TLB to make e-payments

**Scope of the study :** To study the feasibility of conversion of TLB (Temporary Labour Bill) to make e-payments, in order to stop payment of bills from the cash assignment

**Authority :** Para 5(o) of the Minutes of the RAOs/LAOs Conference held on 26<sup>th</sup> and 27<sup>th</sup> August 2019 in Main Office, PCDA(SC), Pune, circulated vide letter No. IA/III/2133/2019/LAO/RAO Conf dt. 18/09/2019.

**Limitation :** The study is limited to the payment functioning of pay and allowances in r/o Industrial staff of 512, Army Base Work Shop, Kirkee, Pune 411 003 from cash assignment monthly and its adjustment through TLB in the following month.

**Brief details about 512 Army Base Workshop, Kirkee, Pune 411003 :**

**Estd:** Year- 1853

**Authority :** (Current PE/VI/ 312/1946/6 Vide MoD letter No. 69407/51/GS/SD-6/dt- 30/01/2014) valid from 30/01/2014 to 31/12/2019)

**Role:** 512 Army Base Workshop is responsible for Repair and overhaul of ICV BMP II & their variants, Armoured Recovery Vehicles and all AFV engines like

- 1) BMP-II And BMP-III
- 2) ARV WZT-2
- 3) UTD engines- 20

This is carried out by stripping the complete equipment and reassembling it by changing the worn out/ damaged parts, repairing, and replacing assemblies which out lived their life.

**Strength:**

Defence Personnel  
( 500) Approx.

Industrial  
(1400) Approx.

Non-Industrial  
(450) (Approx.)

सुभाष म. नगरकर  
SUBHASH M. NAGARKAR  
वरिष्ठ लेखा अधिकारी  
Sr. Accounts officer  
स्थानीय लेखा परीक्षा कार्यालय  
(Local Audit off. e)  
ग्रामीण वित्त विभाग, किरकी  
512 Army Base Workshop, Kirkee

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Payment of Pay and Allowances :

- a) In r/o Army Officers are made by PCDA(O), Pune and personnel below officers rank are made by respective Pay Accounts Offices.
- b) In r/o of Non-Industrial personnel are pre-audited and made by PAY Section of PCDA(SC), Pune on the last working day of the month through public fund account of 512 Army Base Work Shop, Kirkee, Pune 411003.
- c) In r/o Industrial personnel Check Rolls (Pay bills) are prepared on 24<sup>th</sup>/25<sup>th</sup> of the pay month duly adjusting leave up to that date and making advance marking of attendance for the remaining period of the month and paid on 1<sup>st</sup> working day of the following month from the cash assignment. These check rolls are post-audited subsequently by the LAO Office as per local audit program.

According to the provision of Min. of Defence letter No. RD/Pers-10/ICM/75830/833/D (CIV.I) dt. 04.03.1991 as clarified by CGDA New Delhi Letter No. AT/II/0130III DT. 27/01/1999, and conveyed to this office vide PCDA(SC), Pune Pay Tech Section letter No. Pay/Tech/0558/V dt. 19/02/1999 (copy enclosed). Industrial staff serving in Defence installations shall be paid their wages on 1<sup>st</sup> working day of the month in the following month.

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
- i) For those months which have 31 days the bills/check rolls will be closed on 25<sup>th</sup> of the month.
- ii) For the month, which have 30 days, the bills/check rolls will be closed on 24<sup>th</sup> of the month
- iii) The bills or check rolls for the remaining period of the month will be prepared on the basis of assumed attendance, adjustment of overpayment if any will be carried out from the wages of the ensuing month.

Further, as per provisions of Rule 64 and explanation 2 thereunder of CGA(RP), Rules 1983, if the day fixed for disbursement of salary in respect of Industrial Estts., happens to be a closed holiday, disbursement can be made on the previous working day (except for payment of salary for March) as per the definition of working day has also been given therein.

Accordingly, monthly check rolls / bills in r/o industrial staff serving in 512, Army Base Work Shop, Kirkee, Pune 411 003 are prepared (specimen copy enclosed for better appreciation.) based on actual attendance duly adjusting leave DOs II up to the date of preparation of check rolls as per provisions of MOD letter referred above duly advance marking of attendance for remaining period of the month.

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Since, the wages in r/o industrial staff are calculated on hourly basis, deduction of wages for fraction of hours for late coming and early going are effected in the check rolls.

  
 सुभाष सु. नगरकर  
 SUBHASH M. NAGARKAR  
 वरिष्ठ लेखा अधिकारी  
 Sr. Accounts officer  
 स्थानीय लेखा परीक्षा कार्यालय  
 (Local Audit Office)  
 जर्मनी वायुसेना, 512, किरकी  
 512 Army Base Work Shop Kirkee

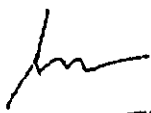
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The pay & allowances of the industrial staff then disbursed on 1<sup>st</sup> working day of the following month in to their respective bank accounts from the cash assignment drawn for the purpose.

Regularisation of advanced marking of the attendance is carried out in the check roll of the following month. If no leave applied by the industrial staff for absentee period, proportionate wages are deducted from their pay & allowances and paid back when regular leave is applied by the individual and the same is regularised by publishing Leave DO II.

Apart from payment of monthly pay & allowances following supplementary bills are Pre-audited by the LAO, 512 ABWS, KIRKEE, PUNE and paid from cash assignment in r/o Industrial staff in their respective bank accounts by the 512, ABWS, Kirkee, Pune:

- 1) Arrears of pay and allowances on account of promotion / MACP
- 2) Arrears of DA twice a year
- 3) Payment of PLB
- 4) EL encashment along with LTC
- 5) Payment of Final Pay and Allowances on retirement
- 6) Payment of Risk Allowance
- 7) Payment of monthly stipend in r/o approx. 300 Apprentices

For the above payment cash assignment is drawn from PCDA(SC), Pune once in a month or if required for more than once in a month also.

  
सुभाष भु. नगरकर  
SUBHASH M. NAGARKAR  
वरिष्ठ लेखा अधिकारी  
Sr. Accounts officer  
स्थानीय लेखा परीक्षा कार्यालय  
(Local Audit office)  
भाग 512 आर. व. स. पुणे

my/BR  
Temporary Labour Bill (TLB)

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Abstract of Receipt and Expenditure incurred in cash drawn as cash assignment against allotment against service head 104-G-3 during month on account of pay and allowances in r/o industrial staff are submitted to the respective Pay Section of the PCDA (SC), Pune in the following month for adjustment ( that is preparation of punching media) in the form of TLB ( Temporary Labour Bill) (specimen copy enclosed for better appreciation) duly - F/2 indicating following elements :

- 1) Total cash assignment received during the month
- 2) Recoveries on account of
  - a) Leave Regularisation
  - b) New Pension Scheme (Employee Contribution)
  - c) New Pension Scheme (Employee Contribution) Arrears
  - d) GPF
  - e) GPF Arrears
  - f) CGEIS
  - g) Charges :
    - I) Licence Fees
    - II) Water Charges
    - III) Electricity Charges
    - IV) Furniture
    - V) Other
    - VI) ED
  - h) Government Dues
    - I) HBA Principle
    - II) HBA Interest
    - III) CGHS
    - IV) Computer Advance Principle
    - IV) Computer Advance Interest
    - V) LTC
    - VII) TADA
    - VIII) Income Tax
- 3) Amount for the month actually paid
  - i) As per entries in the check roll
  - ii) Paid through absentee register
  - iv) Paid through Sy Bills
  - v) Un-disbursed amount deposited in local treasury through MRO



4

सुभाय गु. नगरकर  
SUNIL J. M. NAGARKAR  
वरिष्ठ लेखा अधिकारी  
Sr. Accounts officer  
स्थानीय लेखा परीक्षा कार्यालय  
(Local Audit office)  
जागी भाषारभूत कार्यशाला, किरकी  
Army Base Workshop, Kirkee



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Suggestion / Conclusion :

It is quite feasible to convert monthly check rolls / bills in to regular pay / wage bills of industrial staff serving in Defence Installations to stop placement of monthly cash assignment at the disposal of units concerned and stop preparation of TLB in the subsequent month provided sanction of Ministry of Defence is obtained for change in criteria of advanced attendance marking as per provisions mentioned in MOD letter No. RD/Pers-10/ICM/75830/833/D (CIV. I) dt. 04/03/1991.

Views of all the stake holders viz units concerned where industrial staff are serving, Pay Section of the Main Office of the PCDA(SC), Pune and LAOs concerned may also be considered before taking any final decision in this regard as the units concerned will have to make changes in their check rolls/ bills preparation software in the changed scenario and Pay Section will have to form new sub section viz. Pay (Industrial) Section to deal with pay & allowances of industrial staff.

Write flow diagrams of present & proposed system of payment of pay & allowances of industrial workers are enclosed.

*Subhash M. Nagarkar*  
 24/10/2019  
 सुभाष सु. नगरकार  
 SUBHASH M. NAGARKAR  
 वरिष्ठ लेखा अधिकारी  
 Sr Accounts officer  
 स्थानीय लेखा परीक्षा कार्यालय  
 (Local Audit office)  
 जर्मी बाजारपेठ कार्यालय, किरको  
 512 Army Base Workshop, Kirkee

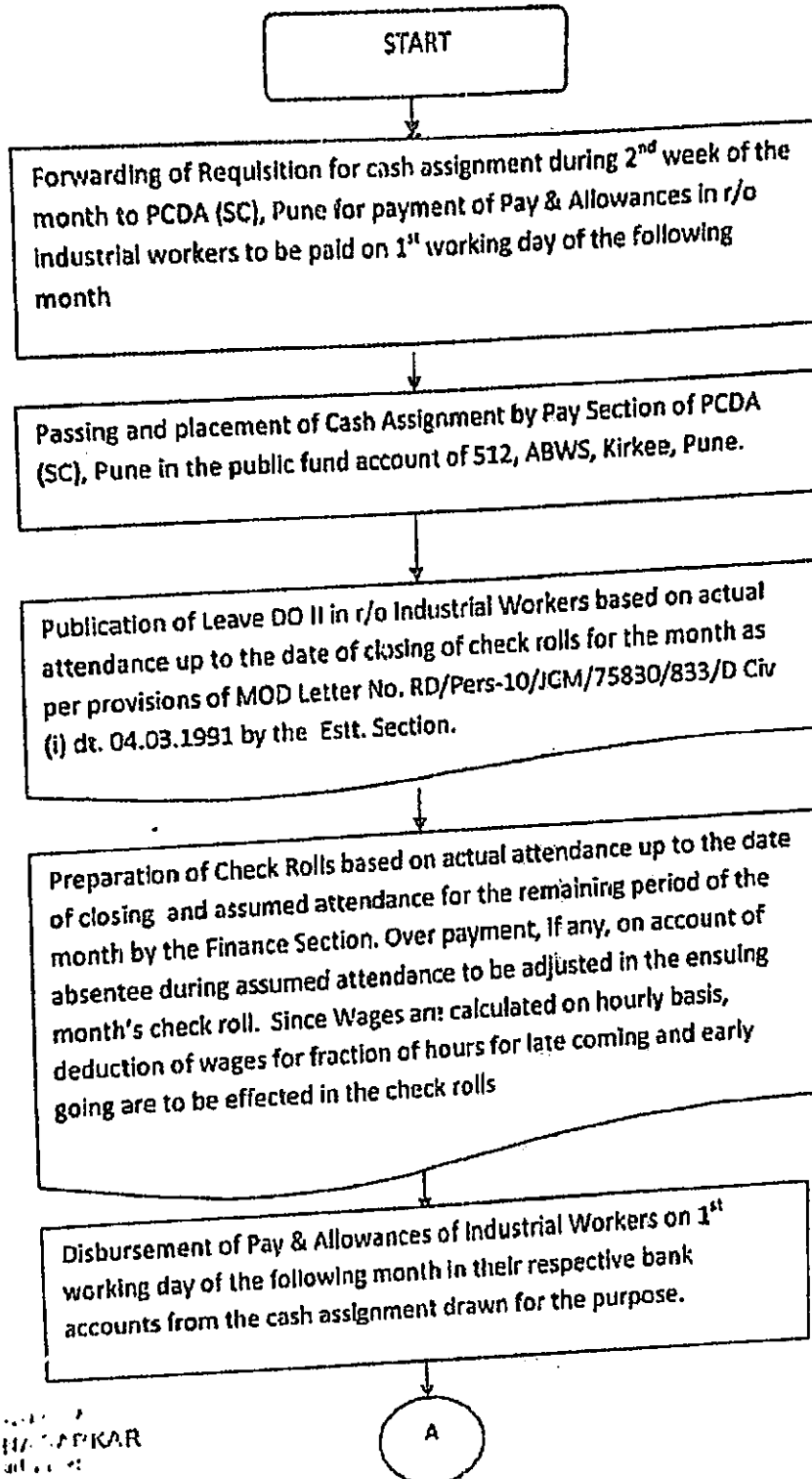


512, ARMY BASE WORK SHOP,

KIREKKE, PUNE 411 003

Present System of payment of Pay &amp; Allowances in r/o Industrial Workers

## Work Flow Diagram



SUBHASH I. HADAPKAR  
 Sr Accounts Officer  
 स्थानीय लेखा अधिकारी  
 (Local Audit Officer)  
 कार्यालय, 512 Army Base Workshop, Kirkee  
 512 Army Base Workshop, Kirkee

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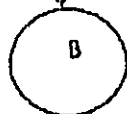
Post Audit of Check Rolls by the LAO as per Local Audit Programme.

- Other than Regular Check Rolls following Sy. Bills are pre-audited by the LAO and are paid out of cash assignment
- 1) Arrears of Pay & Allowances on a/c of promotion / MACP
  - 2) Arrears of DA ( twice a year)
  - 3) Payment of PLB, Risk Allowance
  - 4) Payment of EL encashment along with LTC
  - 5) Payment of Final Pay & Allowances on retirement
  - 6) Payment of monthly stipend in r/o approx. 300 Apprentices

After Payment of All the Bills i.e. Regular Check Rolls and Sy. Bills pre audited and passed by LAO, remaining amount of cash assignment remitted back in the Local Treasury through MRO.

Preparation of TLB (Temporary Labour Bill) ie Abstract of Receipt and Expenditure incurred in cash during the month against the cash assignment drawn during previous month by the unit and forwarding the same to Pay Section of the PCDA (SC), Pune duly checked and verified by the LAO for booking along with Recovery Schedules.

END



सुभाष मु. नगरकर  
**SUBHASH M NAGARKAR**  
 वरिष्ठ लेखा अधिकारी  
 Sr. Accounts officer  
 स्थानीय लेखा कार्यालय व लाओ  
 (Local Audit office)  
 आर्मी बाजार (स कार्यालय), किरको  
 512 Army Base Workshop, Kirko

B

Other than payment of Regular Check Rolls & Sy. Bills on account of pay & allowances of Industrial workers following bills / claims are prepared by the Unit that is 512, ABWS, Kirkee, Pune 411 003

- 1. CEA/HOSTEL Subsidy claims
- 2. GPF Adv./Final Withdrawal
- 3. Final Leave Encashment
- 4. CGES Claims
- 5. Provisional payment on account of Family Pension and Death Gratuity to the Family/NOK of the deceased Industrial Worker

- 1. LTD ADV./ADJ. Claims
- 2. TA/DA, Pt. Duty Adv./Adj Claims
- 3. Medical Adv./Adj. Claims
- 4. HBA/Computer Adv. Claims

Pre-audited by the LAO

Passing by PAY Section of PCDA (SC), and payment made in Public Fund Account of the unit that is 512 ABWS after booking of expenditure the respective heads. Payment to be subsequently credited to respective bank account of the industrial worker concerned.

SUBHASH M. WANKAR  
 Sr Accounts Officer  
 (Local Audit office)  
 512 Army Base Workshop, Kirkee

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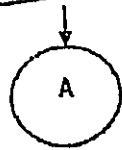
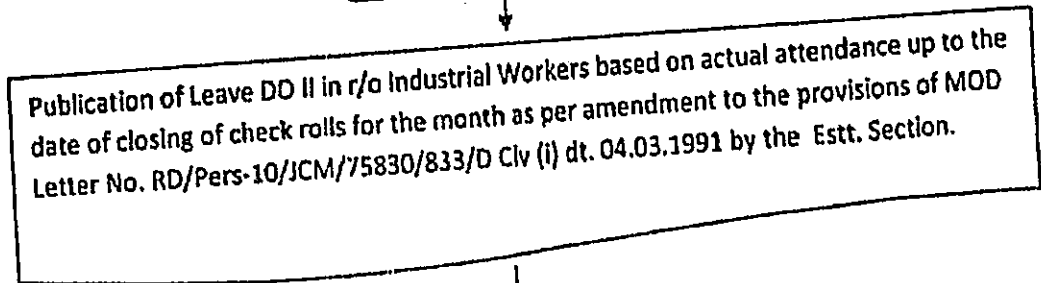
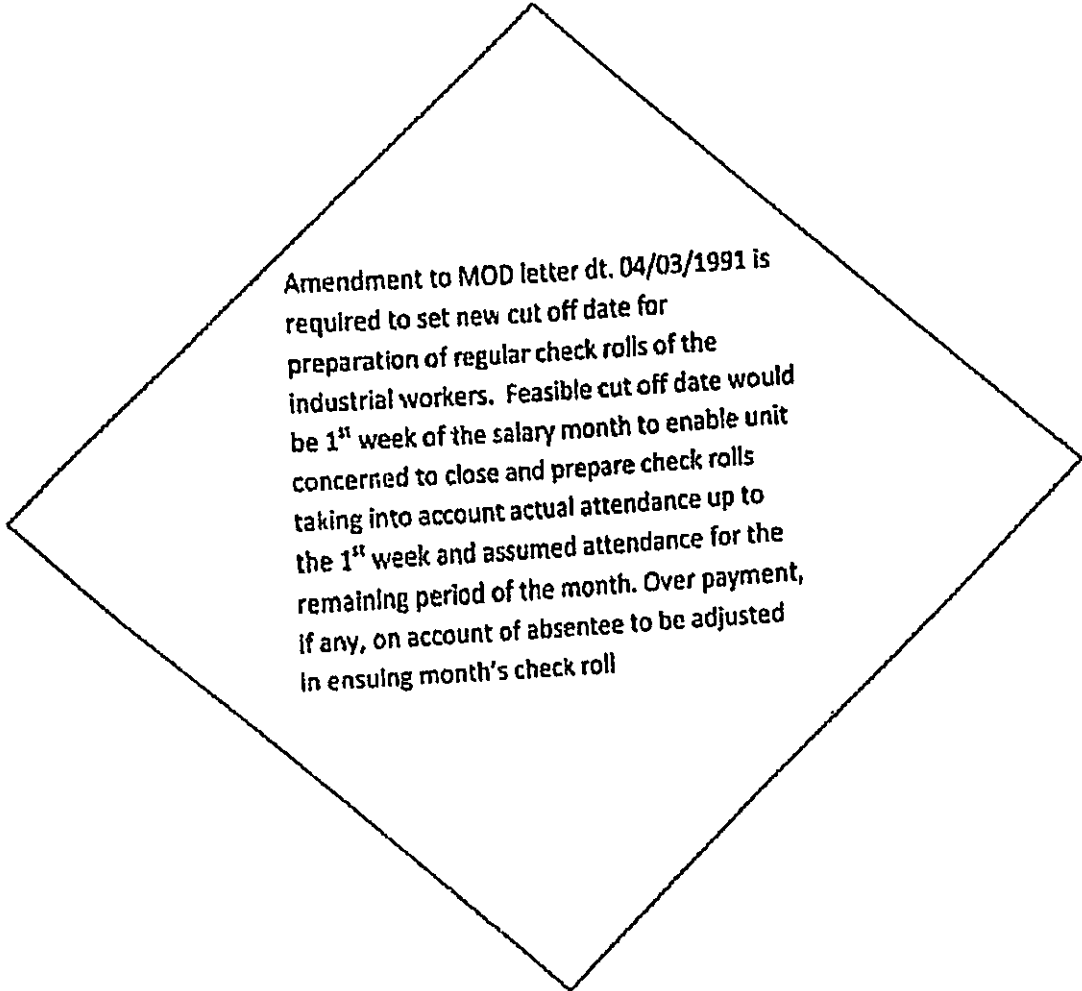
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512, ARMY BASE WORK SHOP,

KIREKKE, PUNE 411 003

Proposed System of payment of Pay & Allowances In r/o Industrial Workers

Work Flow Diagram



सुभाष सु. नगarkar  
 SUBHASH M. NAGARKAR  
 परिषद लेखा अधिकारी  
 Sr Accounts Officer  
 स्थानीय लेखा अधिकारी  
 (Local Auditor)  
 आर्मी बेसवर्क यंत्रणा  
 612 Army Base Workshop, Kirekke, Pune



Preparation of Check Rolls based on actual attendance up to the date of closing and assumed attendance for the remaining period of the month by the Finance Section. Over payment, if any, on account of absentee during assumed attendance to be adjusted in the ensuing month's check roll. Since Wages are calculated on hourly basis, deduction of wages for fraction of hours for late coming and early going are to be effected in the check rolls

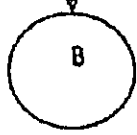
Forwarding of Check Rolls to Pay (Industrial Section) of PCDA, SC, Pune along with supporting documents for pre-audit and passing of the check rolls. New sub section called PAY (INDUSTRIAL) will have to be formed under pay Section of the PCDA (SC) for dealing with pay & Allowances related matters of industrial workers.

Pre-auditing and passing of check rolls after dis-allowance, if any, by PAY (Industrial) Section of PCDA (SC), and payment to be made on due date in Public Fund Account of the unit that is 512 ABWS after booking of expenditure the respective heads.

Disbursement of Pay & Allowances of Industrial Workers on 1<sup>st</sup> working day of the following month in their respective bank accounts from the cash assignment drawn for the purpose.

Other than Regular Check Rolls following Sy.Bills will be prepared by the unit and forwarded to Pay (INDUSTRIAL) SECTION of PCDA(SC) Pune for pre-audit & passing.

- 1) Arrears of Pay & Allowances on a/c of promotion / MACP
- 2) Arrears of DA ( twice a year)
- 3) Payment of PLB, Risk Allowance
- 4) Payment of EL encashment along with LTC
- 5) Payment of Final Pay & Allowances on retirement
- 6) Payment of stipend to approx. 300 apprentices on 10<sup>th</sup> of the following month after adjustment of leave DO II.



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Pre-auditing and passing of Sy. Bills as and when received , by PAY (Industrial ) Section of PCDA (SC), and payment to be made In Public Fund Account of the unit that is 512 ABWS after booking of expenditure the respective heads for subsequently crediting into respective bank accounts of the Industrial worker / apprentice concerned.

END

Other than payment of Regular Check Rolls & Sy. Bills on account of pay & allowances of industrial workers following bills / claims will be prepared by the Unit that is 512, ABWS, Kirkee, Pune 411 003 as usual and forwarded to Pay (Industrial ) Section of PCDA(SC), Pune for pre-audit and passing .

- 1. CEA/HOSTEL Subsidy claims
- 2. GPF Adv./Final Withdrawal
- 3. Final Leave Encashment
- 4. CGEIS Claims
- 5. Provisional payment on account of Family Pension and Death Gratuity to the Family/NOK of the deceased Industrial Worker

- 1. LTC ADV./ADJ. Claims
- 2. TA/DA, Pt. Duty Adv./Adj Claims
- 3. Medical Adv./Adj. Claims
- 4. HBA/Computer Adv. Claims

Passing by PAY Section of PCDA (SC), and payment made in Public Fund Account of the unit that is 512 ABWS after booking of expenditure the respective heads. Payment to be subsequently credited to respective bank account of the industrial worker concerned.

सुभाष गु. नगरकर  
SUBHASH M NAGARKAR  
रजिस्ट्रार ऑफिस  
Sr Accounts off. cer  
स्थानीय लेखा परीक्षा पदाधिकारी  
(Local Audit off. cer)  
भारतीय आपारम्भिक कार्यालय, किरकी  
512 Army Base Workshop, Kirkee

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**Surprise check of industrial employees**

141. The General Manager will carry out occasional surprise checks on the attendance of workmen in various sections. These surprise checks will, as far as practicable be carried out once a month. The result of the surprise checks shall be communicated to the Accounts Office for any action that may be necessary.

**Due date of payments to Industrial Employees**

142. Under the payment of wages Act 1936, the wages for any wage period (the calendar month in the case of Ordnance and Ordnance Equipment Factories) are payable before the expiry of the 10th day following the last day of the wage period if the factory employs 1000 or more workmen and before the expiry of the 7th day following in the case of factories employing less than 1000 workmen. After implementation of the generation of wage roll through computerized package, Accounts Office calculates the gross earnings on the basis of primary documents and attendance data. Further, on receipt of deduction file from the Factory Management, the recoveries are affected and pay bills generated on net wages. The exact date on which the wage rolls should be sent to the factory should be settled between the Accounts Officer and the General Manager

**Submission of documents pertaining to wages**

143. The documents required for calculation of wages are attendance record, leave memos, gate pass, overtime memo, day work and piece work cards, Factory orders notifying all kinds of leave granted to IEs during the month.

The day work and piece work cards in the prescribed forms, issued by the factory to workmen show the work to be done either by an individual or by a gang and are the basic documents in support of the wages paid to them maintaining the concept of no work no pay. The different Service/Productive sections issue day/piece work cards in the prescribed forms to workmen

Day work and piece work cards may, if necessary, be returned to the section/ office where they may be held for safe custody and ready reference but must at all times be readily accessible to the workman concerned. These cards will be checked by the shop with the manufacture warrants.

Note- In the case of day workers who are continuously employed on same class of work no day work cards are necessary but a list of work orders on which they are employed is furnished by the Sections concerned to the Accounts Office.

144. In the case of piece workers the number of articles or operations passed for payment will be entered in the card duly initialed by the employees specially authorized to inspect and pass the work. Shops should enter stage-wise rejections in the relevant manufacture warrants indicating briefly the cause for rejection as well as reference of the relevant Inspection Notes wherein the exact causes for rejection are to be indicated. If only a portion of the work on a card has been presented for payment at the end of a month, the balance will be brought forward on to a new card, necessary amendment being made on the record of cards maintained on the manufacture warrant.

Note- In those factories in which, although inspection for final operation is invariably carried out by the Inspectorate staff, piece work cards for intermediate operations may be passed finally by factory Foreman/JWM or by the Assistant foreman for payment purposes. In such cases, also the Inspector reserves the right to carry out any stage inspection he considers desirable.

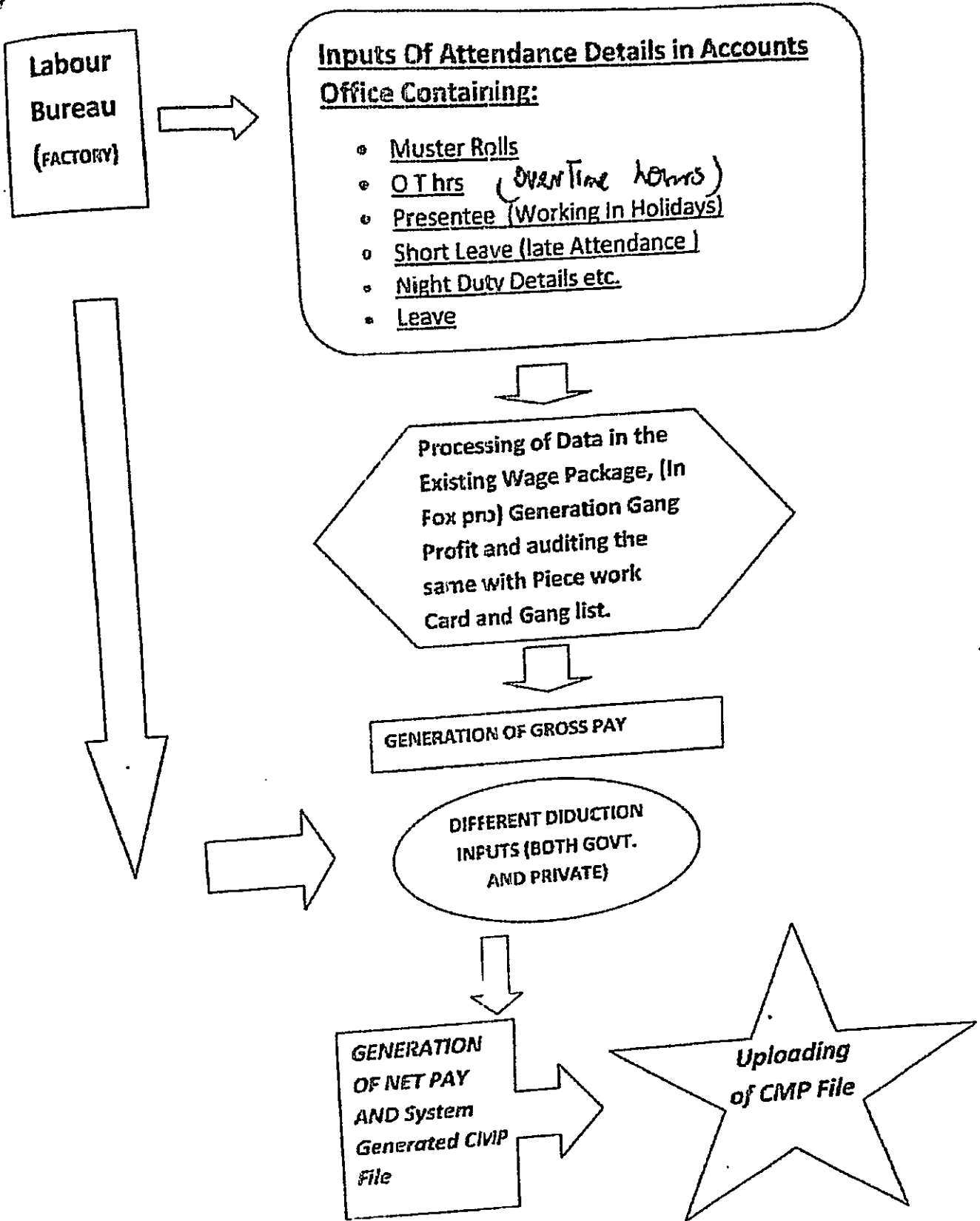
In Filling Factories, like Ammunition Factory, Kirkee/Ordnance Factory, Khamaria, the payment admitted on the basis of initial acceptance of ammunition articles by the staff specially authorized to inspect and pass the work in anticipation of proof results for the articles completed in a month shall be

# INDIAN OVERANCE FACTORY

Annexure 4

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## Flow Chart of the procedure for payment of Wages if IES





**COMPARISON OF PROCEDURE OF PAYMENTS OF INDUSTRIAL EMPLOYEES OF ARMY ESTABLISHMENTS THROUGH TEMPORARY LABOUR BILL (TLB) AND OF PAYMENTS TO INDUSTRIAL EMPLOYEES OF ORDNANCE FACTORIES**

The practice being followed in the sister organisation like Ordnance Factories regarding payment to the Industrial Employees, duly depicting the process in a flow chart, indicating time-lines for each activity and a write-up on the same was sought from CFA (Fys), Ammunition Factory. Additional information required, was sought telephonically from the officials in Accounts Office, Ammunition Factory, Kirkee (AO, AFK). The same were examined vis-à-vis the study report submitted by Shri. S M Nagarkar, SAO, LAO 512 ABW Kirkee and the following points emerged:

**1. Audit of Pay Bills:**

In Ordnance Factories (OFs), payments are released after pre-audit of the pay bills, whereas the Temporary Labour Bill (TLB) of the IEs of Defence Establishments (DEs) are post-audited.

**2. Date of Payment**

As per the provisions of Para 142 of OM Part VI (2014 Edition), the wages of the IEs in OFs are payable before the expiry of the 10th day following the last day of the wage period if the factory employs 1000 or more workmen and before the expiry of the 7th day following in the case of factories employing less than 1000 workmen. Ammunition Factory, Kirkee has a strength of approx. 4500 IEs and their payments are credited in the bank accounts of the IEs on the 6<sup>th</sup> day following the month.

In accordance with the provisions contained in Min. of Defence letter No. RD/Pers-10/JCM/75830/833/D (Civ.I) dated 4.3.91, communicated to all LAOs/RAOs, etc. vide FCDA (SC) Pune letter no. Pay/Tech/0558/V dated 19/02/1999, the IEs in DEs are paid wages on the first working day of the following month.

**3. Attendance considered for generating pay bill:**

In OFs, attendance of the IEs for the whole month (till the last working day of the month) is considered along with elements like Overtime Memos, Night Duty hours details, Leave Pt II Orders, Day work and piece work cards for calculation of wages and generation of the monthly pay bill.

In the case of TLB of IEs in DEs, check rolls (pay bills) are closed on 25<sup>th</sup> and 24<sup>th</sup> of the month in respect of months which have 31 and 30 days respectively as laid down in the MoD letter dated 4.3.91 referred at Sl. No. 2 above. Bills for the remaining period of the month are prepared on the basis of assumed attendance, with adjustments of overpayments being carried out from the wages of the ensuing month.

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4. Software for generating monthly pay bill:

In OFs, a standardized computerized package is utilized to generate the pay bill, across all the Ordnance Factories in the country.

The software utilized for generation of check rolls (pay bills) of the IEs by different Defence Establishments is not standardized. Each unit has a different computerized program/software for generating the pay bills. Moreover, designated Ordnance Depots where the test run of the Computerised Inventory Control Project (CICP) is underway are generating the check rolls through CICP.

5. Methodology of payment and financial compilation:

In OFs, the Accounts Office generates, audits and passes the monthly pay bills. The Accounts Office also passes all other supplementary claims related to the IEs and prepares the financial compilation thereof.

In the case of IEs of DEs, every month Cash Requisition are passed by the Pay Section, M.O. in favour of the unit. Payments of TLBs (without pre-audit), supplementary claims of arrears (pre-audited by the LAO) on account of promotion/MACP, DA arrears, Productivity linked bonus, EL encashment, final pay and allowances on retirement, monthly stipend of Apprentices are made the from Cash Assignment by the unit. The TLBs along with the details of disbursements from the Cash Requisition are forwarded to the Pay Section, M.O. for post-audit and financial compilation. This indicates that the payment activity is done by two agencies and is a combination of pre-audit/post-audit which requires to be streamlined.

6. Timelines for wage processing in OFs:

- a. OFs have a system of electronic punching for capturing In and Out timings of the IEs. On the first working day of the following month, the soft copy of the attendance file indicating attendance, leave, Overtime hours, Night Duty hours, etc. and recovery/deductions file will be submitted by the factory to the Accounts Office (AO).
- b. The first 2 days are utilized by the Accounts Office EDP Section for processing the attendance and other files, duly audited and generating a profit summary, checklist.

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- c. The checklist is given to all the concerned sections dealing with IEs pay. It is verified and returned to the EDP section on the third day. Corrections are made. After finalization requisite wage roll is generated for final checking and passing the bills. Last charge checking is done, abnormal variations/minus/zero payments are checked and reasons ascertained.
- d. On the 4<sup>th</sup> day, rectifications are done. 5<sup>th</sup> day is kept as a cushion for any eventualities like file corruption, etc. which could affect the smooth processing of the wage roll.
- e. On the 6<sup>th</sup> day, the wages are credited into the bank account of the IEs through SBI-CMP.
7. Throughout the month to which the wage roll pertains, the documents relating to casualties affecting pay of Industrial employees as notified in factory orders, increment sheets, leave memos etc. will be subject to a cent per cent check by the Auditors and test check by the AAOs in the Pay section of the Accounts Office. This is done by regularly logging in to the LAN connection (factory comnet) within the factory and checking daily attendance and other related data in the factory system with the hard copies of relevant documents as and when received throughout the month, based on which the monthly attendance file is generated for processing of wage rolls.
8. There are 14 units under the jurisdiction of PCDA (SC) Pune who are at present drawing Cash Requisitions and making payments through TLB as follows:

SL. NO.	NAME OF THE UNIT	STRENGTH
1.	STN WKSP EME KIRKEE	67
2.	STN WKSP EME MUMBAI	51
3.	VD WKSP EME MUMBAI	5
4.	VD WKSP EME KIRKEE	17
5.	CAD PULGON	559
6.	ASW AHMEDNAGAR	79
7.	ASW AHMEDNAGAR	83
8.	AFMSD MUMBAI	37
9.	ASW EME DEOLALI	3
10.	CQA (FFE) AUNDH PUNE	1284
11.	512 ABW KIRKEE	38
12.	ALC PUNE	24
13.	AFMSD PUNE	27
14.	CQA (EE) AUNDH	76
15.	COD ML MUMBAI	18
	CQA (V) AHMEDNAGAR	2368
	TOTAL	

9. As per the study report, dispensing with the placement of Cash Requisition at the disposal of the unit and making all the payments, duly pre-audited, centrally by the Main Office Pay

Section through direct credit to the bank account of the IEs of DEs, is workable provided necessary amendments are made in the MoD letter dated 4.3.91 referred at Sl. No 2 and 3 above in respect of cut-off date for attendance as well as the payment date.

10. The factory model of payment of wages to the IEs can be replicated to replace the TLBs provided -

- a. The date of payment to the IEs of the DEs is suitably amended by MoD.
- b. Attendance data for the full month is captured just like the factory model.
- c. Standardised software for generation of pay bills of the IEs of DEs is prepared and utilised by all such units which are at present submitting TLB.
- d. Provision is made for a new section in the Pay Group of Main Office for pre-audit and passing of pay/supplementary bills of IEs of the DEs.

— x —