

GOVERNMENT OF RAJASTHAN
URBAN DEVELOPMENT & HOUSING DEPARTMENT

No. F.11/(1)/UDH/1/2020 Part-02459

Jaipur, dated :-

CIRCULAR

Sub.:- Standard operating procedures for write-off loses of revenue or irrecoverable loans & advances, use of PDR act for recovery of advances/dues/audit recoveries from defaulters and general guidelines on advances to other departments and agencies.

Following recent observations and guidance from the Legislative Assembly Committee for Local Fund in Rajasthan, there is a directive regarding the audit paras framed on recovery of advances/dues/audit recoveries, hence in this regard following Standard operating procedures and guidelines to be adhered necessarily :-

Guidelines on Advances to Other Departments and Agencies

1. **Minimize Advances:** Advances should not be granted to other departments and agencies unless absolutely necessary. Any decision to issue an advance must be made with careful consideration.
2. **Developmental Work Only:** Advances should be strictly reserved for developmental projects that cannot be executed by the DA/UIT.
3. **No Non-Developmental Expenditures:** Funds must not be allocated for activities unrelated to the developmental work of the local body. Reports have indicated instances of advances being used to cover expenses, such as telephone bills for other agencies, which is not permissible.

RajKaj Ref
11769037

Page 1 of 11



Signature Not Verified

Digitally signed by Vaibhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

SOP for recovery of advances and government dues from employee / retired person

(GF&AR volume I part 1, rule 170 and appendix 3)

1. Advances must be accounted for within four weeks or according to the specified guidelines. Any unspent balances that are not refunded within this timeframe will incur interest at a rate of 18% per annum. The Head of Office and the Accounts Officer are responsible for ensuring compliance with these requirements and for the timely adjustment of advances.
2. **Recoveries of over- payments to government servants** are recorded and managed through a structured process to ensure accountability and proper financial management. The key steps involved are:
 - a. **Identification of Over- Payment:** Over-payments can be identified through audits, reviews, or routine checks by the Accountant General, Financial Advisor, Chief Accounts Officer, Senior Accounts Officer, or Accounts Officer.
 - b. **Notification and Documentation:** The concerned government servant is notified of the over-payment. Detailed documentation is prepared, specifying the nature and amount of the over-payment.
 - c. **Recovery Orders:** Recovery orders are issued by the competent authority, specifying the amount to be recovered and the method of recovery.
 - d. **Recording in Registers:** A Register of Recoveries is maintained in Form G.A. 60, recording all recoveries ordered, including the name and office of the government servant, the nature and amount of the over-payment, and the method of recovery.
 - e. **Deductions from Salary:** Deductions are made from the government servant's salary in installments, typically not exceeding one-third of the pay or subsistence allowance unless otherwise justified.
 - f. **Special Recoveries:** In cases where recoveries are not made by the Drawing and Disbursing Officer, the Financial Advisor or other responsible officers, the Treasury Officer to effect the recovery.

RajKaj Ref
11769037

Signature Not Verified

Digitally signed by Vaibhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

- g. **Recovery from Suspended Government Servants:** If a government servant is under suspension, recovery orders are issued in consultation with the authority competent to place the government servant under suspension.
- h. **Waiving of Recovery:** The government may waive the recovery of an over-payment if it was drawn under a reasonable belief of entitlement, if recovery would cause undue hardship, or if it is impossible to effect the recovery.
- i. **Adjustment and Monitoring:** The Drawing and Disbursing Officer ensures that recoveries are made and recorded accurately, with regular reviews and audits conducted to monitor the status of recoveries.
- j. **Final Settlement:** Once the full amount of the over-payment is recovered, the recovery is marked as complete in the Register of Recoveries, and any remaining balance or discrepancies are addressed and resolved.
- k. **Interest on Over-Payments:** In some cases, interest may be charged on the over-payment amount, and the interest rate and terms are specified in the relevant rules and regulations. The maximum interest is restricted up to the principal amount.
- l. **Reporting:** Periodic reports on the status of recoveries are prepared and submitted to higher authorities for review.

3. Procedure in case of Misappropriation, fraud, loss, etc.

(a) A police report shall be lodged with the police station of the area.

(b) A party consisting of Financial adviser/Chief Accounts officer/Sr. A.O./A.O./A.A.O. will be sent for making preliminary enquiry. In case it is considered the detailed audit/checking is required an audit party of the Head office will be deputed or if need be, the Director, Inspection Department, Rajasthan will be required to arrange detailed audit. The concerned records will be collected and kept in the safe custody till the case is finalised.

(c) The Head of the Department shall appoint an officer-in-charge who should be Financial Adviser/Chief Account Officer/Sr. A.O./A.O./A.A.O.

The officer-in-charge shall be responsible to monitor the progress of the case.

RajKaj Ref
1476037

Signature Not Verified
Digitally signed by Vaidhavi Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

investigation and subsequent action and regular half Yearly statements showing progress, stage of the cases

(d) The Head of the Department shall keep a register to ensure sending of such statements and monitor progress in each case within the prescribed period.

4. Judicial proceedings: Prosecution in Criminal Courts: As soon as a reasonable suspicion arises that criminal offence has been committed, the senior officer, of the department concerned present in the station will report to the District Magistrate concerned and ask for a regular police investigation under the code of Criminal procedure. Competent legal advice should be taken. A prosecution shall be attempted unless the legal advisor consider that the evidence available is not such as will secure a conviction. The reasons for not attempting a prosecution shall be placed on record in all such cases. If the District Magistrate or the Authority concerned agrees that an investigation may be made, the senior officer of the department concerned present in the station will:- (a) Request the District Magistrate or the authority aforesaid to arrange for the investigation to proceed from day to day; (b) See that all witnesses and documents are made available to the investigating officer; and (c) Associate with the Investigating officer or officer of the department who is not personally concerned with the irregularity leading upto the loss but who is full cognizant of the rules and procedure of the office in which the loss has occurred.

5. Principle governing the assessment of responsibility: The cardinal principle governing the assessment of responsibility is that every Government servant should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money. While, therefore, the competent authority may in special cases, condone Government servant's honest errors of judgement involving financial loss, if he can show that he has acted in good faith and done his best upto the limits of his ability and experience, personal liability shall be strictly enforced against Government servant.

dishonest, careless or negligent in the duties entrusted to them.

6. **Higher officer also Responsible:** In cases where loss is due to delinquencies of subordinate Government servants and where it appears that this has been facilitated by laxity of supervision on the part of higher officer, the later shall also be strictly called to account and his personal liability in the matter carefully assessed.

7. **(a) Enforcement of Pecuniary Liability-Principle:** The question of enforcing pecuniary liability shall always be considered as well as the question of other forms of disciplinary action. In deciding the degree of Government Servant Pecuniary liability it will be necessary to look not only to the circumstances of the case but also to the financial circumstances of Government servant, since it should be recognised that the penalty should not be such as to impair his future efficiency.

(b) Recovery of amount and its extent: In particular, if the loss has occurred through fraud, every endeavour shall be made to recover the whole amount lost from the guilty persons, and if laxity of supervision has facilitated the fraud, the supervising officer at fault may properly be penalised either directly by requiring him to make good in money a sufficient proportion of the loss or indirectly by reduction or a stoppage of his increments of pay.

8. **Action when a Government servant is due to retire:** Step shall be taken to ensure that Government servant concerned in any loss or irregularity which is the subject of any enquiry is not inadvertently allowed to retire on pension while the enquiry is in progress; and accordingly, when a pensionable Government servant is concerned in any irregularity or loss the authority investigating the case shall immediately inform the Director of pension, Rajasthan, responsible for payment of pension and the authority competent to sanction pension and it will be the duty of the later to make a note of the information and to see that final pension and gratuity are sanctioned on the basis of either conclusion is arrived at as regard the Government servant's pay or

the sanctioning authority has decided that the result of the investigation need not be awaited. In cases of fraud and embezzlement after the death of a government servant, if found guilty, recovery of government dues from their legal heirs should be implemented.

9. **Departmental Proceedings:** In all cases of fraud, Misappropriation or similar offences, the departmental proceedings shall be instituted the departmental proceedings shall be instituted at the earliest possible moment against all the delinquents and shall be conducted with strict adherence to the rules. If the accused person has been handed over to the police, the departmental inquiry against him shall not be stayed for the result of the police investigation. On the other hand, it shall be proceeded with full vigour and concluded as expeditiously as possible. When the delinquent is handed over to the police for prosecution it implies that the departmental punishment in not considered adequate to meet the requirements of the case. In such cases the departmental punishment imposed should, therefore, generally be dismissal from service. Any orders for imposing departmental punishment should as a general rule be passed before the accused person is actually challenged in Court. Where in any case the departmental inquiry can not for some reason be concluded before the accused is challenged in court, the departmental proceedings against him not be stayed merely for that reason if the facts of the case disclose adequate grounds for dismissing the person involved on charges other than those on which he is prosecuted, e.g., negligence of duty, disregard of rules and non-observance of standing instructions, etc., where such other charges do not warrant his dismissal, final action on the departmental side will have to await the result of the judicial inquiry. Even in such cases where the prosecution results in acquittal it may still be possible and necessary to take disciplinary action against the accused on charges than those of which he is acquitted by the court, e.g., negligence, disregard of rules, standing instructions, etc. Even in such cases, the departmental proceedings should be considered on its merits, with due care, by the authority competent to take

Signature Not Verified

RajKaj Ref

11769037

Digitally signed by Vailhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

disciplinary action. With regard to subsidiary offenders who are charged of neglect of duties in having facilitated or contributed the fraud or misappropriation, it should invariable be attempted to secure the expeditious completion of departmental enquiry before the challan against the main offender is presented and connected records transferred to the court or taken in police custody.

10. **Material Loss or destruction of Government Property** : The following further instructions shall also be followed by all the departmental officers while dealing cases involving material loss of destruction of Government property as a result of fire, theft, etc.:- (i) (ii) When material losses due to suspected theft, fraud, fire, etc., occur in any office/installation, such cases shall invariable be reported to the police for investigation. The Heads of Departments shall exercise their discretion in determining at what stage reports should be sent to the police keeping in view the fact that the police investigation will be increasingly handicapped with lapse of time; For the purpose of the above instruction, all losses, excepting the losses due to suspected sabotage, of the assessed value of Rs. 10,000/- and more shall be regarded as 'material'. All cases of suspected sabotage shall be reported to the police promptly irrespective of the value of the loss involved; (iii) Once the matter is reported to the police authorities, all concerned should assist the police in their investigation. A formal investigation report should be obtained from the police authorities in all cases which are referred to them as indicated above.

RajKaj Ref
11769037

Signature Not Verified

Digitally signed by Vaibhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

SOP for write-off Losses of revenue or irrecoverable loans and advances
(GF&AR volume I part III, rule 10 (A) and (D))

1. As per GENERAL FINANCIAL AND ACCOUNTS RULES (Volume-I), Part III DELEGATION OF FINANCIAL POWERS rule 10 (A)&(D) for write-off Losses, write-off Losses of irrecoverable loss of Goods/Stores or public money Head of Departments has up to 1.00 lac and Administrative Departments has up to 3.00 lac in each case while for writing off irrecoverable dues of revenue earning departments, Head of Departments has up to 3.00 lac and Administrative Departments has upto Rs. 5.00 lac in each case.
2. A checklist/format is included in **Annexure 1**. All heads of office are instructed to complete the checklist/format according to the following conditions and attach the necessary evidence and relevant documents.

(1) These powers will be exercised subject to the following conditions :

- (i) That the loss does not disclose a defect in rules or procedure, the amendment of which requires the orders of higher authority, and
- (ii) that there has not been any serious negligence on the part of any Government servant that may call for disciplinary action by a higher authority.

(2) Write-off of losses of cash in treasuries whether in the course of remittance or out of treasury balances and of over-payments made to Government servants are governed by separate rules.

(3) That the loss is not due to theft, embezzlement or fraud as provided in rule 20 (1) Part-I of G.F. & A.R.

(4) For the purpose of these powers the value of the stores shall be 'book value' at the time of writing off.

(5) The authority sanctioning the write-off of losses of revenue and irrecoverable loans and advances is satisfied that all possible steps, short of the civil suit had been taken to effect the recovery and that a civil suit would yield

any better results either because of lack of assets or serious defects in title or other equally valid reasons, provided that in cases where the amount involved for recovery is not more than Rs. 2000/- and the Head of the Department considers that further efforts for recovery would not be worthwhile, he may write off the amount on his authority.

(6) In cases of loss by fraud, embezzlement, or theft, these powers will be exercised only after the final sanction of criminal proceedings.

(7) The terms "each case" referred to above shall be interpreted regarding a given point of time. If on a particular occasion, a number of items of stores are to be written off, powers of the sanctioning authority should be reckoned with reference to the total value of stores intended to be written off on that occasion and not with reference to individual articles constituting the lot. In this context, losses arising out of one incident shall not be split up and written off separately on different dates to avoid sanction of the higher authority. Losses due to one specific cause like fire, theft, flood, etc. should be written off at one time. There is, however, no objection to losses arising out of more than one cause being written off at one time. The competence of the officer writing off the loss will depend upon the amount written off each time.

SOP for use of PDR act for recovery of advances/ dues/audit recoveries from defaulters

The Rajasthan Public Demand Recovery Act, 1952, and Public Demand Recovery Rules, 1953 must be used to recover government advances/ dues/ audit recoveries from private builders, developers, nongovernmental organizations, and private parties. The following procedure may be adopted for recovery of advances/ dues/ audit recoveries from such defaulters.

RajKaj Ref
11769037

Signature Not Verified

Digitally signed by Vaibhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

1. **Requisition for recovery** - When any public demand is due, the officer or authority charged with its realization may send to the Collector having jurisdiction in the place where the defaulter resides or owns the property a written requisition in the prescribed form. Every such requisition shall be signed and verified in the prescribed manner. The verification shall state that the person signing the requisition has been satisfied by inquiry that the amount stated in the requisition is actually due. (attachment Form No. 1 Requisition for a Certificate).
2. **Details of defaulter-** Name of the defaulter and his residential address should be mentioned so that the defaulter easily and surely be summoned. For this purpose revenue officer may be contacted and pursued for sending a summon.
3. **Details of property-** Complete details of the property of the defaulter in the prescribed format should be attached so that the public due recover from the defaulter easily. Details of the property and business of the defaulter can be assessed from our records, the website of the Revenue Department (Bhu- Naksha), and the state GST department.
4. The amount of public demand for which requisition is made Should include the principal and interest portions.
5. On receipt of any such requisition as is referred to in section 3, the Collector if he is satisfied that the demand is recoverable under this Act and that its recovery by suit is not barred by any law for the time being in force, may sign a certificate to that effect in the prescribed form specifying, therein the amount of the demand the account on which it is due the name of the defaulter and such other particulars as may be necessary for his identification and shall cause the certificate to be filed.

RajKaj Ref
11769037

6. Subject to the other provisions of this Act, the amount due under a certificate may be recovered in one or more of the modes [specified in section 228 of the Rajasthan Land Revenue Act, 1956 (Rajasthan Act 15 of 1956)] and the provisions of [that act] shall apply as if such amount were an area of land revenue due from the defaulter.
7. The case should be registered by meeting the District Collector or other revenue officers regularly and efforts should be made to take action under The Rajasthan Public Demand Recovery Act, 1952 and Rajasthan Land Revenue Act, 1956.

Encl: As above

**(Vaibhav Galariya)
Principal Secretary**

Copy forwarded to the following for information and necessary action:-

1. Special Assistant to Hon'ble Minister ,UDH
2. Deputy Secretary to Principal Secretary, UDH
3. Private Secretary to Special secretary, RLA
4. Commissioner, JDA
5. Commissioner, RHB
6. Commissioner, JoDA /ADA/UDA/KDA
7. Deputy Secretary, I/II/, UDH
8. Sr. Deputy Secretary, UDH
9. Secretaries of all UIT's
10. Programmer, UDH for uploading the Circular on the website
11. Guard File

Deputy Secretary-III

**RajKaj Ref
11769037**

Signature Not Verified

Digitally signed by Vaibhav Galriya
Designation : Principal Secretary To
Government
Date: 2024.12.01 19:20:12 IST
Reason: Approved

Forms
(See rule 15)
Requisition for a Certificate
(See Section 3)

To

The Collector of the district of — -----

| Name of Defaulter | Address of defaulter | Amount of public demand for which this requisition is made | Period for which demand is due | Nature of public demand for which this requisition is made | Budget head where in recovery shall be deposited |
|-------------------|----------------------|--|--------------------------------|--|--|
| 1 | 2 | 3 | 3a | 4 | 5 |
| | | | | | |

I request you to recover the above mentioned sum of Rs.....which I am satisfied after inquiry, is due from the said in respect of

Verified by me on the

Signature
Name
Date
Address
Mobile no
Email

Details of property

To

The Collector of the district of —————

| S N | Detailed Address of property | Approximate Value of property(Rs) | Approximate Area of property (in square meters) | Self / joint owner | Other |
|-----|------------------------------|-----------------------------------|---|--------------------|-------|
| | | | | | |

Signature

Name

Date

Address

Mobile no

Email

Checklist for submitting cases to the administrative department to write off losses related to revenue or irrecoverable loans, advances, and dues.

| S N | Conditions | Compliance(filled by subordinate office) | Relevant document with page-no |
|-----|--|---|--------------------------------|
| 1 | Loss does not indicate a defect in rules or procedures, requiring higher authority for amendments. | <i>Attach relevant rule</i> | document with page-no |
| 2 | There has been no serious negligence by any Government servant warranting disciplinary action. | <i>Justification by controlling officer</i> | document with page-no |
| 3 | In cases of loss due to fraud, embezzlement, or theft, these powers will only be exercised after the finalization of criminal proceedings. | <i>Final verdict/sanction</i> | Attach order |

| | | | |
|---|--|---|--------------------------------------|
| 4 | all possible recovery steps, short of a civil suit, have been taken, and pursuing a civil suit is unlikely to yield better results. | <i>Details of Recovery steps and related civil suit</i> | Accounts and legal comments required |
| 5 | When items of stock need to be written off, the approval authority should look at the total value of all the items being written off at that time, rather than considering each item separately..losses arising out of one incident shall not be split up and written off separately on different dates to avoid sanction of the higher authority. | <i>Head of office Give a certificate</i> | certificate with page-no |
| 6 | Brief note of case | <i>Brief note and recommendation by head of office</i> | |

| | | |
|----------------------------|-------------------------|----------------|
| signature | Signature | signature |
| highest accounts personnel | highest legal personnel | Head of office |