



कार्यालय, रक्षा लेखा महानियंत्रक, उलन बटार मार्ग, पालम दिल्ली छावनी-110010
OFFICE OF THE CONTROLLER GENERAL OF DEFENCE ACCOUNTS,
ULAN BATAR ROAD, PALAM, DELHI CANTT.-110010
दूरभाष : 011-25665548,25665583/84,25665736/37,
फैक्स : 011-25674786



सं लेखा/III/12157/LXXXVI/PC

दिनांक 05.03.2018

सेवा में,

र.ले.प्र.नि/ र.ले.नि.

बिषय: सरकारी प्राप्ति का विलंब से प्रेषण - बैंको से ब्याज प्राप्ति।
संदर्भ: मुख्यालय कार्यालय के पत्र संख्या सं लेखा/III/12157/LXXXVI/PC दिनांक
17/03/2016.

उपरोक्त विषय से संबंधित संदर्भानुसार पत्र के अधीन प्रेषित लेखा महानियंत्रक कार्यालय के पत्र संख्या 11012/1(31)/AC/2015/RBD/332-424 दिनांक 09.03.2016 के अनुच्छेद 8.1 तथा भारतीय स्टेट बैंक का पत्र सं GAD/DEF/DPI/BKS/258 दिनांक 06.02.2018 (प्रतिलिपी संलग्न) का अवलोकन करें एवं सरकारी प्राप्ति का विलंब से प्रेषण के लिये बैंको से ब्याज प्राप्ति के लिये आवश्यक कार्यावाई करें ।

अमला शर्मा
र.ले.स.म (लेखा)

प्रतिलिपि:

र.ले.स.म., ई.डी.पी केंद्र (स्थानीय): रक्षा लेखा महानियंत्रक के वेबसाईट में अपलोड करने हेतु ।

दस्ता/-
व.ले.अधि. (लेखा)



भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

सरकारी लेखा विभाग, कॉर्पोरेट केंद्र, बेलापुर रेलवे स्टेशन, चवथा मजला, टॉवर क्र.- 4, सेक्टर -11, सी.बी.डी. बेलापुर, नवी मुंबई - 400 614.

सरकारी लेखा विभाग, कॉर्पोरेट केंद्र, बेलापुर रेलवे स्टेशन, चौथा तल, टावर क्र.- 4, सेक्टर -11, सी.बी.डी. बेलापुर, नवी मुंबई - 400 614.

Government Accounts Dept., Corporate Centre, Belapur Rly. Station, 4th Floor, Tower No. 4, Sector - 11, CBD Belapur, Navi Mumbai - 400 614.

Tel.:(DGM) 022-2752 4111 (AGM) 2752 4091 (ADMIN & MISC) 2752 3699 (CENTRAL & REVENUE) 2752 3690 (GAD-4) 2752 4089 (OLTAS) 2752 3883
(PPF SDS SCSS) 2752 3875 (CENTRAL PANSION) 2752 3700 (SYSTEMS) 2752 4088 (UMEA) 2752 3873 (DEFENCE PENSION) 2752 3682
(COMPLAINTS/RTI) 2752 3691 | Fax : 022-2757 6890 / 2757 6972 | Please address all e-mails to : dgm.gad@sbi.co.in

A-III

The Sr. Accounts Officer (A/Cs),
O/o The Controller General of Defence Accounts,
Ulan Batar Road, Palam Delhi Cantt-110010

GAD/DEF/DPI/BKS/258

Date – 06.02.2018

19/2
Dear Sir,

Recovery of interest on delayed remittances of Government Receipts from Public Sector Banks Quarterly Report for the Quarter ending September 2017.

We refer your letter No. A/III/12157/LXXXVIII/QPR/REC dated 23.01.2018 on the above subject.

2. In this connection, we have to advise that the DPI claim proposal should have been submitted to this office on a quarterly basis by 15th of the month of the following quarter, i.e. for the quarter ending June the claim should be sent by 15th of July along with necessary documents in line of paragraph 8.1 of the CGA circular no. S-11012/1(31)/AC(22)/2015/RBD/332-424 dated 09.03.2016.

3. This is for your information & necessary action.

Yours faithfully,


Deputy General Manager,
022-27523690





Government of India

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OFFICE OF THE CONTROLLER GENERAL OF DEFENCE ACCOUNTS
Ulan Batar Road, Palam Delhi Cantt-10
Ph. No. 011-25665583, 25665584, 25665581
(Accounts & Budget)

No. A/III/12157/LXXXVI/PC

dated: 17/03/2016
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To

The PCDA/CDA

Sub: - Standard Operating Procedure (SOP) for levying penal interest on accredited banks doing government agency business for delayed remittances etc.

Ref: CGA, Ministry of Finance (Department of Expenditure) Office Memorandum letter No. S-11012/1 (31)/AC (22)/2015/RBD/332-424 dated 09.03.2016.

A copy of Standard Operating Procedure (SOP) on the subject, issued by the CGA, Ministry of Finance (Department of Expenditure) is forwarded herewith for your necessary action. This is for calculating penal interest for delayed remittances by the accredited banks doing government agency business.

Receipt of the SOP may be acknowledged.

Scho _____
ACGDA (A&B)

Copy to:-

EDP (local) : For uploading on CGDA website

SAO (A/Cs)

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23/3/16

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S-11012/1(31)/AC(22)/2015/RBD/ 532423
Government of India
Ministry of Finance
Department of Expenditure
Controller General of Accounts
Lok Nayak Bhawan, Khan Market
New Delhi - 110511
Telefax : 011-24649365
E-mail : sao_rbd@nic.in

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Dated 09.03.2015

OFFICE MEMORANDUM

Sub: Standard Operating Procedure (SOP) for levying penal interest on accredited banks doing government agency business for delayed remittances etc

Please find enclosed a copy of Standard Operating Procedure for levying penal interest on accredited banks doing government agency business.

This may also be brought to the notice of all Accounts Offices under your control for necessary action at their end.

Yours faithfully

Encl: As above

(Tripti P. Ghosh)

Dy. Controller General of Accounts (RBI)

To

All Head of Departments (Accounts) of Non-Civil Ministries/Departments

All Pr. CCAs/CCAs/CAs (Independent Charge) of Civil Ministries/Departments

General Managers of all the accredited banks

Sr. A.O. (ITD), O/o CGA for uploading this O.M. on CGA's website.

Copy to :-

- 1 PS to CGA
- 2 PS to Addl. CGA (RBD)
- 3 PS to Jt. CGA (TA)
- 4 PA to Dy. CGA (RBD)

Dated 9th March 2016

Subject: **Standard Operating Procedure for levying penal interest on accredited banks doing government agency business.**

The issue of levy of Penal interest on delayed remittances of Government receipts into Government accounts has been a point of discussion in various meetings with the banks. The issue was also discussed in the APEX Committee meeting held recently. It has been decided that there should be a standard procedure prescribed which should be followed by the Banks as well as the various Ministries/Departments.

1. As provided in the Civil Accounts Manual, all Pay and Accounts Offices of Government of India are required to levy Penal Interest on accredited banks doing government agency business in following cases.
 - i) Excess put through / double claim by the accredited banks in the Payment scrolls.
 - ii) Delay in remittance of government receipts by accredited banks into government account.

2. Payment of Interest on Excess put through/double claim by the accredited bank.

2.1 As per Civil Accounts Manual{Para 13.6 (xv)} -Verification of the amounts "Put through" indicated in DMA-I statement with reference to the Date wise Monthly Statement (DMS), and the preparation of "Monthly Reconciliation Analysis" will throw light on the amounts of excess/double reimbursements obtained by the bank, if any. For such excess/double reimbursements of Rs.10 lakhs and above, interest will be claimed from the bank.

2.2 PAO should prepare the following reports in this regard:

- a. A monthly statement in CAM -73 for cases of Rs.10 lakhs and above on which levy of interest on excess/ Double Reimbursement claimed by the bank is to be levied;
- b. Quarterly reports by the 15th April/July/October/January respectively in CAM-74. Indicating cases of Excess/Double Reimbursement attracting penal interest;

While in the case of (a) above, PAO should initiate action with FPB for recovery of penal interest, the reports mentioned at (b) above should be sent by the PAO to the Pr. AO, for consolidation and onward transmission to the RBD Section in office of Controller General of Accounts.

3. Payment of Interest on delayed remittances

Para 15.20.2 of the CAM states all challans pertaining to direct taxes should be scrutinized to detect cases of delays in the remittance beyond maximum period. These delays should be investigated to ascertain whether these have occurred

at the receiving branch or the Nodal Branch of the Bank. A record of all such cases of delayed remittance should be kept in the Pay Accounts Office in a register in the prescribed form.

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4. Calculation of Delay

T is the date of Transaction which will be counted from the date of receipt in case of cash payment, and date of realization in case of cheques/ drafts at the receiving branch. Delayed period interest shall be imposed on the banks for the actual delayed period and not from the date of transaction (T). In other words, the 'delay period' calculation will start from the day following the prescribed put through date (actual "Put through" date will be included for calculation of delay). Concerned Account Offices will identify cases of delay and inform their headquarters. All cases of recovery will be processed by the Accounts Officer and quarterly report will be submitted to their HQ for taking up the matter with the Head Office of the Banks.

5. Timelines for credit of Government revenues

5.1 For Public Sector Banks for manual receipts:

a) **Local Transactions** — The existing time limit for remittance of the Government receipts to the Central Accounts Section (CAS), Reserve Bank of India (RBI) shall continue i.e. wherever the collecting bank branch and the focal point branch of the bank are in the same city/agglomeration, the settlement of transaction with RBI shall be completed within T+3 working days (where T is the day when money is available to the bank branch). For calculating the working days, the RBI (CAS Nagpur) calendar will be followed.

b) **Outstation Transactions** — The existing time limit for remittance of Government receipts to the Central Accounts Section (CAS), Reserve Bank of India shall continue, i.e. wherever the collecting bank branch and the focal point branch of the bank are in different city/agglomeration, the settlement of transaction with RBI shall be completed within T+5 working days (where T is the day when money is available to the bank branch). For calculating the working days, the RBI (CAS Nagpur) calendar will be followed.

c) **For Remote, Difficult and Hilly areas:** A period of T+12 working days (excluding put through date, where T is the day when money is available to the branch), is allowed with effect from 01.01.2010 to Public Sector Banks for manual remittance of Government receipts to CAS, RBI, Nagpur in respect of branches located in Jammu & Kashmir, Leh, Uttarakhand, Himachal Pradesh, Sikkim, North Eastern Region (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura), Jharkhand. The above norms for remote, difficult and hilly areas will not be applicable to Private Sector Banks.

d) In case of the local and outstation transactions, the Put through date, i.e. the date of settlement with the CAS, RBI shall be kept outside (i.e. exclusive) this existing time limit of T+3/T+5/T+12 working days as stated above.

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All Transactions — The existing time limit for remittance of the Government receipts to the Central Accounts Section (CAS), Reserve Bank of India (RBI) shall continue i.e. the settlement of transaction with RBI shall be completed within T+3 working days (where T is the day when money is available to the bank branch). For calculating the working days, the RBI(CAS Nagpur) calendar will be followed. Put Through date would be inclusive in T+3 limits.

5.3 For e-receipts (All Banks)

- (a) As per CGA's O.M. No.S-1012/3/P.Intt(RP)/CGA/2007/RBD/1350 dated 08.07.2008 stipulated that remittance period in respect of Private Sector Banks for all Government transactions including EASIEST (CBEC) and OLTAS(CBDT) made through e-payments will be T+1 working day (including put through date) w.e.f. 01/08/2008
- (b) As per CGA's O.M. No. S-1012/3/P.Intt(RP)/CGA/2007/RBD/1350 dated 05.10.2010. w.e.f. 01/11/2010 and in supersession of order dated 08.07.2008 mentioned above the remittance period in respect of all govt. transactions made through e-payments (including tax receipts of CBDT and CBEC) in respect of Public Sector Banks as well as Private Sector Banks will be T+1 working day (including Put through date).
- (c) The following additional instructions for e-receipt collection by the accredited bank through Debit/Credit Cards/Net Banking were circulated vide this office O.M. no. S-11012/2/2(5)/Pvt.SB/2009/RBD/1391-1406 dated 15/12/2014:
 - (i) Remittance norms of T+1 working day including the Put Through day should be strictly followed. "T" is the day money is available with the receiving bank branch of the agency/accredited bank.
 - (ii) Penal interest should be levied on the delayed remittance of e-receipt into Government Account, i.e. on delay beyond T+1 working day, if any.
 - (iii) In respect of transactions occurring through Debit/Credit Cards and Net Banking the settlement should conform to the provisions contained in the Payment and Settlement Act 2007 of the Reserve Bank of India and rules and regulations made therein.

6. For Small Savings Schemes of M/o Finance (PPF & SCSS etc.)

In respect of Small Savings Schemes of M/o Finance (PPF & SCSS etc.), the directions given in the M/o Finance, Dept. of Economic Affairs, Budget Division O.M. no. F.17/1/2008-NS-II dated 15th May 2008 (as amended from time to time) would be applicable. This order lays down the following conditions for remittances and rate of interest of penal interest on delayed remittance

- 6.1 All remittances shall be credited to Government Account at RBI, CAS, Nagpur within 3 days (including holidays) for private sector banks and excluding holidays for Public Sector Banks.
- 6.2 The Put-through Date is excluded from the grace period of 3 days

(excluding holidays)

- 6.3 In case of delays beyond the above mentioned period, the penalty payable by accredited banks on such delayed remittances shall be the applicable rate of interest payable to the depositor plus 0.5% in case of delays up to 30 days and plus 1% in case of delays beyond 30 days.
- 6.4 Observance of Rules and Regulations of the PPF Scheme and the SSCS Scheme as amended from time to time. Non-observance of rules and regulations would attract penal action including de-authorisation of branch/bank. Pecuniary liabilities, if any, arising from such non-observance shall be borne entirely by the bank.

7. Rate of Penal Interest

- 7.1 CAM para 15.20.3 states "The rate of interest to be charged is Bank Rate as prevailing (which is generally notified biannually on May 1 and November 1) plus 2% or as decided by Reserve Bank in consultation with CGA from time to time.
- 7.2 The period of delay in a transaction of Rs.1 lakh and above shall attract delayed period Interest at Bank Rate + 2%.
- 7.3 For the transaction below Rs.1 lakh in each case, the delayed period interest shall be levied only at the Bank Rate for delays up to 5 calendar days and above 5 calendar days at the Bank Rate + 2 % for the full period of delay.
- 7.4 For petty claims of delayed penal interest involving an amount of Rs.500/- or below will be ignored and excluded from the purview of penal interest. (CGA's OM no. S-11012/3/P.Intt(RP)/CGA/2007/RBD/499 dated 06/04/2009). This limit of penal interest of Rs.500 is for per transaction.
- 7.5 In respect of Non-Tax and all other Government receipts also, for permissible time limit, calculation of delay period and delayed period interest, the above instructions shall be applicable.
- 7.6 The rate of penal interest in case of PPF/SCSS schemes of M/o Finance is mentioned in para 5.4(ii) above.
- 7.7 All banks may build up their own internal control mechanism so that the preventive and corrective actions are taken by the bank for its branches well in time.

8. Reporting of Penal Interest

8.1 Total delayed amount, which has not been remitted in time as per the above timelines and the penalty due along with details of individual cases will be intimated by the concerned Pr.CCAs/CCAs/CAs (for the Non Civil Ministries by the concerned Head of the Department) to the Head Office of the bank concerned on a quarterly basis by 15th of the following month (e.g. for the quarter ending June the cases should be sent by 15th July) along with all necessary documents.

8.2 Where penal interest payable is based on audit, all delays in remittance of receipts of Government along with Penal interest payable should be reported to the concerned banks within 3 months of completion of audit.

8.3 In exceptional cases where Ministry/Département is not able to lodge the penal interest claim within the stipulated time frame prescribed above, a case for

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9. Payment of Penal Interest by Banks

Banks will pay penal interest for claims lodged by concerned Ministries/Departments within a period 3 months from the date of issue of claims by Ministries/Departments

10. Resolution of any dispute

10.1 In case of any dispute in penal interest between the banks and the Ministries/Departments, such cases may be forwarded by the banks to the RBD section of CGA for necessary action

10.2 All cases of dispute forwarded by banks will be put up to a committee formed for this purpose. The committee would be chaired by Additional CGA (RBD), O/o CGA with the following members:

- a) Pr. CCAs/CCAs/CAs (Independent charge) of the concerned Ministry for cases relating to Civil Ministries/Departments
- b) JS Level officer (in case of Non Civil Ministries)
- c) CGM, DGBA, RBI
- d) Representative from the concerned bank at CGM/GM level
- e) Jt. CGA(RBD)-Member Secretary

10.3 In case the banks do not pay penal interest or lodge any dispute within the prescribed timelines given above, direct debit of the bank's account will be done for the amount of Penal interest in consultation with RBI.

11. Terms of Waiver

11.1 The penal interest levied on accredited banks cannot be waived. Only the period of delay counted for calculation of penal interest can be relaxed/condoned by the Committee/Controller General of Accounts on case to case basis. Following are some of the cases in which period of delay can be relaxed/condoned for calculation of penal interest:

(a) Force majeure such as war, riot or by an 'act of God' -The effective period of the Force majeure clause for relaxation of time period of delay will be decided by the O/o CGA in consultation with RBI.

(b) Continuous holidays as per RBI calendar

(c) Annual/Half yearly closing of accounts of banks (1st of April & 1st of October)

11.2 The period of Strike by the Bank's staff will not be excluded from the permissible period for remittance of Government revenues. (O/o CGA O.M. no. S-11012/3(35)/CBDT/DE/2003-04/RBD/790 dated 14/05/2008).

11.3 The committee will take into account all factors responsible for delay and then condone only the period of delay.

12. Grounds for Appeal

In cases where the decision of the Committee is not found acceptable by either the Ministry/Department or the bank, an appeal can be filed with the Controller General of Accounts within 30 days of the decision of the committee. The decision of the CGA will be final and binding.

13. Effective date

The Standard operating procedure will be effective from 1st April, 2016 until further orders.

This may be brought to the notice of all the field offices under your control for taking necessary action.

U. Patra

Dy. Controller General of Accounts (RBD)

All the Heads of Accounts (Non Civil Ministries)

All Pr.CCA's/CCA's/CA's (Independent charge of the Ministry /Department)-In case of Civil Ministries

Copy to:

General Manager (Govt. Business) of PSU Banks and Three Private Sector Banks (ICICI Bank, Axis Bank, HDFC Bank)

CGM (DGBA), RBI, Central Office, Mumbai.