

**DR. MGR HUMAN RESOURCE DEVELOPMENT
INSTITUTE OF ANDHRA PRADESH HYDERABAD**



**ANDHRA PRADESH
LIFE INSURANCE**



Dear Reader,

As part of its endeavour to provide a SMART (Simple, Moral, Accountable, Responsive and Transparent) administration, the State Government of Andhra Pradesh has launched a major Human Resource Development and Training initiative aimed at developing a large human resource base of well informed and responsive functionaries and officials.

The successful and effective implementation of any initiative or programmed in government is largely the result of the involvement and efforts put in by its functionaries at all levels. Obviously, the most fruitful way in which to bring this about is to make individual functionaries aware of their role functions and responsibilities. To achieve this, the Human Resource Development Institute of AP, as the apex training institution of the State Government responsible for the overall implementation and co ordination of the state training initiative, has proposed to bring out department wise Manuals in two parts, namely

1. Departmental Manual

2. Functionary Manual

The Departmental Manual would indicate the role , responsibilities and functions of the department. The Functionary Manual will detail , as the nomenclature indicates, the functions and responsibilities of the functionaries within the department, at all levels. While doing so, the evolving role of governmental functionaries in being effective managers of change in a welfare state has been delineated. The Departmental Manual also details the department's organisational chart, the rules, regulations, legislations and enactments which govern its functioning and direct its activities and the various interdepartmental interactions it has to perform. The Manual also facilitates a definition of the Department's

role in serving the general public as customer while drawing up a vision for its future development in the coming decades in line with the Vision 2020 of the state.

The present volumes developed by the A.P. Life Insurance are in two parts. As is evident, these publications are the out come of thorough study and analysis of the department's role, functions and procedures. They are intended to serve as useful aid to each and every employee of the department in the effective discharge of his functions. It may be noted, however, that these manuals do not replace the codes and orders on the subject but are at best, meant to guide and assist the functionaries in the effective discharge of their duties.

Any suggestions for the improvement, of these Manuals may be sent directly to the Director General, Dr. MCR HRD Institute of Andhra Pradesh, Road No. 25, Jubilee Hills, Hyderabad -500 003, for consideration and incorporation in subsequent updations and revisions of the Manuals.

PVRK PRASAD IAS

Director General

Dr. MCR Human Resource Development

Institute of Andhra Pradesh

&

Ex-officio Spl. Chief Secretary to Government (HRD)

PREFACE

The Andhra Pradesh Govt. Life Insurance Department is an unique Department of the Government of Andhra Pradesh dealing with Life Insurance and Group Insurance Schemes of the State Government employees on mandatory basis.

This Functionary Manual is the first official document containing detailed information on the systems and procedures of the Department i.e. the Directorate of Insurance, Govt. of A.P., Hyderabad under the administrative control of the Finance Department of Govt. of Andhra Pradesh.

This Manual deals with different stages involved in the execution of each function. It explains the role of each functionary in each division of Insurance business transactions. The Duties, Responsibilities and Accountability of each functionary have been detailed in Functionary Manual Vol. I.

I am thankful to Sri V.S.R.C. Parthasarathy, Retd. Deputy Director of this Department for his services in preparation of this manual. I am also thankful to the Senior Officers of this Department and the members of the Manual Committee for their valuable suggestions and the staff of Dr. Marri Chenna Reddy HRD Institute of Administration, Hyderabad in the preparation of the "Functionary Manual". My special thanks are to Sri S.P.K. Naidu, I.A.S., Principal Secretary, Finance Department for getting the Manual finalized in a stipulated time with his valuable advices.

Hope this Manual provides adequate information on important operations of the Department for a quick and ready reference.

Suggestions for its improvement are welcome and be sent to the Directorate of Insurance.

K. JAYA RAJU, M.A.,

Director of Insurance

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**ANDHRA PRADESH GOVERNMENT
LIFE INSURANCE DEPARTMENT**

**FUNCTIONARY MANUAL
VOLUME - II**

Government of A.P.

ALBERTA FINANCIAL SERVICES
THE FINANCIAL SERVICES

FUNCTIONAL MANUAL
VOLUME - II

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DIRECTORATE OF INSURANCE

The Directorate of Insurance is operating A.P. Govt. Life Insurance Scheme, A.P. Employees Group Insurance Scheme, residual works of "Family Pension Fund and Family Benefit Fund." Though the Department operates various schemes, the primary and main scheme is A.P. Govt. Life Insurance Scheme. The transactions of the Insurance business are governed by the Rules made by the Government in Finance Department. These rules are known as A.P. Govt. Life Insurance Fund Rules.

ORIGIN OF THE POSTS :

Till 1962, this Department was working under the control of Directorate of Treasuries and Accounts. The category of posts, existing in the said Department are also created in this Department in similar fashion .

The following categories of posts are in existence in the Directorate of Insurance. .

1. Director
2. Joint Director
3. Deputy Director
4. Assistant Director
5. Superintendent
6. Senior Accountant
7. Junior Accountant,

Apart from the above category of posts, the posts like Typist, Junior Steno, Bradma Operator, Electrician, Lift Operator, Telephone Operator, Cashier and

Record Assistant are also in existence in the Department for attending technical and routine functions.

POSITION WITH THE ORGANISATION AND SPAN OF INTERACTION WITHIN THE DEPARTMENT :

DIRECTOR

The Director of Insurance is the Head of the Department. In all matters relating to the Department, the Director passes orders with the powers vested with him as per A.P. Financial Code, A.P State and Subordinate Service Rules and A.P. Govt. Life Insurance Department Fund Rules etc. All the communications to the Government should be approved and signed by him. The Director is responsible for the administration as well as discharge of technical duties connected with Schemes like A.P. Govt. Life Insurance Scheme, A.P. State Employees Group Insurance Scheme, etc. He also acts as Nodal Officer for Group Janatha Personal Accident Policy / Long -Term Group Janatha Personal Accident Policy.

JOINT DIRECTOR:

To assist the Director, a post of Joint Director was created in the year 1993 in the Directorate. He assists the Director in all matters connected with the administering of the schemes like A.P. Govt. Life Insurance scheme, A.P. State Employees Group Insurance Scheme and other schemes of the department.

DEPUTY DIRECTOR /ASSISTANT DIRECTOR :

The other category of posts in the Directorate are Deputy Director and Assistant Director. The Deputy Director and Assistant Director are discharging the duties to the extent of powers delegated to them from time to time and also monitoring the work of one or two sections allotted to them. Cases which require sanctions or approval of Director are sent by the Joint Director/Deputy Director. Similarly, the Assistant Directors submit their files to the Deputy Director/Joint Director .

SUPERINTENDENT :

The Superintendents are Head of Sections. They supervise the work of each Accountant. They are responsible for following correct procedures, numerical corrections, receipt of currents, disposal of currents and proper main-

tenance of records and registers in their Sections. They maintain over all discipline in their Section. The number of Sections are determined by the Director depending upon the nature/quantum of the work in the Office. The Superintendent's responsibility starts from receiving the currents and ends with their appropriate disposal.

SENIOR ACCOUNTANT /JUNIOR ACCOUNTANT :

The Senior Accountants and Junior Accountants are the caseworkers in each Section. They have to discharge the routine work allotted to them. Entry of Currents in Personal Register, calling of Files from Record Section, attach the papers to the file, submission of noting and correspondence, calculations, etc., are some of the functions of Senior Accountants and Junior Accountants. The Senior Accountant and the Junior Accountant shall attend the similar work in the various Sections since, there is no difference in the duties assigned to them as their nature of work is one and the same. The functions of the caseworkers in each section are detailed in the subsequent paragraphs.

LISTING OUT OF FUNCTIONS TO BE DISCHARGED BY THE FUNCTIONARIES IN THE DIRECTORATE :

The Directorate of Insurance has been entrusted with the functions such as:

- a) overall supervision of District Insurance Offices.
- b) Monitoring of the Insurance business.
- c) Proposing amendments to the APGLI Fund Rules, APGLI Service Rules.
- d) Consolidation and submission of budget estimates and distribution of budget under Management Expenses, loans and Claims.
- e) Reconciliation of figures under M.H. 8011, 2049, and 2235.
- f) Review of progress in respect of District Insurance Offices.
- g) Caretaking of Insurance Building Complex.
- h) Printing and supply of Departmental forms and stationery articles.
- i) Preparation of Proforma Accounts.

- j) Preparation of Movement Schedules .
- k) Administration of A.P. State Employees Group Insurance Scheme.
- l) Residual works of defunct F.B.F./F.P.F Schemes.
- m) Monitoring of Group Janatha Personal accident Policy scheme.
- n) Declaration of bonus.
- o) Evolving of procedures, modifications, deletions etc.,
- p) Issue of clarifications.
- q) Clearance of Suspense before I-4-1975 and sanction of missing credits from General suspense.

GENERAL PRINCIPLES IN RUNNING THE OFFICE ADMINISTRATION :

Following are some important aspects to be observed in running the office administration in District Insurance Offices and Directorate:

1. General Discipline : Discipline is the essential prerequisite for the efficient functioning of any office or organisation. Punctuality, promptness, regular attendance and obedience are the basic needs of discipline. Cleanliness and orderliness, quiet and dignified behaviour, observance of silence during working hours and mutual courtesy among the members of the staff will be conducive to the smooth running of the office. Divulgence of official information and secrets is a serious offence, which should not be done at any cost. Honest is the most essential code of conduct without which all the other qualities are useless .

2. Attendance: All the staff members are expected to attend the office from 10.30 AM to 5.00 PM on all working days. An attendance Register should be maintained and all establishment members should sign in the said Register as soon as they come to office. A grace time of ten minutes is allowed after which the Attendance Register should be closed. Permission to attend late by one hour or leave office one hour early not exceeding three times in each case can be allowed with prior sanction. Any member who attends late should sign in the Late Attendance Register after entering the hour of arrival. If he attends office before 2.00 PM with or without permission, it will be treated as half-a-day

casual leave and attendance after 2.00 PM will be treated as a full day's casual leave. One day's casual leave should be deducted for every three days of late attendance. Casual leave not exceeding 15 days can be availed with prior sanction. It can be clubbed with any public holiday or optional holiday. However, such a spell of leave should not exceed 10 days. The Optional Holidays not exceeding 5 days can be availed with prior sanction.

3. Compensatory Leave : If a Government servant is directed to attend on any public holidays, he will be permitted by prior sanction to avail leave for a working day in its place. Not more than 10 days of compensatory leave may be granted in a calendar year and no such leave can be availed after expiry of six months from the public holiday for which it is sanctioned. Not more than seven such compensatory leave days may be accumulated. This concession is available only for the clerical staff only.

In Directorate correspondence, file includes both current and note file. The current file comprises of incoming and outgoing references and other Intermediary correspondence including routine reminders. The Note file is the one on which notes are written summarizing the facts reported in the references, detailing the relevant Provisions of rules and orders of Government and pointing out the matters, requiring orders, clarifications from the Superintendent except sanctioning casual leaves, O.Hs, CCLs permission, pay bills, incremental bills. In all other matters note orders shall be obtained from the Head of office. The pages of the current file and the pages of the Note file have to be tagged separately. The pages of the current file have to be numbered in Red ink and the pages of the note file 'in black or blue ink' chronologically.

Types of communications :

The various types of communications are i) Memo ii) letter iii) Do letter iv) proceedings and (v) telegram;

i) 'Memo' is a reference to subordinate :

ii) 'Letter' is a reference to an officer often equivalent in rank or to an officer of other department or to the policyholder;

iii) D.O letter (Demi Official letter) is generally written where personal

attention of the officer concerned is required to be bestowed;

iv) 'Proceedings' is the final orders passed with reference to certain powers vested ;

v) 'Telegram ' is issued on urgent matters and it should be in brief and intelligible. It should be accompanied by a post copy.

The 'Communication' should be precise and brief setting forth the points in which clarifications or orders or information required.

The 'proceedings' should be complete in itself with the title at the head followed by such description as the communication with reference to which the proceedings are passed as will be sufficient to enable any officer to whom it is communicated to trace the previous correspondence on the subject in his office without any delay.

Noting should be brief and to the point and should be in simple language. The object of the note is to present the most, intelligible conducted and convenient form possible, the facts of the case, accompanied by a brief history of the case if any. Points at issue requiring orders/clarifications are to be examined with reference to any useful precedent, rule or law and put up in order to enable the officers to arrive at quick and correct decisions. Reproduction of facts already available in the file is not necessary. While drawing attention to the facts already available in the file any other important or new points or precedents if any could be mentioned in the Note.

DIRECTORATE SECTIONS :

According to the nature of work, the entire business of the Department is organised into suitable sections for its execution. Generally, the Director is responsible for the speedy and expeditious disposal of work in the Office. As the Assistant Director exercise control over the sections under his charge, he should see that the work in the sections is executed properly and within time.

Each section is further divided into divisions, depending on subjects

dealt in the Section. All divisions obviously need not be equal in size. A case worker may be instructed with more than one division so that total amount of work of the section is evenly distributed among the various case workers. The Superintendent is authorised for distribution of the work of the Section among his assistants. He is also authorised to allot a particular case to any case worker and later should be obliged to do it expeditiously on priority basis.

Each Superintendent should prepare and maintain an Organisational Chart showing the distribution of work of the duties assigned to the case worker of the Section. A copy of the Chart showing the work entrusted to each case worker in the section should be made available with the Officer - in - charge of the Section. The Officer has to ensure that the distribution of work has been done methodically, if necessary after due deliberations.

It is the responsibility of the caseworker to submit his Personal Register to the Assistant Director concerned through their Section superintendent by 3rd of the following month detailing the pendency in the following manner.

- A) Opening Balance.
- B) Total No. of currents received during the month...
- C) Total.
- D) Disposal during the month.
- E) Balance at the end of the month.

The period wise break-up of the pendency should also be analysed, detailing the reasons case-wise duly notifying the Personal Register Serial Number. The Assistant Director should conduct internal check of the Personal registers at regular intervals with the help of Superintendent and ensure prompt and appropriate disposal of currents.

The following Sections are in existence to administer the various Schemes and also to over-see the administration of District Insurance Offices.

- | | |
|-------------------------|--------------------|
| 1. Inward | 7. Group Insurance |
| 2. Administration. | 8. G.I.S. Audit. |
| 3. Accounts and Budget. | 9. Computers |
| 4. Stationery. | 10. Care Taker |
| 5. General | 11. Dispatch |
| 6. Compilation. | 12. Zonal Sections |

1. INWARD SECTION

1.1 The functions of the functionary in this Section are,

1. Opening of tappal from the sealed covers.
2. Putting Date Stamp on the tappal papers.
3. Submission of tappal to the Officer
4. Entry of tappal in the Inward Register .
5. Transmission of tappal papers to the concerned section through Transit Register.
6. Preparation of Monthly abstract.

1.2.1 On each working day, the Inward Clerk receives tappal through post or in person (local tappal). At the beginning of the working day, tappal so received by the concerned clerk, he shall open the covers and takes out the papers in the presence of Assistant Director.

1.2.2 The Date Stamp should be affixed on each and every tappal.

1.2.3 All stamped tappal should be submitted to the officer for Perusal and his signature. initial.

1.2.4 On receipt of tappal from the Officer, the clerk should take necessary entries in the Inward Register.

The format of the Inward Register :-

Sl. No.	No. and date of communication	from whom received	Subject Purpose of Communication	File No.	Initial of the official receiving the communication	Disposal of Files dated.	Transferred to Section
1	2	3	4	5	6	7	8

1.2.5 The Inward Register should be maintained in the format prescribed above for each financial year.

1.2.6 How to take entry In Inward Register :

Column No.1: The serial number of the Inward Register is given from the

Commencement of Financial year in seriatum. After entering the Serial No. in the Register, the same number should also be noted on the current (Inward Letter / Form).

Column No.2: Out side letter number and date should be entered.

Column No.3: From whom the current is received detailing the name, office, place etc should be entered clearly and distinctly.

Column No.4: Purpose of the communication should be entered.

Column No.5: The file No. should be entered in this column.

Column No.6: Section to which it belongs should be entered.

.Column No.7: No. of enclosures received along with covering letter should be entered clearly.

Column No.8: The date of transfer of current to the Section concerned be entered.

N.B. The currents received in Telugu/English language should invariably be entered in the respective language only.

1.2.7 After completion of entries in Inward Register, the currents should be transmitted to the concerned Superintendent through Transit Register entering the date, Serial Numbers of the currents and obtain the acknowledgement on the same day from the concerned.

1.3.1 At the closure of the month, the Inward clerk should prepare the monthly abstract with the following details.

No. of currents received during the month	No. of currents received in Telugu	No. of currents received in English
1	2	3

1.3.2 Also an abstract showing the currents transmitted during month should be prepared section-wise and tally with the total number of currents received during the month.

Name of the section	No. of currents transmitted during the month

- 1.3.3 After preparation of monthly abstract, the clerk shall submit the Inward Register to the Superintendent and Officer concerned and obtain their certification.

Functions of the Superintendent :

- 1.4.1 He shall ensure that all the tappals are opened and entered in the Inward Register and distributed among the Sections on the same day.
- 1.4.2 He shall ensure that the currents are distributed among the concerned sections under proper acknowledgement duly verifying the Transfer registers at regular intervals. In token of the same, his verification dates should be entered in Transit Registers with his initial.
- 1.4.3 He shall see that the monthly abstract is prepared within the prescribed time limit and ensure the correctness of the abstract.

Functions of the Officer :

- 1.5.1 The Officer shall put his initial on the date stamp and mark the Section to which they belongs.
- 1.5.2 In respect of Govt letters, legal matters, and any other Important letters etc., he should make appropriate endorsement on the margin of the current to the concerned section and note down the said currents in the reminder book to watch the timely action of the disposal .
- 1.5.3 He shall see that the monthly periodical is prepared on the basis of monthly abstract and sent to Administration Section within the time limit prescribed.

Work Norms :

- 1.6.1 .The entries at the rate of 120 should be taken per day in inward Register by the clerk as per the orders issued In G.O.Ms.No.109, Finance & Plg. (FW.Admn.II) Dept., dated. 15-04-1995.

2. ADMINISTRATION SECTION

The Administration Section deals with the appointments, promotions pay fixations, sanction of annual grade increments, sanction of Loans and advances, leaves of the employees, consolidation of periodicals, court cases, Government meetings, File Disposal reports, Roster of appointments, maintenance of service registers etc. The service matters of Govt. servants should be dealt in accordance with the rules issued in Govt. orders from time to time and also Rules framed in A.P. Fundamental Rules , A.P. Financial Code, Pension Code, Treasury Code etc.,

2.1.1 The functions of the functionary in the Administration Section are

1. Maintenance of attendance register, late attendance register, late permission register, and turn duty register.
2. Maintenance of service registers, personal files of the employees, casual leave accounts, controlling register, incremental registers, periodicals register, confidential reports, C.C.L. Register.
3. Sanction of leaves such as casual leaves, optional holidays, earned leave, half pay leave, extraordinary leave, maternity leave etc to the staff and officers.
4. Sanction of loans and advances, festival advance, educational advance, G.P.F advance/withdrawals, House Building Advance, Motor Cycle Advance, Marriage Advance and Motor Car Advance to the staff and officers and follow up action for completion of formalities.
5. Placing of indents for vacant posts.
6. Placing and declaration of probation of staff.
7. Maintenance of stock files, Proceedings Register, Office Order Register.
8. Consolidation and submission of monthly, quarterly, half-yearly and yearly periodicals.
9. Maintenance of roster of appointments.

10. Pay fixation of the staff and officers.
11. Any matter relating to service welfare of employees/staff.
12. Issue of service certificates and salary certificates.

The Service matters of the Government servants should be disposed off by following the Government orders issued from time to time, and as per the rules governed in Fundamental Rules, A.P. Leave Rules, A.P. Treasury Code, A.P. Financial Code, A.P. Pension Code and A.P. Accounts Code, A.P.G.L.I. Service Rules etc.

2.2.1. The provisions in Fundamental Rules shall be followed by all the Government servants who are paid from the consolidated fund of the State. These rules deal with service aspects relating to Government servants such as General conditions of service, pay, pay fixations, increments, additions to pay, combination of appointments, dismissal, removal and suspension, retirement, leave, joining time and foreign service etc. The power of interpreting the rules is reserved with the Government . Whenever there is a doubt in interpreting a rule, the same shall be referred to Government .

2.2.2 Some of the important definitions in the A.P. Fundamental Rules are as follows :

Duty: Service in a post, joining time authorised, course of training, compulsory wait treated as such by competent authority, and periods of enforced halts enroute on tour, casual leave etc. are treated as duty .

Pay : (i) Basic Pay (ii) Special Pay (iii) Personal Pay (iv) Additions to pay granted under FR 9.

Foreign service: means service in a post where the government servant draws his pay from a source other than the consolidated fund of the State.

Personal Pay : means additional pay granted to save the employee from loss in substantive pay or on personal grounds like family planning incentive increment.

- 2.2.3 The whole time of a government servant is at the disposal of the Government and he may be employed in any manner required by proper authority without claim for additional remuneration. (FR.11)
- 2.2.4 Confirmation is de linked from availability of permanent post. Confirmation can be done against a temporary post in the initial post after satisfactory completion of probation. No person can be appointed regularly without a medical certificate of health as provided under FR 10.
- 2.2.5 Government may transfer a government servant from one post to another. (FR 15)
- 2.2.6 A Government servant may be required to subscribe to provident fund or similar funds at the prescribed rates (FR 16)
- 2.2.7 No Government servant shall be granted leave of any kind for a continuous period exceeding five years. Wilful absence from duty not covered by any grant of leave will be treated as 'Dies-non' for all purpose viz. Increment, leave and pension.
- 2.3 .1 Pay Fixations: The following are the circumstances under which the pay fixation of the staff and officers arise :
1. First appointment to a post.
 2. Revision of scales of pay.
 3. Promotion to a post carrying higher responsibilities.
 4. Reversion to a lower post .
 5. Appointment by transfer to a post outside the regular line.
 6. Repatriation to the parent department from outside the regular line.
 7. Substantive appointment to a post not carrying higher responsibilities or to a new post.
 8. Appointment under Automatic Advancement Scheme.
 9. Re-employment.
- 2.3.2. General Principles of pay fixation :

- (i) In respect of revision of pay scale , necessary guidelines given by the Government for pay fixation each time shall be followed. In the absence of guidelines, pay should be fixed at the same stage in the Revised Pay Scale and if there is no stage, next below the stage to the pay drawn in old scale and the difference is treated as personal pay to be absorbed in future increments.
- (ii) For purpose of pay fixations, only basic pay is taken into consideration.

2.3.3 Some of the pay fixations are illustrated hereunder :

- i) First appointment : On first appointment, pay is fixed at the minimum of the pay scale. However, the pay of a regular government servant when appointed directly to another post on selection by APPSC is protected.
- (ii) Automatic advancement Scheme.

	Junior Accountant	On completion of (8) years of service
Scale of pay	1745-40-1825-50-2075-60 2375-75-2750-90-3200-110-3420	1875-50-2075-60-2375-75-2750 90-3200-110-3750
1-2-1993	2930	
1-5-1993	completed (8) yrs	3020
		[FR22 (a) (1) - pay fixed at the next higher stage]
1-2-1994	3020/-	3110
	Date of next increment in the lower post	FR 31(2) (Pay re-fixed in the Post consequent to the notional increase in the lower scale on the date of next increment)

On completion of 16 years of service in the same post, the same pattern of pay fixation under FR 22(a) read with FR 31 (2) should be followed.

Employees drawing pay in automatic advancement scheme when

actually promoted to a higher post are not allowed, the pay fixation under PR 22(B). The pattern of pay fixation as under FR22(a) (i) read with FR 31 (2) is permissible in such cases.

2.3.4 On promotion to a post carrying higher responsibilities, where a Government servant is promoted to a higher post (when he is not in Automatic Advancement Scheme), the pay is fixed under FR 22(B). The individual is allowed option to have the benefit of this fixation either from the date of increment it self or from the date on which he is entitled to the next increment in the lower post.

2.3.5 Pay fixation on promotion : An employee drawing a basic pay of Rs. 4010/- w.e.f. 1-4-94 in the time scale of pay of Rs. 2600-75-2950-90-3200- 110- 3750 -130 -4400 - 160-5200 -190-5550 was promoted to the next higher category of post in the scale of pay of Rs. 3880 -130-4400-160-5200 -190-6150 -230-7300-280-8140 on 15- 9-1994. Fix his pay on the basis of option from the date of promotion and the date of next increment of lower post .

1. If opted from the date of promotion itself :

Date	Pay Scale of lower post (2600 -55 80)	Pay Scale of higer post (3880 -8140)	Remarks
1-4-1994	4010		
15-9-1994 (Date of Option)	+ 130 Notional increment Added under FR22-B	4270	Pay fixed at next higer stage after the addition of notional increment
1-9-1995 (Date of next increment)		4400	Increment

2. If opted for promotional scale from the date of next increment of lower post instead of date of promotion.

1-4-1994	4010		
15-9-1994		4140	Pay fixed under F.R. 22(a) (1) at immediate next higher stage
1-4-1995	130 (regular increment		
(Date of option)	due in lower post and		
	130		Pay fixed at next
	Notional increment		higher stage
	Added on promotion		FR22(B)
	Total	4400	
1-4-1996	---	4560	Increment
(Date of next increment)			

- Note: a) The date of fixation under FR 22(B) is crucial date for grant of future increments in the higher post.
- b) From P .R.C.1993 above fixation is available to those who have not received any advancement schemes in the lower post.

2.3.6 Government have introduced a new automatic advancement scheme in the Revised Scales of Pay 1993 with effect from 1-8-1993. The scope of applicability of the Scheme is limited to the employees drawing in the pay scale of 3880-8140 and below. The main features of the Scheme are as under:

- (i) On completion of eight years of service which counts for Increment an employee shall be eligible for special grade scale which is usually a scale next above the ordinary pay scale of the post.
- (ii) On completion of sixteen years of service which counts for increments and if the employee is fully qualified to be promoted to the higher post, he shall be eligible for the pay scale of next promotional post. If there is no promotional post under the relevant service rules, the employee is eligible for the scale of pay next above the special grade post. (Special promotion post scale /Special Adhoc Promotion post scale).

- (iii) On completion of twenty four years of service, which counts for increment an employee shall be sanctioned one increment in the existing scale in that S.P.P. Scale/SAPPS as the case may be which is in addition to normal increment. In case of employees whose date of normal increment is different from this date of completion of 24 years of service, the date of next increment will be after completion of one year of service from the date of drawal of increment allowed on completion of 24 years of service.
- (iv) The benefit of automatic advancement scheme will be withdrawn if the employee relinquishes his right to promotion. Similarly, persons appointed to a lower post at request are also not eligible for the Automatic advancement Scheme.

Sanction of increments :

2.4.1 According to Rule 24 of F.R. increments shall ordinarily be drawn as a matter of course unless it is withheld. Increment can be withheld if the conduct of the employee has not been good or his work was not satisfactory. Presence of orders is necessary for withholding an increment. If no order with holding the increments are received by the Drawing Officer, he should draw the increment by enclosing an increment certificate to the pay bill, unless it is an increment due on declaration of probation or passing of a prescribed test which can be drawn only after issue of orders declaring the satisfactory completion of the period of probation or the passing of that test.

2.4.2 Rule 26 of FR lays down the conditions under which the service count for increment. According to this rule, service in a post including leave counts for increment except the following periods :

- (i) Period of suspension treated as not duty. If suspension is for misconduct, service preceeding suspension also will not count for increment.
- (ii) Periods of EOL taken for reasons other than, illness on Medical certificate, causes beyond the control of employee or for pros-

ecuting higher studies. Specific orders are necessary for counting EOL taken for the above 3 reasons for increment. Powers have been delegated to Heads of Departments to count period of EOL on private affairs for a period of not exceeding (6) months. Govt. Orders are required for the remaining period.

- (iii) Overstyal of leave not regularised.
- (iv) Service In a lower post at request.
- (v) Break in service due to discharge.
- (vi) Periods of leave or deputations during which the employee would not have continued in that post but for leave or deputation .

Increments are generally drawn from the first day of the month in which it falls due. If he is on leave other than C.L. on that day it is admissible only, after he resumes duty.

2.4.3 Incentive increment for family planning operations :

Employees or their spouses who undergo family planning operation are eligible to draw one advance increment as Personal Pay Subject to the following conditions:

- (i) The number of children should not be more than two.
- (ii) The rate of increment is the rate of next increment due after operation and this amount is treated as personal pay to be drawn at that rate throughout service as a separate entity.
- (iii) Husband should be below 50 years of age and wife between 20-years and 45 years of age.
- (iv) Sterilization etc. should be done at Government Hospltal. If operated in private Hospital, the certicate should be countersigned by a Government Doctor not below the rank of Civil Asst. Surgeon , within (5) days from the date of operation.
- (v) Increment should be allowed from the first of the month following the date of operation.

- (vi) Operation should be while in service.
- (vii) If both Husband and Wife are employees only one of them can draw the Personal Pay at their choice.
- (viii) Personal Pay should be withdrawn from the date of recanalisation.
- (ix) Personal Pay is not admissible for Hysterectomy.

2.4.4 Combination of appointments :

Under F.R.49 the State Government may appoint one Government servant as a temporary measure to officiate in not more than two independent posts. Powers were delegated to Heads of Departments for a period upto 3 months below regional level. The order should declare whether he-officiates, or holds full additional charge or merely to discharge the current duties of additional post. The second post should be distinct or separate or not subordinate to the first post. Additional pay should also be sanctioned by the above authorities.

NOTE: 1. The additional pay at the above rates is admissible @ 1/5th for the first (3) months of additional charge and at half those rates for another (3) months and thereafter no additional pay. Heads of Depts. can sanction the additional pay for first (3) month and for the period in excess of (3) months, sanction of Govt is necessary.

- 2. Additional pay is admissible if the full additional charge is held for a period not exceeding 14 working days excluding holidays, optional holidays and Casual Leave if any, and in respect of current duties one month.
- 3. No additional pay is allowed for a lower post and Class - IV Employees.

2.4.5. Pay during Joining Time :

- (i) Joining Time is treated as duty and the employee is entitled to a pay drawn by him in the old post before handing over charge and in addition D.A., H.R.A. & C.C.A. etc. as applicable at old

station. Conveyance allowance, F.T.A. are not admissible during joining Time.

- (ii) During joining time after leave with allowances Joining time pay equal to leave salary.
- (iii) Where transfer of charge consists of inspection of several stores or scattered works by both the officers the relieving officer is treated as on duty.

2.4.6 Joining time Computed :

- (i) (a) For preparation : 6 days
- (b) For Journeys By Rail 500 Kms.)
- By Motor Vehicle 150 Kms) One day

Besides the above one Sunday is admissible.

- (ii) When there is no change of residence as a sequel to the transfer, only one day is allowed.

2.4.7 Service Register : Service Registers should contain every step in Government servants official life which include temporary and officiating appointment, promotion of all kinds , regularisation and completion of probation, increments, transfers and leave, changes in group Insurance groups, Nomination for D.C.R.G., G.P.F. and G.I.S. subscription, deduction details entries of sanction of long term loans and advances, Family members particulars, options for pay fixation in revised pay scales, declaration of Home Town, L.T.C, Annual services verification certificate, punishments awarded recorded in April in each year. Every Government servant should be allowed to verify his Service Register every year and in token his signature should be obtained in the Service Register. A periodical to this effect should be sent to the immediate superior by the end of September .The Service Register should contain all the events in career of the Government servant. Mention about the character should not be made. They should be kept in the personal custody of the Head of the Office.

2.5.1 Leave

The General Rules for grant of leave are as follows : These rules are known as A.P Leave Rules, 1933.

- 2.5.2 Leave is a permission granted to a Government servant to be absent from actual day. Leave can not be claimed as a matter of right. When exigencies of the Public service so require the discretion to refuse or revoke leave of any description is reserved with the sanctioning authority. Any kind of leave admissible may be granted in combination with any other kind of leave (other than Casual Leave) so admissible or in continuation of leave except Casual Leave already taken whether of the same or any other kind.
- 2.5.3 Leave ordinarily begins on the day on which transfer of charge is effected and ends on the day on which charge is resumed. Public/Optional Holi days can be prefixed and suffixed to leave. A Government servant on leave can not take up any service or setting up of private practice etc. except with the prior permission of the Competent Authority. All leaves shall be availed only with prior permission.
- 2.5.4 A Government servant who remains absent even after the end of his leave he is not entitled for any leave salary for the period of such unauthorised absence and that period will be debited against his leave account as though it is leave on half pay, unless extension of leave is regularised by the Competent Authority.
- 2.5.5 The application for grant of leave should specify the period of leave, nature of leave, leave address and in the case leave on Medical certificate, the Medical Certificate should be enclosed .
- 2.5.6 Leave at credit will lapse on account of interruption in Service other than on leave. Leave at credit shall lapse on the date of retirement, death or resignation.

EARNED LEAVE :

- 2.5.7 Earned Leave at credit not exceeding 240 days can be encashed in case of retirement or death while in service. All regular employees

both superior and Class- IV employees are eligible to surrender earned leave of 15 days in each financial year and receive cash benefit in lieu there of equal to leave salary on full pay of 15/30 days in terms of Government Orders issued from time to time. Temporary and emergency employees are eligible to surrender 15 days of Earned Leave after completing 24 months in the first instance thereafter 15 days during the alternate financial year .

Type of employees	Earning Capacity	Accumulation.	Availment
1. Regular including LGGS	Advance credit of 15 days for each half year on 1st Jan. and 1st July	180 days upto 30-6-83 240 days from 1-7-83 onwards.	120 days at a time, 180 days if outside India
2. Others (non-permanent)	Advance credit of 8 days per half year on 1st Jan and 1 st July	30 days	Leave at credit

In respect of employees who join service in the middle of the half year, the advance credit will be as follows for each completed month of service. Regular joined on 15-2-1989 -1st half year completed months -4 months @ 21/2 days = 10 days other joined on 15-2-1989 1st half year -4 months 1 + 1 + 2 + 1 = 5 days. Similarly for those ceasing from service in the middle of the year.

If the employee is on EOL during the preceeding half year, advance credit for the present half year will be reduced by 1/10 of the period of EOL taken during the preceeding half year subject to a maximum of 15/8 days.

2.5.8 Half pay leave : Credit is given. @ 20 days for each completed year of regular service. There is no limit for accumulation and leave to the extent admissible can be granted at a time. However, in respect of temporary employees half pay leave can be granted on Medical certificate only after two years of service and 10(a)(i)(1) candidates are not eligible for half pay leave.

2.5.9 Commuted leave: Sanctioned on MC only. Half of half pay leave at credit can be commuted to full pay to an extent of 240 days in one's entire service. The debit in the half pay leave account will be double the period of commuted leave taken.

2.5.10 Leave Not due : When half pay leave is not at credit, leave not due to an extent of 180 days during entire service can be granted on MC only. The debit will be made in the half pay leave account to be set off against further credit. If an employee resigns or retires voluntarily after availing this leave and before wiping off the minus balance, the leave salary paid for the minus balance should be recovered. However, if it is on medical invalidation or death, recovery will not be insisted. Head of the Department has to examine the case for sanction of leave.

2.5.11. Extraordinary leave :

Heads of Departments are competent to sanction, Permanent and approved probationers - Not exceeding 5 years alongwith other kinds of leave.

Probationers 23(a) (ii) .. The duration of EOL on any one occasion shall not exceed the following limits :

- a) Three months ordinarily.
- b) Six months if it is supported by medical certificate and employee has completed three years of service.
- c) 18 months for treatment of TB or leprosy either as inpatient or out patient on a certificate issued by the authorised medical officer and the employee has put in a service of one year.
- d) 12 months for treatment of cancer, mental illness on the certificate from the recognised institute or doctor and
- e) 24 months for prosecuting studies certified to be in public Interest and to employees of SC and ST to join examination, training course at the centre notified by Government to the extent necessary, provided that 'Government servant has completed not less than one year of continuous service before proceeding on leave.

2.5.12. Leave salary :

1. Earned leave : Equal to full pay drawn before proceeding on leave.
2. Leave on Half Pay : Equal to half of the pay drawn before proceeding on leave and full pay for a period of 6 months in entire service, if the leave is on MC for treatment of TB, leprosy, cancer, mental illness or heart diseases.
3. Leave not due : Equal to half pay.
4. Commuted leave : Twice the amount admissible under (2) above.
5. E.O.L. : No leave salary. However, in respect of N.G.Os whose pay does not exceed Rs. 2375 /- per month, if the leave is for treatment of TB, leprosy, cancer, mental illness, Heart diseases / Renal failure - eligible to exgratia equal to half the pay drawn before proceeding on leave subject to a minimum of Rs. 780 /- per month and a maximum of Rs. 1185/- per month and employees in Last Grade Service are eligible for exgratia equal to half pay subject to a maximum of Rs. 1050/- per month and minimum of Rs. 690/- per month.

2.5.13 Special disability leave: Grant of leave is vested with Government only. This leave is admissible to a permanent and temporary government servant who is disabled by injury intentionally inflicted or caused or in consequence of due performance of official duties or in consequence of his official position. This leave is granted on MC issued by the competent medical authority for a period not exceeding 24 months for any one disability. Leave salary equal to leave on average pay is payable for first 120 days in respect of permanent employees and at half average pay for the remaining period without debit to any leave account. If the employee requests for payment of leave salary on full pay, full pay will be paid for the period of earned leave admissible (120 days maximum) and half of the period will be debited to the earned leave account.

Note: The disability does not include the disability caused in the road accidents while going to office from residence and vice versa, but includes road accident while proceeding on official duty from office to another office or court or a work spot or the field.

2.5.14 Study Leave : This leave is granted by Government only for the study of scientific technical and similar problems for a period not exceeding 2 years in entire service after putting a service of 5 years. If it is combined with leave and other allowances, this period should not exceed 24 months. EOL may be taken in conjunction of this leave without any limit. He will draw during leave, leave salary on half pay.

2.5.15 Maternity leave: This leave is admissible to married women employees on the basis of medical certificate issued by a competent medical officer for a period not exceeding 120 days for each confinement and not exceeding 6 weeks in cases of abortions, including miscarriage and termination of pregnancy under M.T.D. Act of 1971. Maternity leave for confinement is to be sanctioned to female government servant with less than two surviving children. This leave can be combined with other kinds of leave. If this leave falls during vacation, the residual of 120 days only will be sanctioned as maternity leave. Leave salary payable is equal to leave salary on full pay.

2.5.16 - Hospital leave: Not debitable to any leave account and applicable to all last grade service employees and certain subordinate service staff in SR (2) of FR 101(b). This leave is on half pay for a period not exceeding 6 months in every 3 years of service when detained in Hospital and receiving medical aid as Out patient. It does not admissible when the treatment is necessitated by intemperance of an irregular habit. Out of the (6) months, (3) months can be on full pay if the detention in hospital is due to injury received or disease contracted in the course of duty.

N.B. : While sanctioning above leaves a brief narration of leave so sanctioned shall be recorded in Service Register in addition to entries in respective leave accounts.

2.5.17 Casual Leave: Casual leave is a concession allowed to enable government servant in special circumstances to be absent from duty for short period without such absence being treated as leave. Maximum period of casual leave that can be availed in a calendar year is only 15 days. The unavailed part of this leave will lapse at the close of each calendar year. Casual leave may be combined with Optional holidays or Sundays or other authorised public holidays provided the resulting period of such absence does not exceed 10 days. In case of casual leave to a purely temporary and emergency government servants, the sanctioning authority shall use his discretion having regard to the length of service put in by such Government servant. Government servant may be granted casual leave for half a day either from 10.30 AM to 1.30 PM or from 2.00 PM to 5.00 PM. Individual leave accounts shall be maintained. The rules issued in District Office Manual shall be observed .

2.6.1 General Provident Fund:

The rules which govern General Provident Fund are called as 'The Andhra Pradesh General Provident Fund Rules 1975'. Accounts are maintained by Accountant General, Andhra Pradesh, Hyderabad.

Definitions: Rule 2(c) : Family means wife/wives, parents, children, minor brothers, unmarried sisters, deceased son's wife and children, parental grand parents in the absence of natural parents.

Rule 2(d) : Fund means General Provident Fund.

Rule 2(g): Year means Financial year.

Rule 5 : Eligibility: 1. All regular and temporary employees who have completed one year of service are eligible to subscribe for this Fund at the rates specified .

2.6.2. The Last Grade employees who have completed five years of service and whose date of retirement is ten years ahead shall subscribe compulsorily at 4% of their pay. However, those who have put up less than five years may subscribe voluntarily. At present, District Treasuries /

Pay and Accounts are maintaining the G.P.F .accounts of Class IV employees

2.6.3. Rates of subscription:

S.No.	Category	Rate of subscription
1.	Employees drawing emoluments not exceeding 600/-	3% of the pay
2.	Employees drawing emoluments exceeding Rs.600/- but below Rs.1000/-	4% of the pay
3.	Employees drawing emoluments 1000/ - and above	6% of the a pay

Temporary advance can be sanctioned under the conditions stipulated in Rule 14.

- NB:
- 1) Generally, it should not exceed three months pay or half balance at credit which ever is less.
 - 2) Whenever subscriber applies before liquidation of earlier advance, the balance of earlier advance shall be added to the eligible amount so that entire amount can be recovered in easy instalments.
 - 3) Advance shall be recovered in not less than 12 instalments but not more than 24 instalments and where the advance exceeds the above limits it should be recovered in not more than 36 instalments.

2.6.4. Calculation of eligibility: (Govt Memo No. 32742-A/200/pen -I/78-1, dt.23.5.1978)

Balance as per calculation slip issued :

- Add :
- a) Subsequent subscriptions :
 - b) Subsequent Loan instalments
 - c) D.A. arrears adjusted
 - d) Missing credits, if any adjusted as intimated by AG

- Less : a) Temporary advance sanctioned after issue of Accounts slip
 b) Missing debits not accounted in AG's slip

Net amount to be adjusted to fix equal monthly instalment with-in limits

Eligible amount

Add: Previous advance balance

Total :

2.6.5. Part-final withdrawals :

- 1) An employee who completes 20 years of service or (10) years ahead of retirement are eligible.
- 2) The conditions for sanction of part final withdrawal are stipulated in Rule 15.
- 3) There shall not be more than two such withdrawals in a financial year
- 4) Sanction shall not be made on more than one occasion for the same purpose.

Calculations : (Govt Memo No.32742-A/200/Pen.I/78-1, dt.23.5.78)

Balance as per Account slip

- Add: a) Subsequent subscriptions:
 b) subsequent loan instalments
 c) D.A. arrears adjusted
 d) Missing credits, if any adjusted by Accountant General after issue of Accounts Slip

- Less: a) Temp. advance if any after issue of Accounts slip.
 b) Withdrawals, after issue of Accounts slip.
 c) Missing debits in the above Accounts slip:

Net amount

Eligible amount

2.6.6. GENERAL :

1. The sanctioning authority shall always be two level above that of the applicant.

2. Cases of relaxation of Rules in case of real hardship shall be referred to Government in Finance Department.
3. No recoveries shall be effected four months ahead of date of retirement.
4. No advance/withdrawals shall be sanctioned four months ahead of retirement.
5. Recoveries shall commence from the first pay bill for full month drawn after advance is made.

As per orders issued in Circular Memo No. 23374/47 /GPF/Pen II/95 dt. 11.8.95.

1. The subscriber shall not subscribe less than the percentage as indicated in the schedule appended to Rule 10 and not more than his emoluments i.e. pay.
2. The subscribers have to fix their GPF subscriptions at the beginning of the year.
3. The subscriptions so fixed can be enhanced twice or reduced once during the course of year.
4. The emoluments for the purpose of GPF subscription is defined in sub rule 2 under rule 10 of G.P.F (A.P.) Rules.

ACCOUNTS SECTION

3.1.1 Definitions :

1. 'Government' means the Government of Andhra Pradesh.
2. 'Government account' means the consolidated Fund of the State.
3. 'Governor' means Governor of Andhra Pradesh.
4. 'Financial year' means the year beginning with the 1 st April and ending with the following 31 st March.
5. 'Cadre' means the strength of a service or a part of service sanctioned as a separate unit.
6. 'Joining time' means the time allowed to a Government servant to join a new post or to travel to or from a station to which he is posted.
7. 'Lien' means the title of a Government servant to hold substantively either immediately or on the termination of period or periods of absence, a permanent post including a tenure post to which he has been appointed substantively.
8. 'Budget estimates' are the detailed estimate of the receipts and disbursement of the budget year.
9. 'Budget year' means the financial year commencing on 1st April and ending with 31st March for which the budget is prepared.
10. 'Departmental estimate' means the estimate submitted to the government by the Head of Department or other estimating officer.
11. 'Estimating officer' is the officer primarily responsible for preparing the estimates of receipts or expenditure in the form fixed by Government for submission through the usual channel.
12. 'Chief controlling officer' means a head of department or other officer who submits the estimates direct to the government.
13. 'Drawing and Disbursing Officer' means a Government officer who draws money from the treasury on bills (except that a gazetted

Officer who is not the head of an office and who draws only his own pay and travelling allowances from the treasury is not included in this term)

14. 'Controlling officer' means Head of department or Department officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the subordinate authorities of a Department.

3.2.1. The Accounts Section in the Directorate as well as in the District. Insurance. Offices are responsible for drawal of money from the treasury as per the sanction orders issued by the competent authority in accordance with the rules and regulations in force.

3.2.2. The functions of the functionary(ies) in this Section are:

- 1) Drawal of salaries of the permanent/temporary establishment.
- 2) Drawal of amounts from Treasury towards office expenses.
- 3) Maintenance of Registers of Loan recoveries of the employees.
- 4) Submission of number statements and budget estimates.
- 5) Reconciliation of figures under Management expenses.
- 6) Maintenance of cash book, U.D.P. Misc. cash book and other registers as prescribed.

3.2.3. The following principles govern the incurring of expenditure from public funds. These are called Standards of Financial Propriety:

- a) The expenditure must have been sanctioned by a general or special order of the authority competent to sanction such expenditure.
- b) Sufficient funds must have been provided for the expenditure in the appropriation act for the current financial year or by reappropriation of funds sanctioned by a competent authority.
- c) The expenditure should not be prima facie more than the occasion demands. Every Government servant should exercise diligence and care while incurring expenditure.

- 3.2.4. It is the duty of every Government servant not merely to observe complete integrity in financial matters but also to be constantly to see that the best possible value is obtained for all public funds spent by him or under his control and to guard scrupulously against every wasteful expenditure.
- 3.2.5. All the appropriations in the budget lapse at the close of the financial year. A Government servant should not reserve any amount or appropriate by transfer to deposit or any other head or draw from the treasury and keep in cash chest any portion of an appropriation i.e. Budget, remaining unspent during the year in order to prevent it from lapsing and use it for expenditure after the end of the year.
- 3.2.6. The powers of sanction of the subordinate authorities are laid down in the Government orders issued from time to time. In respect of consumer items and contingent expenditure, larger delegation of powers are vested with the Heads of Departments, District Collectors and District Officers from time to time.
- 3.2.7. A sanction order should stipulate the authority under which it is accorded. Copies of the sanction should be sent to Accountant General over ink signature of a Gazetted Officer.
- 3.2.8. Sanction of the Government or any subordinate to the Government takes effect from the date of the order conveying the sanction unless otherwise stipulated in the sanction order under the rules on the the subject.
- 3.2.9. A sanction for a fresh charge lapses if it has not been acted on for a year unless it is specially renewed. The period of one year is taken into consideration from the date of issue of the sanction which should be considered to have been acted upon, if payment is whole or in part has been in pursuance of the sanction within 12 months from the date of issue. In cases where part payment has been made within the stipulated period, subsequent payment of balance may be made without a fresh expenditure sanctioned.

2.10. When there is a specific provision in a sanction for any fresh charge to the effect that the expenditure would be met from the budget provision of a specialised financial year and will not be operative for one year from the date of sanction.

3.1. Head of account: The expenditure of Management expenses of the APGLI Department and the expenditure of the Management expenses of all the District Offices which are under the administrative control of the Director of Insurance, Government of Andhra Pradesh, Hyderabad (Head. of department) is initially charged to the following Head of account and finally transferred to or debited to the Fund account of the Department at the close of every financial year.

Command X Treasury :

MH 2235 - Social Security and Welfare,

060 -Other Social security and Welfare Programmes

105— Government Insurance Schemes

(01) -Headquarters, (03) District Offices, (04) Group Ins. Scheme

3.2. The following are the common detailed and sub detailed head of accounts to classify the expenditure as incorporated, in the Budget Estimates (GO,Ms No.304, Finance and Planning (FW-BG) Department, dated 3-9-1994),

<u>Code</u>	<u>Description</u>
010	Salaries
020	Wages
030	Dearness allowance
040	Travel Expenses
050	Office expenses
060	Rents Rates and Taxes
070	Publications
080	Advertising and Publicity

090	Grants-in-Aid	090
100	Contributions	100
110	Subsidies	110
120	Scholarships and stipends:	120
130	Hospitality/Entertainment expenses	130
140	Sumptuary allowances	140
150	Secret Service Expenditure	150
160	Major Works	160
170	Minor works	170
180	Maintenance	180
190	Machinery and equipment	190
200	Tools and Plant	200
210	Motor Vehicles	210
220	Investments	220
230	Loans	230
240	Materials and Supplies	240
250	Interest	250
260	Dividends	260
270	Pensions	270
280	Gratuities	280
290	Depreciation	290
300	Inter Account Transfers	300
310	Writes off and Losses	310
320	Suspense	320
330	Payment of Professional and Special services	330
340	Other charges	340

350	Royalty
360	International Programmes
370	Payments out of dicretioneries
380	Deputation /Travel abroad of scientists
390	Rewards
400	Discount on Loans
410	Other discounts
420	Service of commitment charges
430	Cost of ration
440	Arms and ammunition
450	P.O.L.
460	Clothing, tantages and Stores
470	Stores and Equipment
480	Foreign allowances
490	Festival advances
500	Advances
510	Compensation
520	Gifts
530	Reserves
540	Expenses of conducted tests
550	Fees to Staff artists
560	Feeding of Cashdoles
570	Purchase of Food grains
580	Central State Transfer of resources
590	Prizes and awards
600	TA/DA to non-official members

610	Refunds
620	National value of gifts received
630	Customs duty
640	Lands
650	Buildings.
660	Diet charges
670	Drugs and Medicines
680	Purchase of antiques Ancient Relics and contemporary arts
770	Deduct recoveries
780	Deduct recoveries -Suspense
800	Lumpsum provision

3.3.3. The Major Head and the sub head in respect of the Fund account of this Department incorporated in the Budget Estimates are as under:

MH 8011 - Insurance and Pension Funds -- For Receipts and Expenditure

105 - State Govt. Insurance Funds

01 - A.P.Govt.Life Insurance Fund.

3.4.1. Preparation of bills and maintenance of registers:

The Superintendent who is incharge of the Accounts should look after the Preparation of all bills and cash transactions of the office and should maintain the following registers and records:

Sl.No.	Name of the Register	Form No. of APTC Vol.II
1.	PayBill for Gazetted Officers	47
2.	Paybill for establishment - Permanent & Temporary separately on the specimen prescribed by Government	47
3.	Cash book	5
4.	T.A. Bill Register	52
5.	Misc.Bills Register	40

6.	Register of Contingent charges	7 of APFC Vol.I
7.	Acquittance Register for payment of Pay & Allowances	88
8.	Misc. Acquittance register for payment of TA/Festival Advance	58
9.	U.D.Pay Register	20
10.	Permanent Advance Register	89
11.	Treasury Bill Register	70
12.	Cash book for non Government transactions	
13.	Office copy of L.P.C. Register issued	
14.	Tour advance register	
15..	Register of recoveries of festival advance	
16.	Register of recoveries of Medical advances	
17.	Register of recoveries of loans granted to Government servants for purchase of Motor bicycles, House Building, Marriage, Motor cycle etc.	
18.	Register of Recoveries of General Provident Fund	
19.	Register of recoveries of APGLI	
20.	Register of recoveries of PLI	
21.	Register of recoveries of advance on transfer.	
22.	File containing the original challans for the amounts remitted into the treasury	
23.	Register of actual expenditure incurred with progressive totals prescribed in Budget Manual	
24.	Office copy of GPF Bills register	

All the Registers should be neatly bounded and kept as they are very important in nature as a permanent record. The following instructions should be followed for their maintenance:

- i) All the pages of the Register should be numbered and certifi-

pages appended on the front page under attestation of the Head of office showing the number of pages the register contained.

- ii) If the Register is opened in manuscript for want of printed copy, the headings of the register should be typed and neatly pasted.
- iii) There should be no register without proper headings.
- iv) A register once exhausted should be drawn from the concerned clerk and sent to the record room for safe custody under proper acknowledgement.
- v) In case of cash book, permanent advance register and U.D. Pay Register, the closing balance appearing on the last page of the register and a certificate to the effect should be appended in the new register under the certification of the head of the office.

3.5.1 Custody of the cash Chest: The office cash balance should be kept having double lock arrangements. The cash chest shall if practicable be embedded in masonry so as to prevent the removal by the thieves. One key of the cash chest should be held by the head of the office and the other by the Superintendent or any other senior most Government servant of the office. They should personally hold the keys of the chest and the keys should never leave the possession of the Government servant concerned. The cash chest should be opened and closed personally by them and should not be entrusted to the attenders/other personnel. Whenever any Government servant holding the key of the cash chest happens to be on camp or go on C.L. he should personally hand over the key to any other Government servant who is authorised to hold the same during the absence. It should not be sent through any other messenger who may unscrupulously prepare a duplicate key for its use at a later date without notice of the Head of the office and other government servant holding the keys.

3.5.2 Whenever there is change in the incumbent of the government servant holding the key of the cash chest due to any kind of leave or transfer the incoming government servant should personally verify the cash and record a certificate of verification in the cash book under his own

hand writing and affix his dated signature.

3.5.3 The duplicate keys of cash chest should be kept in a small packet and the packet sealed and sent to the nearest treasury for safe custody. The receipt granted by the treasury should be carefully filed. Thereafter every year, the receipt obtained at the time of deposit, the contents of the sealed packet should be checked up and the duplicate keys should again be deposited in the treasury for safe custody.

3.5.4 When leaving the office every day, after locking the cash chest, a proper seal duly signed by the Head of office should be pasted on the cash chest and the sealed cash chest should be handed over to the night watchman under his acknowledgement. On the next day, when the office is opened, the cash chest should be taken over by the Head of office by furnishing acknowledgement.

3.5.5 A register should be maintained for this purpose in the form noted in Appendix I. The Night watchman is expected to be awake during the nights and guard the office and cash chest. He should be provided with a torchlight and stick. Once in a fortnight the head of the office should make surprise visit to the office to find out whether the night watchman is performing the duties or not and record the result in the register. If the night watchman is found sleeping and in drunken state, deterrent action should be taken against him.

3.6.1. Cash Book

The following instructions should be followed in the maintenance of cash book:

- a) Each office should maintain a cash book in A.P.T.C. form No.5 with the following columns:
 - i) Date of receipt
 - ii) Particulars
 - iii) Amount
 - iv) Date of disposal or remittance to the treasury

- v) Particulars
- vi) Amount
- vii) Remarks

- b) There should be two cash books - one for Government transactions and the other for non-government transactions. The cash balances relating to Government transactions and non-government transactions should be kept separately in the cash chest.
- c) Subsidiary cash books may however be opened, if need be, taking their totals to the Main Cash Book.
- d) Money received on behalf of the Government should immediately be accounted for in the Cash Book.
- e) In respect of amounts received on account of encashment of bills and Cheques at Treasury or Bank, they should be supported by relevant entries in the treasury bills register of U.D. Pay register etc.
- f) All moneys (receipts) received from the treasury/Bank should be entered in cash book added and grand totals struck.
- g) For every item of disposal, there should be an entry on credit side of the cash book and there should be an acquittance in proof of having disbursed the amount.
- h) At the close of business on each working day, the cash book should be closed duly verifying the cash on hand and the closing balance arrived at Cash book.
- i) A Memorandum of verification should be recorded in the Cash book duly counting the cash and verified with the book balance as shown in the cash book and the other registers after they have been closed for the day and then signed by the drawing officer/District Insurance Officer as shown below:

A. Balance as per cash book	..	..	XX
Balance as per U.D.P.register	..	..	XX

Balance as per P.A. register	xx	
------------------------------------	----	--

	xx	
--	----	--

B. Amount held in cash	xx	
------------------------	----	--

Amount held in the shape of cheques & Drafts	xx	
--	----	--

Total		
-------	--	--

C. Cash balance ascertained by counting	xx	
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- j) If there is difference in the book balance and the physical balance the same should be reconciled.
- k) If the concerned officer happens to be in camp or leave, the officer who looks after his work or the ministerial head should also check up the cash book as above and the District Insurance Officer should as soon as he returns, verify the entries in the cash book and attest the same duly satisfying the correctness of the same.

3.7.1. Procedure with regard to demand drafts and cheques: Whenever a demand draft/cheque is received in favour of departmental officer towards the Government dues/the premium in respect of Panchayath Raj employees or deputation employees, it should be entered in the prescribed register. A Temporary receipt in APTC form No.4 should be issued for the draft/cheque. It should be recorded as receipt in the cash book immediately on receipt. Once in a week or lesser intervals a challan for each draft/cheque should be prepared and presented together with draft/cheque to the bank duly making an entry on payment side of the cash book for collection and crediting the proceeds to the Government account. The name of the individuals on whose behalf the premium by draft/cheque is remitted should be specified on the reverse side of challan. After the proceeds covered by the cheque/draft are realised, a final receipt should be issued to the concerned authority. The challan and date should be noted against the relevant debit entry in the cash book and also in the prescribed register. The

schedules along with original challan are handing over to the concerned posting clerk.

3.8.1. Treasury Bill Register:

- a) The District Insurance Officer presenting bills at Treasuries should enter particulars of all its bills in a book called "Treasury Bills Book" in APTC Form No.70 with the following columns:
1. Number and date and description of the bill
 2. Total amount of bill
 3. In cash
 4. By Government drafts or book adjustment
 5. Name and designation of the person in whose favour the government drafts are to be issued.
 6. Name and designation of the messenger authorised to collect token from the Treasury and cash from the bank/Treasury.
 7. Signature of the Drawing Officer.
 8. Date of receipt of the bill in Treasury and the initials of H.H.A.
 9. Token number allotted by the treasury.
 10. Amount passed by the Treasury
 11. Dated initials of the H.H.A. in token of the treasury having passed the bill.
 12. Remarks (date of receipt of money should be entered and initialled by the Drawing and Disbursing Officer).
- b) The register should be presented at the Treasury alongwith bill. The treasury will not accept any bill unless the treasury bills book duly entered upto column No.7 is presented with it.
- c) Where the bill is passed for payment, the treasury is expected to note the amount for which the bill has been passed and the concerned in the official should sign in full in token of authenticity of the particulars recorded by the treasury in column No.8 to 10. If there are unattested corrections or errasures or over writings in respect of the amounts

noted by the treasury, they should be got attested by the treasury officials, after receipt of money from Bank. The treasury bill register should not be allowed to remain in the treasury for unduly long periods. If there are bills pending for more than nine days in the treasury, the matter should be taken up with the Treasury Officer or S.T.O., by the Head of office for their expeditious disposal.

- d) If the treasury-returns a bill with any objection and if it is sought to be represented after rectification of defects pointed by the Treasury, a fresh entry should be made in the Treasury Bills Register and the bills sent.
- e) If the Treasury passes any bill for less amount disallowing certain amount according to the entry recorded by it in the treasury bills register, a memorandum of deductions from the bills should be obtained from the treasury in APTC Form No.71.
- f) While endorsing bills for encashment, care should be taken to follow the monetary limitations as laid down in Art.274 of APFC Vol.I.

Register of Bills:

3.8.2. In Twin cities, where the bills are presented at Pay and Accounts Office, a register of bills in APTC Form No.70-A should be maintained with the following columns:

(1) Sl. No. (2) Description of claims (3) Amount (4) Endorsed in favour of (5) Signature of DDO (6) Token No. (7) Date (8) Cheque No. (9) Date (10) Amount passed (11) Reference to UDP Register (11) attestation.

3.8.3. The following certificates should be recorded when the existing register is closed and a new register is opened:

- (i) (a) Certified that this treasury bills book/register of bills contain pages serially numbered from ____ to ____ and brought into use w.e.f. _____ (in words _____).

- (b) Certified that I am presenting the bills in P&AO / DTO/Sub Treasury through this register of bills / treasury bill book only and I have personally satisfied myself that no other register of bills/ treasury bills book is currently in use for presenting the bills at the PAO/District Treasury/Sub Treasury.
- (ii) Certificate to be recorded when the Register is completed and lodged before a new register is brought into use: "Certified that I have personally satisfied myself that all the bills presented through this register of bills/treasuries bill book have been either encashed or returned by the PAO/Treasury officer and have been properly and completely accounted for. This register is closed and kept under my personal custody."
- (iii) To prevent presentation of fraudulent drawal of bills this register should be reviewed bi-weekly by the Drawing and Disbursing officer and the result of review should be recorded in the form of abstract as below:
- (i) Opening balance (2) Bills sent during 1st half/2nd half of the week. from _____ to _____ (3) Total 1+2 (4) Bills passed during 1st half/2nd half of the week (from _____ to _____) (5) Brief reasons for pendency.

3.9.1. Undisbursed Pay Register:

All the amounts relating to the claims of Government servants in the office should be brought to account in this register on the same day of encashment. The same register shall also be used where necessary for watching the disposal of the undisbursed balances, if any, of amounts drawn on contingent bills in excess of the permanent advance.

3.9.2. The U.D. pay register should be maintained in A.P.T.C. Form No.20 with the following columns:

- (1) Date (2) Annual serial number (3) Description of bill (4) amount (5) Amount disbursed (6) Date of subsequent disbursement (7) amount disbursed (8) balance (9) date (10) No. of receipt item from which disbursed (11) Particulars of payment and (12) Amount.

- 3.9.3. The serial number in this register should be assigned consecutively for each financial year. The serial number against each item should be rounded off when the complete amount under particular item is disbursed leaving no balance.
- 3.9.4. The receipt should be indicated in column Nos. 1 to 4 while the disbursements thereto indicated in columns 9 to 12. On each day of transaction, the totals under receipts and disbursements should be worked and the balances struck. The undisbursed balance as verified from the acquittance roll should be entered in col.5 and subsequently noted in col.6 to 8 till the entire amount is disbursed and the item is finally rounded off.
- 3.9.5. The closing balance of U.D.P. register should be taken to the cash book.
- 3.9.6. The Head of the office should sign the U.D.P. Register.
- 3.9.7. The undisbursed amount should not be kept more than (3) months from the drawal and they should remit to the Government account.
- 3.10.1. Parmanent advance : As a general rule, drawal of money from the Treasury is only by presenting a proper voucher prepared in accordance with the rules and no money should be drawn until it is required for immediate disbursement. The permanent advance system is an exception to general rules. Permanent Advance is meant for meeting unforeseen and urgent expenditure which can not be postponed for fulfilling the formalities.
- 3.10.2. The amount of permanent advance should be limited to what is absolutely essential to meet ordinary requirements.
- 3.10.3. The permanent advance is sanctioned by the Head of office. The amount required by subordinates should be allotted by the head of office from permanent advance.
- 3.10.4 It should be drawn after sanction in APTC Form No.40 debitale to MH 872-permanent Cash Imprest -Civil.
- 3.10.5 The permanent advance, the order in which sanctioned and the amount drawn should be noted on the front page of the register and attested by the Head of office.
- 3.10.6 An acknowledgement should be sent to sanctioning authority.

- a) When the permanent advance is sanctioned for the first time.
- b) When there is revision in the quantum of permanent advance.
- c) On 15th of April every year showing the position of 31st March.
- d) When there is a change in the incumbent of the post.
- e) It should be in the form prescribed under art.98.
- f) The acknowledgement should always be for the full amount sanctioned.

In terms of orders issued vide G.O.Ms.No.5, Finance and Planning (F.W.Admn.II) Department, Andhra Pradesh, Hyderabad, dt.23-01- 1998.

The permanent advance sanctioned to various categories of offices in the Department are:

Directorate	..	Rs. 6000/-
Zonal Offices	..	Rs.3000/-
District offices	..	Rs.1000/-

3.10.7. Recoupment of Permanent advance may be made at the end of calendar month and also when during course of a month a transfer of charge takes place or when the balance of permanent advance on hand has become in-conveniently small.

3.10.8 The Permanent advance register should be maintained in form No.89 of APTC with the following columns.

Charges : (1) date (2) monthly sl. No. (3) description of expenditure (4) amount (5) mode of recoupment (6) date of recoupment.

Receipts : (1) date, (2) no.of bill, (3)serial number of the item of charges recouped, (4) amount, (5) remarks.

3.10.9. Each voucher for the expenditure incurred from the permanent advance should be entered in this register and its recoupment watched. The register should be closed every day of transactions with the following abstract:

(1) Opening balance (2) Total (3) Deduct charges (4) Closing balance (5) Add unrecouped expenditure as per sub voucher (6) Total permanent advance.

3.10.10.The columns 7 to 10 showing the receipts should be filled up when-

ever the contingent bills are encashed to recoup the Permanent advance and whenever the cash is recovered from the persons concerned. Simultaneously col.5 showing the mode of recoupment and col.6 showing the date of recoupment should be filled up under the attestation of Head of office.

- 3.10.11 Consecutive serial numbers should be assigned for the month to the vouchers for the months spent from permanent advance and that number should find place both in the register and on the voucher.
- 3.10.12 When the contingent bill is prepared to recoup the permanent advance with reference to the paid vouchers, the vouchers should be cancelled to avoid the possibility of double drawal at a later date.
- 3.10.13. The un-recouped vouchers and cancelled Vouchers should be preserved carefully in the personal custody of Head of office for production before the inspection parties. If any voucher is not produced, the head of office will have to make good the amount covered by vouchers so lost and not produced.
- 3.10.14. The closing balance of permanent advance register should be taken to the cash book.
- 3.10.15. Whenever there is change in the incumbency of head of office, due to C.L., Earned leave or transfer, the closing balance of permanent advance register including un-recouped vouchers should be verified by the incoming Government servant and the result of verification should be recorded in the register under his full signature.
- 3.11.1. Preparation of bills: The Superintendent who is incharge of accounts section should look after the preparation of all bills and cash transactions of the office and should maintain the following registers for drawal of pay and allowances.
1. Pay bill register for gazetted officer.
 2. Pay bill register for establishment - permanent and temporary separately on the specimen as prescribed by the Government.
 3. The temporary establishment pay bills should be prepared separately giving therein the reference of the Government orders in which

the establishment was sanctioned and the period also.

- 3.11.2. Contingent Bill in Form No.58 on the specimen prescribed by the Government i.e. fully vouched bill for preferring the claim to the treasury should be prepared in respect of expenditure under office expenses such as service postage, telephone and telegram charges, water and electricity charges and other office expenses etc.

Note: While presenting the claim under the above items of expenditure, care should be taken to enclose the requisite sub vouchers properly. A copy of the orders of the sanctioning authority should also be necessarily enclosed to the claim wherever necessary quoting the reference of the same in the bill. The provision allotted to meet the expenditure during the financial year should also be noted in the relevant column of the contingent bill enclosing Form No.100 form) to each bill.

- 3.11.3. Bills for claiming the loan and advances sanctioned to Government servants should be prepared in Form No.40 as prescribed by the Government. Bills for drawal of GPF advances, Final withdrawals etc. should be prepared in form No.40-A as prescribed by the Government. TA Bills should be prepared in Form No.52 and the inner sheet should be prepared in Form No.52-C.

Note: While preferring the claim of loan and advances, care should be taken to furnish the requisite particulars of the claim in the bill indicating the provision allotted. Copy of the orders through which the advance is sanctioned should also be enclosed to the bill alongwith necessary documents, certificates etc. giving references in the Bill.

In order to admit the claim by an office and to book the expenditure correctly in respect of each item i.e. pay and allowances contingencies by AG AP Hyderabad and DTO, it is very essential to mention the correct Head of account (Classification of expenditure) on each bill form for which necessary space has been provided in each bill form. On preparation of bill, necessary entries should be taken in the Budget provision register and Treasury Bill book/register of bills as the case may be on certification of Drawing and Disbursing Officer concerned.

On passing the bill, moneys/cheque is received, the entries in treasury bill book/register of bills should be closed.

3.12.1 Acquittance Register: The acquittance register is a record of salary and allowances disbursed to the establishment and in receipt of token from the payees in acknowledgement. The acquittance roll should be examined by the Superintendent in charge of Accounts Section and by the Drawing Officer concerned for each transaction to satisfy themselves that proper receipts have been taken for all sums disbursed and bills and payments have been posted in the cash book. The Superintendent in charge of accounts section is responsible for timely preparation of pay bills, TA bills, and other bills in the time schedule as prescribed by the Pay and accounts Officer/District treasury officer and for drawing the amounts from Bank after receipt of cheque. He is also responsible for distributing the same to the proper person and obtaining their acknowledgements with the assistance of cashier provided to him. Office cash must be deposited at the close of each day in the cash chest. The cashier is forbidden to keep office cash in his personal possession or mix up with private money. The drawing officer will personally inspect the cash at the close of each day and sign on cash books on the same day.

3.13.1. Procedure for claiming the pay and allowances of the gazetted Officers:

According to the procedure laid down in G.O.Ms.No.437, Finance and Planning (FW Admn.II) Department, dated 16-8-1979 the claim of pay and allowances and TA in respect of all gazetted officers in the State except All India services will be prepared in the establishment pay bill and TA bill forms and will be preferred to the pay and Accounts Officer (District Treasury Officer) under the signatures of the drawing Officer concerned /to whom the Head of office had authorised to draw pay and allowances of the staff.

When those Gazetted Officers are transferred from one place to another, the procedure now being followed in respect of N.G.Os. should be followed.

In case of first appointment of officers at the minimum of the time scale of pay attached to the post, consulting with the District Trea-

sure Office is not necessary for the initial pay fixation of the officer. However, the District Treasury Office should be consulted for fixation of pay in all other cases.

The service record as well as LPC of the officers transferred should be sent to the head of the office under whom the officer is transferred. In the case, the transferred officer is posted as head of office, the record could be sent to his immediate controlling officer nominated for the purpose of maintenance of the records or the Head of the department.

Consequent to establishment of District Insurance Offices, all the D.I.Os have been declared as Heads of offices as well as drawing and Disbursing officers and they are authorised to sanction increments, leaves etc. to the staff under their control as per the orders given in G.O.Ms.No.44, Finance and Planning (FW.Admn.II) Department, Andhra Pradesh, Hyderabad, dated: 28-03-1998.

3.14.1. Budget Estimates and Revised Estimates:

The Budget Estimates of the APGLI Department for each financial year are prepared in the Directorate taking into account of all the requirements of Directorate and District Insurance Offices in respect of all units of appropriation and submitted to Government at the appropriate time after approval of the Chief Controlling Officer i.e. Directorate of Insurance (Head of the Department).

In order to finalise the Budget Estimates and the Revised Estimates at Directorate, the estimating officer at Directorate and all the D.I.Os are made responsible to submit their demands in respect of each year well in advance i.e. before the due date of submission of budget estimates to Government as detailed below:-

1. Number statements for the next financial year on or before 30th June of every year.
2. Budget Estimates for the next financial year in respect of all units of appropriation before 31st August every year, indicating the revised position of the estimates for the current year.
3. Proposals for supplementary grant on 31st August every year.

4. Proposals for the re-appropriation of funds within the budget grant on 25th August of the current financial year.
5. Surrender of savings if any before 15th december in each year.

3.15.1. Reconciliation of expenditure:

The drawing and disbursing officer of Directorate and all the D.I.Os of the Department should watch the progress of the expenditure continuously and report to Directorate every month in respect of the actual expenditure made during the previous month under the various units of appropriation.

For the purpose of reconciliation of expenditure with those booked in PAO Hyderabad in case of payment of Twin cities and in case of payment at DTO/STO, the Drawing Officer concerned should arrange to record the daily expenditure in the relevant books with reference to voucher number, date of encashment etc. in relating to each unit of expenditure such as pay, pay of officers, pay of establishment, DA, HRA, other allowances, wages, T.A., office expenses, contingencies etc.

- 3.15.2. In case of variation in the figures, the Drawing and Disbursing Officer should take prompt action to rectify the errors by referring the case concerned to the Treasury Office concerned or Accountant general. AP., Hyderabad as the case may be under intimation to the Directorate. He should also see that the expenditure should not exceed the allotment made by the Directorate in any case. In case of the expenditure exempted from the "Scheme of control over expenditure" they are authorised to incur expenditure over and above the amount placed at their disposal to avoid delay in payment. However, they are responsible to regularise the excess expenditure by sending the proposals to Directorate at the appropriate time for obtaining the additional funds in case of payment relating to the last quarter of a financial year in excess of the Budget allotment if any. They should

ascertain the position from Directorate for the grant of additional amount before the expenditure is incurred, estimating the disbursements carefully.

- 3.15.3. The drawing and disbursing officer in the Directorate who is entrusted with the reconciliation is also responsible to collect the information from each District Office well in advance to rectify the variation with the figures finally booked in Accountant General, AP Hyderabad.

STATIONARY SECTION

4.1.1 The Stationary section is responsible for maintenance of stores including all articles and materials such as furniture, instruments, appliances, stationary articles, material for maintenance of buildings, departmental forms and registers etc. All stores should be purchased through the Director, Printing and Stationary Department excepting those which have been specifically exempted from this purview, under article 123 of A.P. Financial Code. The items under rate contract finalized by Director of Printing and Stationary should be purchased from the earmarked firms. In cases of emergency, the Heads of departments may purchase stores directly after obtaining approval of the Stores Purchasing Committee in regard to other items as well.

4.1.2 Where stores are purchased directly, the following criteria should be followed in regard to preference in the purchases:-

First preference for stores manufactured in sister Government Departments / Workshops. Second preference in respect of standard items to fully owned Government undertakings and corporations. These corporations need not participate in tenders. In respect of non-standard items, the undertakings also have to participate in the tenders, if any called by departments.

The items reserved for SSI units should be exclusively purchased from them. The list of such items can be had from Director of Industries. These units have also been exempted from the requirement of lodging of earnest money and security deposit for the specified items for which they have been enlisted.

The goods manufactured in jails should be had from them only. They include furniture, stitching of khaki uniforms, attenders, liveries, ammunition boots for officials of police, fire services and prison

departments, phenyle etc. These items can be purchased from outside only after obtaining 'No stock certificate' form the Jail department. Modern office equipment such as computers etc., should be purchased only through A.P.Technological services Ltd. The cloth requirements of officials towards livery etc. should be purchased from the APCO. Likewise, the woolen carpets should be purchased from the A.P.State Wool Industrial Cooperatives, leather goods from Lidcap. Steel furniture should be purchased solely from the APSSIDC while wooden furniture should be purchased from the Jail Department. The Government centres like PWD Workshops Furniture mill cum Mechanical Wood Workshop, Sanathnagar etc. Industries Centre, Hyderabad should be given next preference. Stitiching of uniform should be entrusted to physically handicapped cooperative trailoring industries. Canning of chairs and manufacturing of garden chairs should be entrusted to physically handicapped co-operative cane and Weaving Society.

4.2.1. Tender system:

1. Single tender system should be adopted in regard to purchases of a small order which do not exceed Rs.1000/- and Rs.2000/- if more than one kind of article is ordered at one time and propriety items.
2. Limited tender system should be followed when the limits of single tender systems are exceeded and the estimated value of order is less than Rs.5000/-
3. Open tender system should be adopted in regard to purchase of stores of value of Rs.5000/- and more.

When open tenders are called , circular communication be sent to dealers to repute apart from wide publicity in newspapers, trade bulletins etc. A time gap of atleast one-month should be given between the date of notification of the tender and the last date of

submission of tenders. If the lowest tender is passed over specific reasons there for should be recorded.

4.3.1. Stock Accounts - Separate stock registers :

Accounts should be maintained for all the stationary articles, furniture, equipments, departmental forms and registers etc.

4.4.1 Inspection of Stores :

Stores should be periodically inspected and action taken to regularize the short comings by recovery from the concerned/write off etc. The unserviceable articles should be identified and action taken for disposal and write off in the manner indicated in Article 143 of AP Financial Code. Vol -I.

4.5.1. Losses :

In the event of losses in cash or stores, the department should follow the detailed procedure under Article 294 to 302 of A.P. Financial Code. Departmental action should be pursued to see that the losses are made good and where this is impossible, shall get the orders from the competent authority for waiver of the same. The modus operandi of the loss should be investigated thoroughly to know the defects in the system if any which resulted in the loss and to ensure necessary remedial measures.

4.6.1. Delegation of powers :

Delegation of powers have been accorded in GO Ms No. 490, General Administration Department dated 28-9-1994 and G.O. Ms No. 389, General Administration (AR&T) Department, dated 4-9-1996 and G.O.Ms.No. 148, Fin & Plg (FW II TFR) Dept dt 21-10-2000

4.7.1 **Functions of the Functionary in the Stationery Section :**

1. Maintenance of Personal Register
2. All the currents should be recorded in personal Register
3. Supply of stationery against the indents of the sections

4. Periodical checking of stationery articles/ items of furniture, departmental forms and registers etc. through physical verification.
5. Maintenance of stock registers / Asset Registers.
6. Consolidation of indents of the Sections to place consolidated indent to the Director, Stationery and Printing Department.
7. Maintenance of Library books.

4.8.1. LIBRARY :

The Stationary Section is incharge of Library books purchased within the powers delegated/supplied by the Head of the Department. A catalogue should be maintained in the Section to know the references of books available in the Library. All officers and staff are eligible to borrow books from the Library. On application, one can have books from Library. Every book borrowed shall be returned within fourteen days. Encyclopedias, Dictionaries, Gazettes received from Director, Stationery and Printing Department should be neatly stitched and made available to the staff and officers for their reference if necessary.

All stock registers should be closed by 31st March and fresh stock registers, should be opened with the opening balances of stocks as on 1st April. The asset registers maintained by the officer should invariably show the date of purchase, number of items purchased, value of the purchase, loss of assets and the remedial action taken to recover or write off the /amount.

GENERAL SECTION

5.1.1. The General section deals with the monitoring of Insurance business. The section issues clarifications on all business matters, sends proposals to Government for amendment of Rules, evolving of new procedures, simplification of procedures, consolidation of business figures, maintenance of statistics and also monitors the complaint cell cases, Forum cases and court cases of the APGLI Scheme through Zonal sections consolidation of monthly progress reports and submission of monthly periodicals to the Government and monitors any other Scheme introduced by the Government for the welfare of the employees. Exp. Group Janatha personal Accident Scheme, Long term Group Janatha Personal Accident Scheme.

5.1.2. Functions of the functionaries:

- a) Review of APGLI Fund Rules and send necessary proposals to Government to amend the Rules wherever necessary as per the Government orders issued by the Government from time to time.
- b) Submission of proposals to Government for simplification of procedures.
- c) Submission of new proposals to the Government as and when required by the Directorate of Insurance.
- d) Preparation of State Administrative Report every year incorporating the achievements and progress of the department.
- e) Receipt of monthly periodicals from the District Insurance Offices and consolidation of figures and submission of monthly periodicals to Government on coverage and settlement of claims and also quarterly return on the statistics of lives - in -force.
- f) Issue of clarifications in all business matters, acceptance of proposals, sanction of Loans and settlement of claims.
- g) Monitoring of complaint cell cases, forum cases and court cases.
- h) Maintenance of Stock files of all the Government orders

connected with the APGLI Scheme.

- i) Monitoring and follow up action of the progress of the District Insurance Offices in all business matters.
- j) Annual inspection of District Insurance Office and follow -up action.
- k) Coordination with other State Government Insurance Departments.
- l) Audit in connection with the procedures, progress of the Scheme.
- m) Conducting of District Insurance Offices meetings and follow up action.
- n) Computerisation of APGLI accounts.

5.1.3. The following registers should be maintained in general section:

- a) Consolidated register of statistical data of DIOs. (as per monthly reports)
- b) Suspense clearance register (Prior to 1-4-1975).
- c) Court cases, Forum cases and Complaint cell cases Watch register.
- d) Monthly periodical register.
- e) File register.
- f) Stockfile of Government orders, clarifications etc.
- g) APGLI Fund Rules amended from time to time. ,

GROUP JANATHA PERSONAL ACCIDENT POLICY SCHEME

5.2.1. Government vide G.O.Ms.No.243, Finance and Planning (FW Admn.II) Department, dated 7-6-1994 have introduced Group Janatha Personal Accident Scheme to all the employees of State Government compulsorily. The yearly premium is Rs.7/-. The premium shall be deducted from the salary bill of August, 1994 payable on 1.9.1994 and payable to M/s New India/ Insurance Company Limited by way of Bank drafts. Risk will be given for one year from the date of , payment of the premium to the Company. The accidental death benefit is . Rs.30,000-. M/s

New India Insurance Company Limited shall settle the claims arisen from 1-9-1994 to 31-8-1995.

- 5.2.2. While continuing the scheme for the year 1995-96 vide G.O.Ms.No.210, Finance and Planning (FW Admn-II) Department, dated 26-8-1995 Government have modified the earlier orders and asked the Drawing and Disbursing Officers to adjust the deducted amount to the M.H.8011-107-02. The Director of Insurance has been made as Nodal Officer of the Scheme and entrusted the work of payment of premium to M/s new India Assurance Company Limited on intimation from the District Treasury Officers. Since, the Government orders were issued at the fag end of the month, most of the Drawing and Disbursing Officers have sent the premium to the Insurance Company as per the earlier orders. Very few Drawing and Disbursing Officers have remitted the premium to the Head of account which was also misclassified since the allotted Major Head for this Scheme was already earmarked for Group Insurance Scheme of Panchayat Raj employees.
- 5.2.3. Government have revised the Head of Account of the Scheme as 8011-107-05 instead of 8011-107-02 vide G.O.Ms.No. 181, Finance and Planning(FW Admn.II) Department, dated 11-6-1996.
- 5.2.4. The Insurance Company has requested the Government to enhance premium from Rs.7/- to Rs.15/- per year. Since, no decision has not been arrived by the Government as the matter was under discussion with N.G.Os Association, the renewal of the Scheme for 1996-97 could not be made. However, most of the Drawing and Disbursing Officers have deducted the premium as per the earlier orders and remitted the amount to the Head of account. Certain employees, whose deductions were made during 1996-97 were died accidentally and therefore Government vide Memo No.1921/61/A2/Admn.II/97 dated, 29/9/1997 have directed the department to settle all claims arisen till 31-8-1997 whose premium was deducted and credited to Head of account. In view of the elaborated discussions, with N.G.Os Associations, Government vide G.O.Ms.No.292, Finance and Planning (FW Admn.II) Department dated 1-4-1997 have issued comprehensive orders for

renewal of the Scheme for the year 1997-98. It was ordered to deduct the premium from the month of June instead of August enables to pay the premium to the Insurance company well in advance so as to facilitate to cover under the scheme with effect from 1st September. The premium of Rs. 49.00 lakhs was paid to the Insurance Company for the year 1997-98 as per Government orders.

5.2.5. The Government have renewed the Scheme for the year 1998-99 and issued orders vide Government circular memo No.223-B/90/A2/Admn.II/98, dated : 16-6-1998 for deduction of premium during the month of 6/98 payable on first July. As per Government orders issued by the Government vide Memo No. 223- . B/90/A2-1/Admn.III 98, dated 24-9-98, the premium toward's Group Janatha Personal Accident Policy of Rs.49.00 lakhs was paid to the Insurance Company on 24-9-1998.

5.2.6. Government vide Memo.No.1830-B/78/Admn.II/99, Fin. & Plg. (FW Admn.II) Department, have decided to discontinue the Scheme of Group Janatha Personal Accident Policy w.e.f. 01.09.1999.

COMPILATION SECTION

6.1.1. The compilation section deals with the maintenance of data of receipts and payments of the Scheme. The Section keeps the record of various transactions of the department duly maintaining ledger accounts and draw the balance sheet at the end of each financial year. The section monitors the audit of the District Insurance Offices as well as Directorate and sends audit replies to the Accountant General, A.P. Hyderabad. The section claims interest on Fund balances from the Government and ensures to credit the interest to the Fund balances at the end of the financial year.

6.1.2. Functions of the functionaries:

1. Collection of data of premium receipts and Loan and claim payments booked in Accountant General, A.P., Hyderabad.
2. Receipt of figures of premium receipts and reconciled figures of loan and Claim payments from the District Insurance Offices those booked in concerned District Treasuries.
3. Reconciliation of figures of District Insurance Offices with those booked in Accountant general office and identifies the variations.
4. Intimation of variations noticed during the course of reconciliation to the District Insurance Offices and the District Treasuries concerned for rectification.
5. On receipt of details for the variations intimated from concerned District Treasuries, the Accountant General, AP Hyderabad has to be addressed to rectify the variation by passing transfer entries.
6. Collection of details of the transfer entries from the Accountant General Andhra Pradesh, Hyderabad.
7. Communication of PWD account monthly booked figures received from the Accountant General's office to the District Insurance Offices concerned duly entering in the concerned register monthwise.
8. Submission of Budget estimates under M.H. 8011

- a) APGLI Fund (8011-105-01)
- b) A.p.State Employees Group Insurance Fund (8011-107-01)
- c) Family benefit Fund (8011-106-01)

Like wise under M.H. 2049- Interest payments also.

9. While preparation of Revised Estimates for the year, any savings have been noticed under MH 2049 -Interest Payments, Government may be informed about the savings. In case any shortfall is noticed between the Budget Estimates and the Revised Estimates, necessary proposals will be submitted to Government by the end of January and in no case before closure of the financial year.
10. Submission of proposals to Government for sanction of LOC to meet the expenditure of Loan and Claim payments at the beginning of each quarter.
11. Distribution of L.O.C. among the District Insurance Offices as per their requirement.
12. Conducting audit of Directorate and District Insurance Offices by Accountant General, Andhra Pradesh, Hyderabad and act as liason between the department and the Accountant General; Andhra Pradesh, Hyderabad.
13. Monitoring the audit reports of the Department and watch the follow up action for dropping the audit paras by the Accountant General, Andhra Pradesh, Hyderabad. Furnishing of suitable replies to the Accountant General, Andhra Pradesh, Hyderabad.
14. Receipt, review and submission of explanatory notes on the comments passed by Accountant General, Andhra Pradesh, Hyderabad in Appropriation accounts, Finance Accounts and Report of Comptroller and Auditor General of India.
15. Attending of Public Accounts Committee meetings.
16. Correspondance for rectification of misclassifications with the Accountant General, Andhra Pradesh, Hyderabad.
17. Consolidation of preliminary data received from District Insurance

Offices for preparation of Proforma Accounts and drawn up the Revenue account and Balance Sheet.

6.2.1. The following Registers should be maintained in the Compilation Section:

Reconciliation Register : On receipt of information from the district insurance Offices, the figures are entered in the Register Month wise and DIO wise and also the figures obtained from the Accountant General's office shall be recorded against the concerned month figures and reconcile the figures. If any discrepancies are noticed, the DIOs/DTOs concerned shall be addressed. On rectification of misclassification/variation the details of rectification should be recorded in the remarks column.

6.2.2. **Register for Receipts of PWD Accounts**: The figures obtained from the Accountant General's office with regard to Public Works Accounts should be recorded in this Register code-number wise and communicate the figures to the District Insurance Officer concerned for posting of premium amounts in the relevant Ledgers.

6.2.3. **Audit Paras Watch Register** : On receipt of the audit report from the Accountant General, Andhra Pradesh, Hyderabad, the audit Paras with full description should be recorded in the Audit paras watch register. The audit paras should be reviewed periodically and suitable audit replies should be sent to the Accountant General, Andhra Pradesh, Hyderabad to drop them from the audit Report.

6.2.4. **Cash Book**: On consolidation of figures of preliminary data received from the District Insurance Offices, the Cash Book should be prepared and got approved by the Director.

6.2.5. **Journal Entries Register** : Certain adjustments should be carried out by passing necessary entries. Such journal entries should be recorded in a separate register for verification by the audit.

6.2.6. **Ledger Account**: On the basis of cash book and journal entries, necessary entries should be carried out in the personal accounts of the Ledger. After posting the entries, the balances of each and every account should be arrived. On the basis of which the trial balance,

revenue account and the balance sheet should be prepared. The ledger is a permanent record and the entries in the reister should be got approved by the Director or any other officer competent to do the same.

6.2.7 . **L.O.C Controlling Register:** This register should be maintained year wise on receipt of LOC, an entry should be made in this register. Also at the time of distribution of LOC among the District Insurance Offices, the allotment made DIOs wise should be recorded and reconcile the figures from time to time. In no case, the allotment should be exceeded the LOC released for that year.

6.3.1. Preparation of Preliminary data of Proforma Accounts:

In terms of Rule 8 of APGLI Fund Rules the Director Of Insurance, Andhra ,Pradesh, Hyderabad shall publish an Annual Statement of Accounts and an Actuarial report on the Assets and Liabilities of the Fund for every three years. The preparation of Annual accounts, is also very essential to assess the viability of the Scheme since the Scheme is being run on quasi - commercial lines. As per the provisions of Insurance act, it is statutory on the part of the Insurer to prepare the Proforma Accounts and submit the same to Accountant General for audit of the accounts and obtain the Certificate of Audit.

6.3.2. The preparation of Proforma Accounts of APGLI Fund is categorised into (6) parts :

Preparation and submission of preliminary data by the District Insurance Offices. Consolidation of figures by Directorate of Insurance. Preparation of Cash book, Passing of Journal entries in Journal, Preparation of Trial balance and Preparation of Revenue account and Balance Sheet.

6.3.3. The Insurance business transactions such as issue of policies, premia, sanction of loans and settlement of claims etc. are done at District . Insurance office level. As such, the preliminary data has to be prepared by the District Insurance Offices basing on the information available with them in the Registers such as Rough Ledgers, Suspense Registers, Loan Payment Register Claim Payment Register,

Cheque Register for Loans and Claims, Cash Book; Unpaid cheque register, U.D.P., Reconciliation Registers of Premium, Loan and Claim, Claim Register and Stamp Account Register etc.

6.3.4. The District Insurance Offices are required to consolidated the figures recorded in the above registers from April to March of a financial year and furnish the information in the Formats given below:

Statement No. 1:

Statement showing the Receipts booked by the District treasury for the year

April	
May	Rs.
June	Rs.
July	Rs.
August	Rs.
September	Rs.
October	Rs.
November	Rs.
December	Rs.
January	Rs.
February	Rs.
March	Rs.

Total

Statement 1 - A :

Statement showing the total receipts as per Rough Ledger for the year

_____ in respect District of Insurance Office _____

Premium	---	Rs.
Loan	--	Rs.

Total Rs.

Statement No. 2

Statement showing the premium particulars of the Rough Ledgers :

1. Total Premium amount Collected		Rs.
1. Premium due	--	Rs.
2. Received Less	--	Rs.
3. Excess	--	Rs.
4. Advance	--	Rs.
5. Arrears	--	Rs.
6. Interest	--	Rs.
7. Suspense	--	Rs.

		Rs.

Statement 2 - A :

Statement showing the Loan/Claim Bank drafts cancelled and credited to Fund account during the year _____ in respect of District Insurance Office _____

Sl. No.	Policy No.	Bank Draft No. and date	Amount	Loan/ Claim	Challan No.	Date	R/L reference

Statement No. 3 :

Statement showing the details of amount kept under suspense for the year - ----- In respect of District Insurance Office _____

1.	Wrong Numbers	Rs.
2.	No L.Ls.	Rs.
3.	Accumulated amount	Rs.
4.	Fee for duplicate policy	Rs.
5.	Irregular premium	Rs.
6.	Unconcerned amount	Rs.
7.	Without details	Rs.
8.	Misclassified / unconcerned amounts	Rs.
9.	Transferred to other Districts	Rs.
10.	Others if any	Rs.
	Total amount kept under suspense	

Statement No. 4 :

Statement showing the Loan Payments during the year ----- in respect of District Insurance office -----

S.No	Particulars	Amount Rs.
1.	Loan Balance	
2.	Outstanding Interest	
3.	Interest for the current year	
4.	Amount Net payable	
5.	Amount Sanctioned	

Statement 4 - A :

Loan Payments for the year _____ in respect of DIO _____

Month	Loan Balance	Interest		Amount net payable	Total amount Sanctioned Year
		O/s Int.	Interest for Current year		
April					
May					
June					
July					
August					
September					
October					
November					
December					
January					
February					
March					
Total					

Statement 4 - B :

Loan cheques cancelled during the year

Sl. No.	Policy No.	Cheque No. & Date	Interest		Loan Balance	Amount Net payable	Amount sanctioned
			O/s Interest	Interest for the Current year			

Statement 4 - C :

Loan Bank Drafts cancelled and credited during the year -

Sl. No.	Policy No.	Bank draft No. & Date	Interest		Loan Balance	Amount Net payable	Amount sanctioned
			O/s Interest	Interest for the Current year			

Statement No. 5

Reconciliation of Loan Payments for the Year _____ in respect of District Insurance office _____

1.	Payments as per Loan Cash Book	Rs.
2.	Add: Unpaid cheques of Previous year encashed during the year	Rs.
3.	Add: Bank Drafts cancelled and credited to the Fund during the year	Rs.
4.	Less: Unpaid cheques of current year as on 31st March	Rs.
5.	Less: Cheques cancelled during the year	Rs.
6.	Total Net Payments	Rs.

Statement 5-A:

Loan Unpaid cheques as at 31st March

S.No	Policy No.	Cheque No.	Date	Amount	Date of encashment

Statement 5 - B:

Reconciled figures of Loans with the District Treasury for the the Year _____
 Month _____ Amount _____

Statment No. 6 :

Claim Payment as per claim Payment registered for the year _____

S.No	Details	Current year	Past year	Total Amount
1	maturity (Sum Assured)			
2.	Maturity (Bonus)			
3.	Death (Sum Assured)			
4.	Death (Bonus)			
5.	SV & PV (Sum assured)			
6.	SV & PV (Bonus)			
7.	P.F. with Interest (Prl)			
8.	P.F. with Interest (Int)			
9.	P.F. without interest			
10.	Excess without interest			
11.	O/S Premium amount			
12.	Int. on O/S Premium amount			
13.	Payment of Excess Loan			
14.	Int. on payment of Excessloan			
15.	Accumulation			
16.	'A' Number Register			

Less Payments:

1	Arrears amount			
2	Interest			
3	Insurance Loan recovered			
4	O/S Int. on Loan			
5	Int. for current year on loan			
6	Fee for duplicate policy			
7	Total			

Statement No. 6-A
Claim cheques cancelled during the year

1	Sl. No
2	Policy No.
3	Maturity S.A.
4	Maturity Bonus
5	Death S.A.
6	Death Bonus
7	S.V. SA
8	S.V. Bonus
9	Provident Fund with interest (principal)
10	Provident Fund with Interest (Interest)
11	Excess
12	Outstanding premium
13	Int. on outstand-ing
14	Payment of Excess Loan
15	Int. on payment of Excess loan
16	Accumulation
17	'A Register
18	Arrears amount
19	Interest on arrears
20	Insurance loan
21	O/S Int. on Ins. Loan
22	Int. for current year
23	Fee for duplicate policy
24	Net amount paid

Less Recoveries

Statement No. 6-B
Claim BDs. Cancelled and credited to Fund Account :

1	Sl. No
2	Policy No.
3	Maturity S.A.
4	Maturity Bonus
5	Death S.A.
6	Death Bonus
7	S.V. SA
8	S.V. Bonus
9	Provident Fund with interest (principal)
10	Provident Fund with Interest (Interest)
11	Excess
12	Outstanding premium
13	Int. on outstand-ing
14	Payment of Excess Loan
15	Int. on payment of Excess loan
16	Accumulation
17	'A Register
18	Arrears amount
19	Interest on arrears
20	Insurance loan
21	O/S Int. on Ins. Loan
22	Int. for current year
23	Fee for duplicate policy
24	Net amount paid

Less Recoveries

Statement No.7:

Reconciliation of claim payments for the Year

1. Payments as per Claim Payment Register	Rs.
2. Add: Unpaid cheques of Previous year encashed during the Year..	Rs.
3. Add: Bank Drafts cancelled and credited to Fund A/c during the year..	Rs.
4. Less: Unpaid cheques of current year as on 31st March ..	Rs.
5. Less: Cheques cancelled during the year..	Rs.
6. Total Net payments.	Rs.

Statement No. 7-A:

Claim Payments for the Year _____

Month Column - wise details as per Claim Payment Register

April

May

June

July

August

September

October

November

December

January

February

March

Statement No. 7-B:

Details of Medical Fee paid to the Doctor/Bank Commission paid for cancellation of Bank drafts and correction of Bank drafts

Sl.No Particulars Cheque No. Amount (Rs.)

Statement No. 7-C:

Claim Unpaid cheques as at 31st March:

Sl.No. Policy no. Cheque No. Date Amount Date of encashment

Statement -8-A:

Reserve Accounts for as on 31st March:

<u>Maturity</u>	<u>Sum Assured</u>	<u>Bonus</u>
Claims Outstanding at the beginning of the Year		
Add: Claims received during the Year		
Less: Claim payments during the Year		
current year		
Past year		
Add: Journal Vouchers		
Less: Journal Vouchers		
Add: Bank Drafts cancelled and credited to Fund A/c		
Add: Cheques cancelled during the year		
Claims Outstanding at the end of the year	_____	_____

ABSTRACT

<u>Year</u>	<u>Sum Assured</u>	<u>Bonus</u>
-------------	--------------------	--------------

Claims outstanding as on 31st March	_____	
-------------------------------------	-------	--

Statement 8-B:

<u>Death</u>	<u>Sum Assured</u>	<u>Bonus</u>
Claims Outstanding at the beginning of the year		
Add Claims received during the year		
Less: Claim payments during the current year		
Past year		
Add: Journal Vouchers		
Less: Journal Vouchers		
Add: Bank Drafts cancelled and credited to Fund A/c		
Add: Cheques cancelled during the year		
Claims Outstanding at the end of the year		

ABSTRACT

<u>Year</u>	<u>Sum Assured</u>	<u>Bonus</u>
-------------	--------------------	--------------

Claims outstanding as on 31st March	_____	_____
-------------------------------------	-------	-------

Statement 8-C:

SV & PV	Sum Assured	Bonus
Claims Outstanding at the beginning of the year		
Add Claims received during the year		
Less: Claim payments during the current year		
Past year		
Add: Journal Vouchers		
Less: Journal Vouchers		
Add: Bank Drafts cancelled and credited to Fund Account during the year		
Add: Cheques cancelled during the year		
Claims Outstanding at the end of the year		

ABSTRACT

<u>Year</u>	<u>Sum Assured</u>	<u>Bonus</u>
Claims outstanding as on 31st March		

Statement No. 9:-

Statement showing the Management Expenses for the year _____ in respect of District Insurance Office _____

	Rs.
Salaries	
Wages	
Travelling Expenses	
Other Office expenses	
Service Postage Stamps	
Telephone charges	
Water charges	
Electricity charges	
payment of Professional charges	
Rents, Rates and Taxes	
Pension contribution	
Motor Vehicles Maintenance	
<hr/>	
Total	
<hr/>	

Details: Apr. May June July Aug Sept. Oct. Nov. Dec.
 Jan. Feb. Mar.

Salaries
 Wages
 T.A.
 TTA.
 Service
 Postage

Telephone
 Charges

Water
 Charges

Electricity
 Charges

Payment of
 Prof.charges

Rents, Rates,
 Taxes

Pension
 Contribution

Motor Vehicle
 Maintenance

Total _____

Statement No.10:

Outstanding Management expenses for the year _____ in respect
 of District Insurance Office: _____.

Rs.

Salaries
 Wages
 Travelling Allowance
 TTA
 Water Charges

Electricity charges
 Other Office expenses
 Payment of Prof. Charges
 Rent, Rates, and taxes
 Service postage
 Telephone charges
 Pension contribution
 Motor vehicle maintenance
 Total

Statement No.10-A:

Statement showing the Pre-Paid expenses for the year _____ during _____

S.No.	Particulars	Amount
-------	-------------	--------

Statement No.11:

CashBook balances as on 31st March:

1. Main Cash Book ...	Cash	Rs.
	Cheques	Rs.
2. U.D.P. ..	Cash	Rs.
	Cheques	Rs.
3. Imprest ..	Cash	Rs.
	Cheques	Rs.
	Total	Rs.

Statement No.12:

Statement showing Service Postage balance as on 31st March

Balance of Service Postage as on 31st March .. Rs.

Denomination of service postage stamps:

10.00x	=Rs.
5.00x	=Rs.
2.00x	=Rs.
1.00x	=Rs.
0.50x	=Rs.

Total

Statement No.13:

Statement showing the Interest accrued for the year _____ in respect of D.I.O. _____

S.No.	Binder No.	No. of items	Amount (Rs.)
-------	------------	--------------	--------------

Statement No.14:-

Statement showing the purchase of assets during the year _____

S.No.	Particulars	Date of Purchase	Amount (Rs)
-------	-------------	------------------	-------------

Statement No.1:- The figures booked by the respective District Treasuries to the M.H.8011 - 105-01 shall be furnished in this Statement. This information can be had easily from the Main abstract sent by the District treasuries alongwith monthly schedules:

Statement No .1-A:- After completion of posting in Rough Ledgers, the information relating to premium and loan receipts is available and the same should be furnished in this statement

Statement No.2 :- The column-wise totals' of Rough Ledger shall be furnished in the Statement and ensure that the totals of items 2+4+5+6+7+8-3 should invariably be tallied with total Premium collected.

Statement 2-A :- The District Treasury Office shall book the amounts of the Bank drafts which are cancelled and credited to the Fund account (through challan) in the monthly accounts. The challans of such cancelled Bank drafts are posted in the Rough Ledgers alongwith other items. The amounts of cancelled Bank drafts shall be identified and furnished in the Statement which may be taken into account as Misc. receipts while drawing the Revenue account.

Statement No.3 :- The premium amounts which could not be posted to the individual account, for any reason, such amounts should be kept under suspense account. The category wise suspense details shall have to be furnished in the Statement ;

Statement No. 4 :- The Loan payments made during the year shall be furnished in the statement as per the columns of Loan Payment register. The cheques and Bank Drafts cancelled during the year need not be deducted while furnishing the figures. The figures of Loan Payments should be tallied with the consolidated amount of Loan cashbook for

that particular year.

Statement 4-A : The monthwise Loan payments as per columns of loan payments Register shall be furnished in the Statement.

Statement 4-B:- The details of the Loan Cheques cancelled during the year as per the columns of Loan Payment Register shall be furnished in the statement.

Statement 4-C: The details of the Loan Bank Drafts cancelled and credited to the Fund account during the same year shall be furnished in the Statement.

Statement No.5:- The net payments towards Loan after reconciling with DTO figures and with those of the figures booked by Accountant General, AP Hyderabad (AG figures) shall be furnished in the Statement. The figures can be had easily after entering the figures from item NO.1 to 5, with the help of Loan Cash Book and unpaid cheque register.

Statement No.5-A: Certain Cheques issued during January, February and March of the year could not be encashed on or before 31st March will be treated as unpaid Cheques and the details of the same should be furnished in the Statement.

Statement No.5-B:- The figures reconciled with the District Treasury Office should be furnished in the statement month -wise.

Statement No. 6 The Column wise totals of the Claim Payment Register should be furnished in the statement. The total figure should invariably be tallied with the total payments as per claim cash book of that year.

Statement No.6-A:- The details of claim Cheques cancelled during the year should be furnished column-wise as per claim payment register in the Statement.

Statement No.6-B:-. The details of the claim Bank Drafts cancelled and credited to the Fund account through Challans during the year as per the columns of Claim Payment Register should be furnished in the Statement.

Statement no.7:- The net payments towards settlement of claims after reconciling with the DTO figures and with those of the figures booked by AG AP Hyd shall be furnished in the statement. These figures can be had easily after entering the items No.1 to 5 with the help of claim cashbook and unpaid cheque register.

Statement No. 7-A:-Column-wise and month-wise totals as per Claim Payment Register should be furnished in the Statement. ; .

Statement no.7-B:- The details of the payments towards Medical fee and Bank Drafts commission shall be furnished in the Statement.

Statement No.7-C:- Certain Cheques issued towards settlement of claims during January , February and March of the year could not be encashed on or before closure of the financial year, such Cheques may be taken as unpaid Cheques and the details of the same have to be furnished in the statement.

Statement No.8-A, B & C:- The details of the claims arisen and settled during the year as per Claim Register and Claim Payment Register mode of exit wise shall be furnished in the Statements. These statements represent the claims outstanding as at the closure of the financial year with Sum assured of the policies alongwith the bonuses. The difference if any found in the Sum- assured as well as Bonuses reserved/ provided and the actual amounts paid should be taken into account by adding/deducting the amounts through Journal vouchers. The claims cancelled due to cancellation of Cheques and Bank Drafts during the year may also be added to the outstanding claims. The outstanding amount exit-wise shown in the statements should tally with the consolidated amount of year wise lists.

Statement No.9:- This statement exhibits showing the Management expense incurred on the establishment of the District Insurance Office during the year i.e. from 1 st April to 31st March. The reconciled and actual expenditure detailed Head-wise should be furnished in the statement.

Statement No.10:- This statement shows the outstanding management Expendi-

ture of the current year which may actually incur during the next financial year. ,

Statement No.10.A:- In respect of certain items, such as telephones etc., expenditure relating to the next year which is incurred during Current financial year called prepaid expenses. Such prepaid expenses may be shown in the statement

Statement No.11:- The closing balances of the Main cash book, UDP and imprest as on 31 st March shall be furnished in the statement. .

Statement No.12 :- The closing balances of the Service Postages on 31st March shall be furnished in the statement.

Statement No.13 :- The interest accrued on each loan account for the year should be calculated and furnished in the Statement.

Statement No.14:- The details of the Assets purchased during the year should be furnished in the statement. .

6.3.5. After preparing the statements in the prescribed formats, the DIOs shall forward the same to Directorate. The Directorate shall consolidate the information received from all the District insurance Offices and prepares the Cash book. Before preparing the cash book, the Directorate shall segregate the receipts on one side, such as premium, loan, misclassifications (TEs) and also the payments on the other side as loan payments, claim payments and Management expenses and tallies them with the figures as booked by the AG AP Hyderabad. The Directorate shall also review the variations noticed during the course of reconciliation of figures with those booked by AG AP Hyderabad. The variations rectified during the same year may be ignored. The variations which could not be rectified during the same year, may be credited to the Amount under Adjustment Account.

6.3.6. The Directorate also prepares the following statements on the items such as Rent from the tenant departments, Water charges, electricity charges, Rent on Pan shop, canteen, cycle stand, generator expenses separately in the following format. Statement showing the amount

receivable (due) for the year from the tenant departments. Statement showing the amount of rent received during the year (Against item) (i). Statement showing the outstanding amount for the previous years received during year.

Statement showing the outstanding amounts for the year from the tenants departments. The Directorate shall also prepare the Statements 9 to 14 except 13 for incorporation in the annual accounts.

6.3.7. The items that are not brought into the cashbook, necessary journal entries are passed for regularisation in the accounts. Generally, the following journal entries are passed by the Department- for in corporation in the accounts.

- * Claims received during the year.
- * Journal Vouchers (Reserve Account)
- * Outstanding Interest from Govt.
- * Outstanding premium (arrears).
- * Fee for audit.
- * Interest accrued during the year.
- * Depreciation on assets.
- * Outstanding Management expenses
- * Imprest .
- * Other, Liabilities and Service postage.
- * Prepaid expenses .
- * Outstanding Garrage rent.
- * Outstanding Rent on building.
- * Outstanding Water and Electricity charges ,
- * Outstanding Generator expenditure.
- * Outstanding rent on canteen.
- * Outstanding rent on Panshop.
- * Outstanding cheque account .
- * Clearance of suspense account .

6.3.8. With the help of Cash book and Journal entries, necessary entries are posted in the respective individual accounts of the ledger and balances are struck for each account and on the basis of these balances of accounts, trial balance is prepared. The totals on credit and debit sides of trial balances should invariably be tallied. Revenue account and the balance sheet are prepared on the basis of trial balance.

CARETAKER SECTION

- 7.1.1. The Government have constructed 6 Multi storied Insurance Building Complex at the cost of Rs. 1.42 crores.
- 7.1.2. The above building is occupied by Director of Insurance, District Insurance Office, Hyderabad, D.I.O.Rangareddy District along with [5] tenant departments.
- 7.2.1. Caretaker section deals with the following aspects:
- a) Maintenance of civil, electrical and sanitary fixtures etc.
 - b) Maintenance of Water and Electricity systems.
 - c) Maintenance of fire Fighting system.
 - d) Maintenance of Generator.
 - c) Maintenance of Lifts.
 - f) Payments of electricity , water charges and property taxes.
 - g) Collection of rents and other charges from tenant departments
 - h) Allotment of canteen, cycle stand, panshop on tender basis.
 - i) Maintenance of Intercom and telephones
 - j) Watch and ward of the building.
- 7.3.1. In order to undertake above works, the Section is equipped with Electricians, Helpers, Operator cum Mechanic (Generator), Lift Operators, sweepers and Chowkidars. The above maintenance work is attended by them. All the correspondance in respect of above work either with connected agencies, PWD, Government , tenants is attended by the above Section.
- 7.4.1. That following registers are maintained :
- a) Rents Watch Register (Demand collection, Arrears of rent and other charges)
 - b) Log books on the maintenance of Generator,consumption of diesel etc.

- c) Inventory registers in respect of consumables i.e. sanitary items, electrical items etc.
- d) Payments made on account of electricity, Water diesel (generator), property tax.
- e) Audit paras.
- f) Works to be undertaken in each financial year by PWD etc.
- g) Amounts received from Canteen, cycle stand .

GROUP INSURANCE SCHEME

8.1.1. In terms of orders contained in G.O.Ms.No.293, Finance and Planning (FW Admn.II) Department, dated 8-10-1984, the A.P.Employees Group Insurance Scheme has been introduced in place of F.B.F. Scheme 1974 with effect from 1-11-1984 to provide the benefits of an insurance cover to help the families of the employees in the event of death while inservice and lumpsum payment to augment their resources on retirement.

8.1.2. **Scope of the Scheme:** This scheme is applicable to all AP Government employees, . employees of Panchayath Raj institutions, municipalities and work charged employees with ten years of service or more who have become as Government employees.

8.1.3. **Membership:** Under this Scheme, the employees have been grouped into four categories, as detailed below:-

SI.No.	Description of the Posts	Classification of posts
1.	Employees drawing pay in a scale of pay the maximum of which is Rs.1700/- and above	Group 'A'
2.	Employees drawing pay in a scale of pay. the maximum of which is Rs.1200/- and above but below Rs.1700/-	Group 'B'
3.	Employees drawing pay in a scale of pay the maximum of which is Rs.800/- and above but below Rs.1200/-	Group 'C'
4.	Employees drawing pay in a scale of pay, the Maximum of which is below Rs.800/-	Group 'D'

8.1.4. The contributions for the above categories is as follows:

'D' group employees will contribute (1) unit of Rs.10/-

'C' group employees will contribute (2) units of Rs.10/- each Rs.20/

'B' group employees will contribute (4) units of Rs.10/- each Rs.40/

'A' group employees will contribute (8) units of Rs.10/- each Rs.80/-

8.2.1. Insurance Fund: In order to provide insurance cover to employees, a

portion of the subscription at Rs.3,125 from each unit is credited to the Insurance Fund to be held in Public Account of A.P. Government. The amount of insurance is Rs.10,000/-for each unit of subscription and will be paid to the families of employees who die while in service. The balances in the Insurance Fund will earn the rate of interest of 5 1/2% per annum as at the prevailing rate of interest on the post office savings bank deposits.

8.2.2. Savings Fund : The remaining balance of the subscription is credited to savings fund and will be held in public account of Government of Andhra Pradesh. The total accumulation of savings fund together with interest thereon will be payable to the employee on his retirement or his death while in service. The Interest shall be allowed at 10% per annum compounded quarterly on the balances of Savings Fund.

8.2.3. Operation of the scheme: The Drawing and Disbursing Officer/Head of office shall recover the subscription of the employee by way of deduction from the salary of the employee for that month irrespective of the actual payment of that month. The subscriptions collected from the employees will be held in public account of Government and it bears interest compounded quarterly. The Head of office is competent to sanction payment of amounts due from Insurance Fund and Savings Fund to the families of employees who die while in service and the amounts due from savings fund to the employees in case of their retirement or cessation from service by presenting a bill to the District Treasury Officer.

Responsibilities of the Treasure Officers :

8.3.1 The District Treasury officer shall detach all the schedules in Annexure'A' which show the recovery of monthly subscription of employees deducted from the pay bills and also those relating to challan remittances by local bodies and others. A consolidated statement of subscriptions thereon shall be sent to the administrator of the scheme by 25 th of the following month.

8.3.2. The treasury officer shall classify the payments under the respective sub heads i.e. Insurance Fund and Savings Fund, based on the information received from the drawing and disbursing officers. While ren-

dering the accounts to the Accountant General, the payments debitable to each of the funds shown in separate columns and the total payments for the month as per the list shall be agreed with the account figures for the month under the respective months.

- 8.3:3. The Treasury officer shall keep a record of disbursements made under the scheme in a register in form Annexure-'d and furnish the information in annexure E to the administrator of the Scheme by 25th of the following month.

RESPONSIBILITIES OF THE ADMINISTRATOR OF THE FUND:

- 8.4.1. The Administrator of the Scheme shall consolidate the accounts of each month for the State as a whole with reference to the monthly statements of receipts and disbursements received from Treasuries.
- 8.4.2. The figures of receipts and payments for each quarter ending June, September, December and March shall be communicated to Accountant General, Andhra Pradesh, Hyderabad by the 15th of the subsequent month succeeding the Quarter, for carrying out adjustments in the accounts. The adjustment for the last quarter ending March shall however be carried out in the accounts of the same year in March or supplementary grants.
- 8.4.3. After taking into account of the payments made during a quarter, the interest shall be worked out on the positive balance under each of the funds at the rates notified by the Government and necessary information will be sent to Accountant General, Andhra Pradesh, Hyderabad by the 15 th of second month of the succeeding quarter for carrying out the adjustments.
- 8.4.4. The administrator shall watch the timely receipt of the consolidated schedules of receipts and disbursements from the Treasuries and reconcile the figures with those booked by the Accountant General, Andhra Pradesh, Hyderabad.
- 8.4.5. The estimates of receipts and disbursements under the Scheme as well as interest payments shall be furnished to Finance Department every year .

8.4.6. After taking into consideration of the Revised Pay Scales of 1986, Government have revised the Groups as indicated in G.O.Ms.No.293, Finance and Planning (FW Accts.II) Department, dated 8-10-1984 in the following manner vide GO Ms No.172, Finance and Planning (FW Admn.III) Department, dated 8-10-1992

S.No.	Description of posts in the Revised pay Scales, 1986	Classification of Posts
--------------	---	--------------------------------

- | | | |
|----|--|-----------|
| 1. | Employees drawing pay in a scale of pay, the Maximum of which is Rs.3500/- and above .. | Group 'A' |
| 2. | Employees drawing pay in a scale of pay : the maximum of which is Rs.2440/-and above but below Rs.3500/- | Group 'B' |
| 3. | Employees drawing pay in a scale of pay the maximum of which is Rs.1670/-but below Rs.2440/- | Group 'C' |
| 4. | Employees drawing pay in a scale of pay in a scale of paying Scales of pay the maximum of which is Rs. 1625/- or below - | Group'D' |

8.5.1 Government have also revised the above groups basing on the recommendations of the committee constituted for reviews of the working of AP.State employees Group Insurance scheme. The revised groups with reference to the Revised Pay Scales 1993 are ordered in G.O. Ms. No. 368 Fin and Plg (F.W. Admn II) Dept dt. 15-11-1994. These orders are coming into force with effect from 1-11-1994 i.e., The anniversary of the scheme.

The revised Groups are:

S. no	Discription of posts in the revised pay scales1993	Classification of posts
--------------	---	--------------------------------

- | | | |
|----|---|--|
| 1. | Employees drawing pay in a scale of Pay, the maximum of which is Rs. 7580/- and | |
|----|---|--|

- | | | |
|----|---|-----------|
| | above, | Group 'A' |
| 2. | Employees drawing Pay in a scale of Pay, the maximum of which is Rs. 5040/- and and above, but below Rs. 7580/- | Group 'B' |
| 3. | Employees drawing Pay in a scale of Pay, the maximum of which is Rs. 3420/- and above, but below Rs. 5040/- | Group 'C' |
| 4. | Employees drawing Pay in a Scale of Pay, the maximum of which is Rs. 3420 and below | Group 'D' |

8.5.2 Government have also revised the above rate for subscription of each unit from Rs. 10/- to Rs. 15/- with effect from 1-11-1994 through the above Government orders. As such, the rate of subscription for a member of the Scheme shall be Rs.15/-, Rs.30/-, Rs.60/- and Rs.120/- for Group 'D', 'C', 'B', and 'A' employees respectively. Each unit of subscription is revised to Rs.15/- from Rs.10/ and the amount of insurance is also revised to Rs.15,000/- instead of Rs.10,000/- for each unit of subscription. Government have further revised the portion of subscription for insurance fund and saving fund and fixed in the ratio of Rs.4.50 and Rs.10.50 for each unit of subscription of Rs.15,00. The rate of interest on the Savings Fund balances has been revised from 10% to 12% (compounded quarterly) with effect from 1-11-1994.

8.5.3. In view of the Revision of Pay Scales 1999, Government vide G.O.Ms.No.193, Fin. & Pig. (FW.Admn.II) Department, dated 18.11.1999 have revised the Groups under A.P. State Employees Group Insurance Scheme as detailed below:

S.No.	Description of posts in the Revised Pay Scales, 1993	Classification of Posts
1.	Employees drawing pay in a scale of pay, the Maximum of which is Rs. 14425/- and above	Group 'A'
2.	Employees drawing pay in a scale of pay the maximum of which is Rs. 9600/- and above but below Rs. 14425/-	Group 'B'

3. Employees drawing pay in a scale of pay
the maximum of which is Rs. 6550/-
but below Rs. 9600/- Group'C'
4. Employees drawing pay in a scale of pay
the maximum of which is below Rs. 6550/- Group'D'

8.5.4. The benefits from the Savings Fund under A.P. State Group Insurance 1984 (from 1-11-1984 to 31-10-2004) on cessation of membership are given below: .

(10% p.a. compounded quarterly)

TABLE - I

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
1-11-84	1195	1213	1230	1246	1264	1281	1298	1316	1333	1351	1370	1388
1-11-85	1005	1021	1036	1051	1067	1082	1098	1114	1130	1146	1163	1179
1-11-86	836	850	864	878	892	906	920	934	948	962	976	990
1-11-87	681	693	705	718	731	744	757	770	783	796	809	822
1-11-88	541	552	563	575	586	597	609	621	633	645	657	669
1-11-89	412	422	433	443	454	464	475	486	497	508	519	530
1-11-90	295	305	314	323	333	343	352	362	372	382	392	402
1-11-91	189	198	206	215	224	232	241	250	259	268	277	286
1-11-92	94	101	109	117	125	132	140	148	157	165	173	181
1-11-93	7	14	21	28	35	42	49	57	64	71	79	86

The above benefits includes the subscription amount credited to Saving Fund alongwith interest earned thereon.

Table II represents the interest accrued the accumulation of saving fund as on 31-10-94 from 01-11-1994 onwards, and the Table - II represents the benefits towards the contribution of Rs. 15/- with effect from 01-11-1994

GOVERNMENT OF ANDHRA PRADESH
FINANCE AND PLANNING (FW.ADMN.II) DEPARTMENT,

CIRCULAR MEMO NO. 34520 /147/ADMN.II A2/99

Dated:18-11-1999

Sub : Public Services -Welfare -Andhra Pradesh State Employees Group Insurance Scheme, 1984 - communication of Table of benefits from Savings fund for the period 1999- 2000 to 2003-2004 -Regarding.

- Ref : 1. G.O.Ms. No. 367, Finance and Planning (FW. Admn.II) Department, Andhra Pradesh, Hyderabad, dated : 15-11-1994.
2. G.O.Ms. No.381, Finance and Planning (FW.ADMN.II) department, Andhra Pradesh. Hyd, dt. 5-12-1994
3. G.O.Ms.No.382 Finance and Planning (FW.Admn.II) Department, Andhra Pradesh, Hyderabad. dated : 05.12.1994
4. Govt. cir. Memo.No.1749-B/28/A2/Admn. II/96, Finance and Planning (FW. Admn. II) Department, Andhra Pradesh, Hyderabad, dated : 24-02-1996
5. From the Director of Insurance, A.P. Hyd, Lr. No. 1/GIS-I/98-99 dt: 13-8-1999
6. G.O. Ms. No. 193, Fin & Plg (FW. Admn. II) Dept. Dt: 18-11-1999.

In supercession of the Government Orders issued vide Government Memo. 4 th cited , the Table of benefits I ,II and III on Savings Fund of A.P.S.E. Group Insurance Scheme 1984 on cessation of membership during the period from 01-11-1999 to 31-10-2004 are appended herewith for making payments. The Table - I represents the accumulated savings as on 31-10-1994

Veenaiash

Addl. Secretary To Government

To

All Departments fo Secretariat.

All Heads of Departments etc.

FOR WARDED BY ORDER

SECTION OFFICER

Table - II

TABLE SHOWING THE INTEREST PAYABLE (INTEREST ONLY) ON THE ACCUMULATION OF SAVINGS FUND AS ON 31-10-1994 PER EACH UNIT OF RS. 10/- @ 12% P.A COMPOUNDED QUARTERLY ON CESSATION OF MEMBERSHIP FROM THE SCHEME.

	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug.</u>	<u>Sep</u>	<u>Oct</u>
ACS86												
1994-1995	1	2	3	3	4	5	6	7	8	9	10	11
1995-1996	12	13	14	15	16	17	18	19	20	21	22	23
1996-1997	24	25	26	27	28	30	31	32	33	34	35	37
1997-1998	38	39	40	42	43	44	45	47	48	49	51	52
1998-1999	53	55	56	58	59	60	62	63	65	66	68	69
1999-2000	71	72	74	76	77	79	80	82	84	85	87	89
2000-2001	91	92	94	96	98	99	101	103	105	107	109	111
2001-2002	113	115	117	119	121	123	125	127	129	131	133	135
2001-2003	138	140	142	144	147	149	151	154	156	158	161	163
2003-2004	166	168	171	173	176	178	181	184	186	189	192	195
ACS 181												
1994-1995	2	4	5	7	9	11	13	15	17	19	21	23
1995-1996	25	27	29	31	33	35	37	39	42	44	46	48
1996-1997	51	53	55	58	60	62	65	67	70	72	75	77
1997-1998	80	82	85	87	90	93	95	98	101	104	107	109
1998-1999	112	115	118	121	124	127	130	133	136	140	143	146
1999-2000	149	152	156	159	162	166	169	173	176	180	183	187
2000-2001	191	194	198	202	206	209	213	217	221	225	229	233
2001-2002	237	241	246	250	254	258	263	267	272	276	281	285
2002-2003	290	294	299	304	309	313	318	323	328	333	338	344
2003-2004	349	354	359	365	370	376	381	387	392	398	404	409
ACS 286												
1994-1995	3	6	9	11	14	17	20	23	27	30	33	36
1995-1996	39	42	46	49	52	55	59	62	66	69	73	76
1996-1997	80	84	87	91	95	98	102	106	110	114	118	122
1997-1998	126	130	134	138	142	147	151	155	160	164	168	173
1998-1999	177	182	187	191	196	201	206	211	216	220	225	231
1999-2000	236	241	246	251	257	262	267	273	278	284	290	295
2000-2001	301	307	313	319	325	331	337	343	349	356	362	368
2001-2002	375	381	388	395	401	408	415	422	429	436	443	450
2002-2003	458	465	473	480	488	495	503	511	519	527	535	543
2003-2004	551	559	568	576	585	593	602	611	620	629	638	647
ACS 402												
1994-1995	4	8	12	16	20	24	29	33	37	42	46	50
1995-1996	55	59	64	69	73	78	83	88	92	97	102	107
1996-1997	112	117	123	128	133	138	144	149	154	160	166	171
1997-1998	177	183	188	194	200	206	212	218	224	231	237	243
1998-1999	249	256	262	269	276	282	289	296	303	310	317	324
1999-2000	331	339	346	353	361	368	376	384	391	399	407	415
2000-2001	423	431	440	448	456	465	474	482	491	500	509	518

A.P. GOVT. LIFE INSURANCE

GROUP INSURANCE SCHEME

2001-2002	527	536	545	555	564	574	583	593	603	613	623	633
2002-2003	643	654	664	675	685	696	707	718	729	740	752	763
2003-2004	775	786	798	810	822	834	846	859	871	884	896	909
ACS 530												
1994-1995	5	11	16	21	27	32	38	43	49	55	61	67
1995-1996	72	78	84	90	97	103	109	115	122	128	135	141
1996-1997	148	155	162	168	175	182	189	196	204	211	218	226
1997-1998	233	241	248	256	264	272	280	288	296	304	312	320
1998-1999	329	337	346	355	363	372	381	390	399	409	418	427
1999-2000	437	446	456	466	476	486	496	506	516	526	537	547
2000-2001	558	569	580	591	602	613	624	636	647	659	671	683
2001-2002	695	707	719	731	744	756	769	782	795	808	821	835
2002-2003	848	862	876	890	904	918	932	947	961	976	991	1006
2003-2004	1021	1037	1052	1068	1084	1100	1116	1132	1149	1165	1182	1199

A.C.S. = Accumulated Savings as on 31-10-1994

	Nov	Dec	Jan	Feb	Mar.	Apr.	May	Jun	Jul	Aug	Sep	Oct
ACS669												
1994-1995	7	13	20	27	34	41	48	55	62	69	77	84
1995-1996	91	99	107	114	122	130	138	146	154	162	170	178
1996-1997	187	195	204	213	221	230	239	248	257	266	275	285
1997-1998	294	304	313	323	333	343	353	363	373	384	394	405
1998-1999	415	426	437	448	459	470	481	493	504	516	527	539
1999-2000	551	563	576	588	600	613	626	638	651	664	678	691
2000-2001	704	718	732	746	760	774	788	802	817	832	847	862
2001-2002	877	892	908	923	939	955	971	987	1004	1020	1037	1054
2002-2003	1071	1088	1105	1123	1141	1159	1177	1195	1213	1232	1251	1270
2003-2004	1289	1309	1328	1348	1368	1388	1408	1429	1450	1471	1492	1513
ACS 822												
1994-1995	8	16	25	33	42	50	59	67	76	85	94	103
1995-1996	112	122	131	140	150	160	169	179	189	199	209	219
1996-1997	230	240	251	261	272	283	294	305	316	327	338	350
1997-1998	362	373	385	397	409	421	434	446	459	471	484	497
1998-1999	510	523	537	550	564	577	591	605	619	634	648	663
1999-2000	677	692	707	722	738	753	769	784	800	816	833	849
2000-2001	866	882	899	916	933	951	968	986	1004	1022	1040	1059
2001-2002	1077	1096	1115	1134	1154	1173	1193	1213	1233	1253	1274	1295
2002-2003	1316	1337	1358	1380	1402	1424	1446	1468	1491	1514	1537	1560
2003-2004	1584	1608	1632	1656	1681	1705	1730	1756	1781	1807	1833	1859
ACS 990												
1994-1995	10	20	30	40	50	60	71	81	92	103	113	124
1995-1996	135	146	158	169	181	192	204	216	228	240	252	264
1996-1997	277	289	302	315	327	340	354	367	380	394	408	422
1997-1998	435	450	464	478	493	507	522	537	552	568	583	599
1998-1999	614	630	646	663	679	695	712	729	746	763	781	798
1999-2000	816	834	852	870	888	907	926	945	964	983	1003	1022
2000-2001	1042	1063	1083	1103	1124	1145	1166	1188	1209	1231	1253	1275
2001-2002	1297	1320	1343	1366	1389	1413	1437	1461	1485	1510	1534	1559
2002-2003	1585	1610	1636	1662	1688	1715	1741	1768	1796	1823	1851	1879

A.P. GOVT. LIFE INSURANCE

GROUP INSURANCE SCHEME

	1908	1936	1965	1995	2024	2054	2084	2115	2145	2176	2208	2239
ACS 1179												
1994-1995	12	23	35	47	60	72	84	97	109	122	135	148
1995-1996	161	174	188	201	215	229	243	257	271	285	300	315
1996-1997	329	344	359	375	390	405	421	437	453	469	485	502
1997-1998	519	535	552	570	587	604	622	640	658	676	694	713
1998-1999	732	751	770	789	808	828	848	868	888	909	930	950
1999-2000	971	993	1014	1036	1058	1080	1102	1125	1148	1171	1194	1218
2000-2001	1241	1265	1290	1314	1339	1364	1389	1414	1440	1466	1492	1518
2001-2002	1545	1572	1599	1627	1655	1683	1711	1740	1769	1798	1827	1857
2002-2003	1887	1917	1948	1979	2010	2042	2074	2106	2139	2171	2205	2238
2003-2004	2272	2306	2341	2375	2411	2446	2482	2518	2555	2592	2629	2667
ACS 1388												
1994-1995	14	28	42	56	70	85	99	114	129	144	159	174
1995-1996	190	205	221	237	253	269	286	302	319	336	353	370
1996-1997	388	405	423	441	459	477	496	514	533	552	572	591
1997-1998	611	630	650	671	691	711	732	753	774	796	817	839
1998-1999	861	884	906	929	952	975	998	1022	1046	1070	1094	1119
1999-2000	1144	1169	1194	1220	1245	1272	1298	1324	1351	1378	1406	1434
2000-2001	1461	1490	1518	1547	1576	1605	1635	1665	1695	1726	1757	1788
2001-2002	1819	1851	1883	1915	1948	1981	2014	2048	2082	2116	2151	2186
2002-2003	2222	2257	2293	2330	2367	2404	2441	2479	2518	2556	2595	2635
2003-2004	2675	2715	2755	2797	2838	2880	2922	2965	3008	3051	3095	3140

TABLE - I

TABLESHOWING THE ACCUMULATED SAVINGS OF BENEFITS FROM SAVINGS FUND PER EACH UNIT OF Rs. 10/- upto 31-10-1994.

No. of completed years from the date of entry into the scheme to the date of 31-10-1994	Accumulated Saving as on 31-10-1994 (i.e.the sum of portion of the Savings fund contribution with interest thereon.
1	86
2	181
3	286
4	402
5	530
6	669
7	822
8	990
9	1,179
10	1,388

TABLE - III

Table showing the benefit i.e. accumulated savings with interest from Saving Fund on the Revised Rate of contribution of Rs. 15/- per month (Rs. 10.50 towards Saving Fund for each Unit Rs. 15 - per month) w.e.f. 1-11-1994 onwards at 12% per annum compounded quarterly on cessation of membership from the Scheme.

Year	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
1st Year 1994-1995	11	21	32	43	54	65	76	87	98	110	121	133
2nd Year 1995-1996	145	157	169	181	193	206	218	231	244	257	270	283
3rd year 1996-1997	296	310	323	337	351	365	379	393	407	422	437	451
4th year 1997-1998	466	482	497	512	528	544	559	575	592	608	625	641
5th year 1998-1999	658	675	692	710	727	745	763	781	799	817	836	855
6th year 1999-2000	874	893	912	932	952	971	992	1012	1032	1053	1074	1095
7th year 2000-2001	1117	1138	1160	1182	1204	1226	1249	1272	1295	1318	1342	1366
8th year 2001-2002	1390	1414	1439	1463	1488	1514	1539	1565	1591	1617	1643	1670
9th year 2002-2003	1697	1725	1752	1780	1808	1837	1865	1894	1923	1953	1983	2013
10th year 2003-2004	2043	2074	2105	2137	2168	2200	2232	2265	2298	2331	2365	2399

ACS = Accumulated Savings as on 31-10-1994

8.5.5. The benefits from Savings fund in respect of persons who ceased the membership from the Scheme on and after 01-11-1994 should be calculated as detailed below :

1. First, the eligibility amount as on 31-10-1994 should be arrived for each unit by referring the table - I
2. Add : The interest earned on eligible amount from -1-11- 1994 to the date of cessaion by referring the Table - II
3. Multiply the arrived product at item (1+2) X number of units subscribed.
4. The benefits from the savings Fund on the revised rate of subscription from 01.11.1994 for each unit of subscription by referring Table III.
5. Multiply the arrived product at item (4) X No. of Units subscribed.
6. Total payable amount (3+5)

8.6.1 Functions of the Functioney :

- a) Receipt of proceedings issued by the various Drawing and Disbursing Officers/Heads of Offices.
- b) Scrutiny of the proceedings /payment orders.
- c) Receipt of monthly reports in 'B' & 'E' formats from the District Treasuries.
- d) Reconciliation of figures both receipts and payments with those booked in Accountant General , Andhra Pradesh, Hyderabad.
- e) Submission of Budget Estimates under M. H.2235 - 060 -105 -04 and M.H. 8011 -107-07 and M.H. 2049-Interest Payments.
- f) Preparation and submission of qarterly returns to Government of interest payments.
- g) Issue of clarifications in implemetation of the Scheme.
- h) Review of the Scheme for every three years .
- i) Distribution of budget among the District Treasury Offices and submission of number statements.
- j) Submission of statistical data to Government as and when required.
- k) Submission of detailed reports to Government on the implementation of the scheme.

8.6.2. Group Insurance Audit Parties :

Government vide G.O.Ms.No.22 , Fin. & Plg. (FW.Admn. II) Department , dated 22-2-1995, have sanctioned six audit parties to the Insurance departmnet Zone/wise with one Superintendent and two senior Accountants each these Touring/Audit parties shall conduct tours to each and every Government office/Municipality and Panchayat Raj Institutions in the Districts and inspect the records of A.P State Group Insurance Scheme and verify the service registers of the employees about the correctness of the entries on recovery of subscription at appropriate rates as per the orders issued by the Government from time to time and payment are made as per rules.

8.6.3 Functions of the Audit Parties :

- a) Chalk out Tour programmes well in advance.
- b) Intimation to the concerned office well in advance.
- c) Furnishing of questionnaire to the Heads of offices.
- d) Verification of Pay bills to see that whether the employees are subscribing at appropriate rates in accordance with the Government orders.
- e) Verification of payment proceedings and copy of the bills and see that whether the payments are made as per rules under relevant head of account.
- f) Verification of service Registers of the employees to find out the entries of nomination, revision of subscription and entries of annual subscriptions.
- g) Verification of entry of F.B.F. accumulated amount as on 31.10.1984 in the Service Register .
- h) Verification of register of members of A.P.State Employees Group Insurance Scheme.
- i) Collection of monthly reports in 'B' and 'E' format from the District Treasuries.
- j) Submission of Tour Report detailing the findings of the verification.

8.6.4. The following registers should be maintained under Group Insurance Scheme.

1. Reconciliation register .
2. Court Cases register .
3. Tour Programmes register .
4. Major findings of the Audit Parties register.
5. Stock file.

COMPUTER SECTION

9.1.1. Government vide G.O.Ms.No.43, Fin. & Plg. (FW.Adm.II) Dept., dt.28.02.1997 have decided to Computerise the Andhra Pradesh Government Life Insurance Departmental Accounts. The computerisation work is entrusted to A.P .T .S.

9.1.2. The Computerisation has to be completed in two phases. In first phase, the works such as purchase of Hardware to the erstwhile Hyderabad Regional Office, Training to Staff Members, Creation of Master Data and development of Software are included. To watch the progress of Computerisation, a Section is created in Directorate namely "Computer Section "

9.1.3. The Functions of the Computer Section are:

1. Review of progress of development of Software. ;
2. Integration of credits to the Master Data created and its updation.
3. Timely preparation of programmes to stabilize the Computerisation.
4. Expansion of Computerisation to other District Insurance Offices.

DESPATCH SECTION

11.1.1. All the Fair copies of the letters, periodicals, memos should -be despatched to other departments/offices through this Section only. When the officer signed the fair copy it should necessarily be sent to Despatch Section for despatch. The despatch of letters should be done without further delay.

Functions of the despatch clerk :

1. Entries in despatch register
2. Preparation of covers duly addressed
3. Weighing the covers for affixing of postal stamps
4. Maintenance of service ticket register
5. Maintenance of local delivery book.

11.1.2 When the Superintendent, Despatch Section receives the fair copies of letters from the Sections, he should check up whether all the Letters are signed by the officer concerned and also see whether the enclosures are attached correctly to the letters. If it is found in order, he shall hand over the letters to the despatch clerk for despatch. The despatch clerk shall enter the letters in the despatch register which should be maintained in the following format:

S.No	Date	No. of enclosures	To whom addressed	Subject	File No.	Reply No. / Date	Remark
1	2	3	4	5	6	7	8

Column No. 1: The serial number of the register is indicated. The serial number starts from 1st April and ends by 31 March.

Column No. 2: Date of despatch of the letter is indicated. The serial number of the despatch register and the date of despatch should be indicated on

the draft letter and then the file 'may be returned to concerned section .

Column No.3: Enclosures if any to the communication is mentioned, I

Column No.4: The communication to whom it is address, is indicated-

Column No.5: Subject of the communication in brief should be indicated.

Column No.6: The file number of the section or the, 'letter number of the communication is indicated.

Column No.7: After verifying the Inward, the reply to 'the communication is entered in this column.

Column No. 8: Remarks if any should be indicated.

15.2.1 After entering the details of the despatch letters in the register, the despatch clerk shall prepares a cover, writing the address of the communication duly stamping the office seal at the left side of the cover and insert the: communication into the cover. After closing the cover, it will be weighed and .according to weight, the postal stamps are affixed as per the postal rates in force. He shall then take necessary entry in the service ticket register.

15.2.2 The Service Ticket Register should be maintained in the following format

Date	Outward No.	To whom sent	Receipt	Expenditure	Balance	Remark
1	2	3	4	5	6	7

Column No.1:The date of despatch should be indicated.

Column No.2:The serial number of outward (despatch) register is indicated.

Column No.3: The cover to whom it is sent may be mentioned clearly.

Column No.4:The postal receipt in token of registered post should be pasted.

Column No.5:The expenditure on account of despatch of said letter towards postal charges is indicated.

Column No.6:The balance of postal stamps should be indicated.

15.2.3 At the end of a working day, the details of opening balance of service

postage, the expenditure incurred on the working day and the balance of service postage should be shown in this register. The denomination of balance of service postage and it should be got certified by the officer concerned on the same day. For communication to be delivered locally by hand a separate register 'local delivery book' should be maintained.

15.3.1 Functions of the Superintendent : The Superintendent, Despatch Section should see that all the Registers are maintained properly and it should be periodically checked. He should also see that the despatch of letters should be done without any delay.

15.3.2 Work Norms:

In terms of G.O.Ms.No.109, Finance and Planning (FW Admn.II) Department dated 15-4-1995 the despatch clerk shall despatch atleast (100) letters per day.

DISTRICT INSURANCE OFFICES

Vide G.O.Ms.No 209 Fin. & Plg. Department, dated: 17 -12 -1997, Government have reorganised the Department to District level and established (23) District Insurance Offices at all the District Headquarters except Krishna District where it is located at Vijayawada. The District Insurance Offices located in the Zonal Headquarters are headed by Zonal Joint Directors. The District Insurance Offices where the policyholders are more than 35,000 are headed by Deputy Directors. The other District Insurance Offices are headed by Assistant Directors. The delegation of powers in respect of the insurance business are concerned, i.e, the powers in insurance of policies, sanction of loans and settlement of claims are fully delegated to the District Insurance Officers. However, the cases which do not come under the existing rules of A.P .Govt. Life Insurance Fund Rules and as per the procedures prescribed by the Directorate, Legal matters etc. should be referred to Directorate for clarification and guidelines. Any subscriber who is aggrieved by any order or opinion in connection with Insurance shall have a right to appeal to the Director/Government in the Finance Department and their decision in the matter shall be final.

SUPERINTENDENT :

In the District Insurance Offices, the Superintendents are assisting to the District Insurance Officers in discharging their routine office functions, supervising two or more Sections as entrusted .

SENIOR ACCOUNTANT:

The Senior Accountants are the case workers in each Section. They are discharging their routine office duties entrusted to them.

The District Insurance Officers have been given full powers in respect of administrative, financial and insurance business that are being delegated to the erstwhile Regional Deputy Directors as per G.O.Ms.No.209, Finance and Planning (PW Admn.II) Department, dated 17-12-1997. As such, the District Insurance Officers shall attend the following functions:

- a) administration of their establishment
- b) drawal of pay and allowances of the establishment .
- c) acceptance of proposals and issuance of policies.

- d) receipt of monthly schedules and posting of premiums into relevant ledgers.
- e) Sanction of loans and maintenance of prescribed registers.
- f) Settlement of claims and maintenance of prescribed registers.
- g) Transfer of records from one district to another .
- h) Clearance of suspense.
- i) Preparation of preliminary data for preparation of Proforma Accounts.
- j) Preparation of preliminary data for preparation of Movement Schedules.
- k) Submission of monthly periodicals, budget estimates and number statements .
- l) Reconciliation figures under MH 2235 and 8011.

Since the functions of the District Insurance Offices are distinct from other Government offices, the Tottenham system of office procedure with suitable modifications are followed for conducting routine business in District Insurance Offices.

DISTRICT OFFICE ORGANISATION:

For convenient and smooth transaction of official business, the office has to be divided into Sections, comprising of two, three or four, more clerks according to the workload ensuring equal distribution of work among the clerks. The work of each clerk has to be specified by an office order issued by the Head of Office. The Section head should exercise control and supervision over the clerks in his Section and ensure that the correspondence is promptly attended to. He will also be responsible for promptness in fair copying and dispatch of Letters.

OFFICE CORRESPONDENCE :

Generally in service sections of District Insurance Offices, the files comprises of the incoming and outgoing papers of the policyholder and other intermediary correspondence including the routine reminders which called policy file. In case any note file is written, such note files also filed in the policy file.

The pages of the policy file and the note file have to be numbered in Red Ink and the index has to be written on the backside of the file cover. The policy number of the policyholder should be written on the face of the file cover attached to the policy file visibly and distinctly. Files have to be maintained neatly and arranged in policy number serial-wise. No file can be kept with the Section after the action is over and the tappal is despatched. The Section head is responsible for prompt transmission of policy files to the records.

Notes are essentially written for correction of records, issue of duplicate policies, supplementary policy files, death within three year cases, proposals received and accepted after the death of the subscribers, abnormalities noticed in proposal forms, for deciding the legal heirs, recording and changing of nominations, in respect of cases where the rules or procedures are not available/prescribed etc.

Generally, the following Sections are in existence in the District Insurance Offices to transact the Insurance Business:

1. Inward
2. New Business
3. Loan
4. Claim
5. T.R.F. Section
6. Rough Ledger posting
7. Loose Leaf posting
8. Valuation
9. Cheque Section
10. Record
11. Suspense
12. Administration
13. Accounts
14. Stationery
15. Despatch

1. INWARD SECTION:

- 1.1 The functions of the functionary in this Section are,
1. Opening of tappals from the sealed covers.
 2. Putting Date Stamp on the tappal papers.
 3. Submission of tappal to the Officer.
 4. Entry of tappals in the Inward Register.
 5. Transmission of tappal papers to the concerned section through Transit Register .
 6. Preparation of monthly abstract. :
- 1.2.1 On each working day, the Inward Clerk receives tappal through post or in person (local tappal). At the beginning of the working day, the tappal so received by the concerned clerk, he shall open the covers and takes out the papers in the presence of Assistant Director (District Insurance Officer)
- 1.2.2 The Date Stamp should be affixed on each and every tappal. In respect of Proposal forms, loan forms and claim forms, the date stamp should be stamped only on the top right hand corner of the forms but not on the covering letters. If a bunch of forms is received, the date stamp should be affixed on each and every form.
- 1.2.3 All stamped tappal should be submitted to the officer for perusal and his signature.
- 1.2.4 On receipt of tappal from the Officer, the clerk should take necessary entries in the Inward Register .

The format of the Inward Register is as follows: -

Sl. No.	No. and date fo communication	From whom received	Subject Purpose of Communication	File No.	Initial of the official receiving the communication	D i s - p o s a l Files dated.	Transferred to Section
1	2	3	4	5	6	7	8

1.2.5 The Inward Register is maintained in the format prescribed above for each financial year .

1.2.6 How to take entry in Inward Register:

Column No.1: The serial number of the Inward register is given from the Commencement of Financial Year in seriatum. After entering the Serial No. in the Register, the same number should also be noted on the current (Inward Letter / Form).

Column No.2: Out side letter number and date should be entered.

Column No.3: From whom the current is received "detailing the Subscriber's name, office, etc should be entered clearly and distinctly.

Column No.4: Purpose of the communication should be entered I.e. Issue of Policy, sanction of Loan, settlement of claim etc.

Column No.5: The Policy file No. should be entered in this column.

Column No.6: Section to which it belongs should be entered.

Column No.7: No. of enclosures received along with covering letter should be entered clearly.

Column No.8: The date of transfer of current to the Section concerned should be entered .

N.B. The currents received in Telugu/English language should invariably be entered in the respective language only.

1.2.7 After completion of entries in Inward Register, the currents should be transmitted to the concerned Superintendent through Transit Register entering the date, Serial Numbers of the currents and obtain the acknowledgement on the same day from the concerned.

1.3.1 At the closure of the month, the Inward clerk should prepare the monthly abstract with the following details.

No.of currents received during the month	No. of currents received in Telugu	No. of currents received in English
(1)	(2)	(3)

1.3.2 Also an abstract showing the currents transmitted during the month should be prepared section-wise and tally with the total number of currents received during the month.

Section	No. of currents transmitted during the month.
---------	---

1.3.3 After preparation of monthly abstract, the clerk shall submit the Inward Register to the Superintendent and Officer concerned and obtain their certification.

Functions of the Superintendent:

1.4.1 . He shall ensure that all the tappals are opened and entered in the Inward Register and distributed among the Sections on the same day.

1.4.2 He shall ensure that the currents are distributed among the concerned Sections under proper acknowledgement duly verifying the Transmit Registers at regular intervals. In token of the same, his verification dates should be entered in Transit Registers with his initial.

1.4.3 He shall see that the monthly abstract is prepared within the prescribed time limit and ensure the correctness of the abstract .

Functions of the Officer:

1.5.1 The Officer shall put his initial on the date stamp and mark the Section to which they belongs.

1.5.2 In respect of Directorate letters, legal matters, District collector letters .and any other important letters etc., he should make appropriate endorsement on the margin of the Current to the concerned section and note down the said currents in the reminder book to watch the timely action of the disposal.

1.5.3 He shall see that the monthly periodical is prepared on the basis of monthly abstract and sent to Directorate within the time limit prescribed.

Work Norms:

1.6.1 The entries at the rate of 120 should be taken per day in Inward Register by the clerk as per the orders issued in G.O.Ms.No.109, Finance & Pig. (F. W.Admn.II) Dept., dated: 15-04-1995.

2. NEW BUSINESS SECTION

2.1.1 The New Business is responsible for all works connected with the receipt of Proposals to resultant of policies, Issue of duplicate policies, cancellation of proposal numbers and policy numbers, Registration of nomination and registration of early death within (3) years from D.C.R. Allotment of "A" number, alterations in the records etc.

2.2.1 Normally, the following functions are to be undertaken by the functionaries in New Business Section:

- a) Registration of Proposal forms/letters in Personal Register .
- b) Calling of Policy files from Record/other District offices through Tr.F.. Section, if it happens a subsequent proposal.
- c) Scrutiny of Proposal Forms. :
- d) Calculation of Sum Assured at Ordinary rates.
- e) Allotment of Proposal numbers and Policy numbers.
- f) Preparation of Draft Policy, Fair Policy, Loose Leaf and White Card.
- g) Despatch of Policies.
- h) Processing of objection proposals
- i) Maintenance of objection proposals controlling register .
- j) Processing of abnormality health proposals.
- k) Arranging of Medical Examination.
- l) Scrutiny of Medical Reports.
- m) Cancellation of proposal number and policy number.
- n) Registration of Nomination.
- o) Maintenance of Nomination Register.
- p) Processing of application for issue of duplicate policies.
- q) Maintenance of duplicate policies register .
- r) Allotment of "A" number

- s) Registration of early death claims within (3) years.
- t) Processing of papers for corrections and alterations in the records.
- u) Processing of papers for preparation of supplementary policy files.

2.3.1 Registration of Proposal Forms/letters in Personal Register .

On receipt of the proposal forms/letters connected with New business from the Inward Section through the Superintendent, the New Business Section clerk should take necessary entries in the Personal Register on the same day.

2.3.2 The entry of the currents in the Personal registers should be taken in following manner .

Column No 1 . SI.No. of the Personal Register entered. It continues from the commencement of the Financial Year and till the end of Financial Year.

Column No.2. Inward Register SI.No. of the current is indicated

Column No.3. Date of receipt of the current by the New Business clerk is mentioned.

Column No.4. Subject i.e. issue of fresh policy or enhancement policy, alterations, nominations etc, in brief should be recorded.

Column No.5. From whom the current is received should be recorded with full details (i.e. Proposer's name, designation, office from which the form is received.)

Column No.6. Out side Letter No., date and policy number if available should be recorded.

N.B. :-

- a) In case, more than one proposal is received along with covering Letter, separate entries should be taken in Personal Register for each and every Proposal form by allotting by numbers (Numerical) to the Inward number. For example if the Inward Number is 20, there are (3) Proposals received with one covering letter, the Inward Number for the First proposal will be 20 and the second will be 20/1 and the third one will be 20/2.

- b) All the entries in the Personal Register should be taken Inward serial number -wise.
- c) After taking entries in personal Register the New Business clerk should record the Personal Register SI.No. and the date of receipt of the Form in the marginal column of the form/current and rounding the entry for easy identification. In respect of proposal forms, said entry should be taken in the right corner of the 1st page of Proposal form .

Acceptance of fresh Proposals (First Proposals)

2.3 .3 The proposal forms received do not reveal any policy number and it appears that the proposal/letter is received in the office for the first time, such proposal forms are processed in the manner as given below.

a) **Scrutiny of Proposal Form:**

While scrutinising the First proposal form the following should be checked carefully.

- i) Whether all the Columns in the Proposal are properly filled in with 'Yes' or 'No' or with requisite information.
- ii) Whether the employee has completed one-year continues service from the date of appointment.
- iii) Whether his/her age is above (20) years but not above (48) years as on the date of commencement of risk.
- iv) Whether the premium paid by the employee is according to the pay slab prescribed.
- v) Whether the proposer is healthy as per the Column No. 9(A) of proposal form .
- vi) In case of female employee, the menstrual periods are regular as per the column for Women.
- vii) Whether the Proposer has signed the proposal form.
- viii) Whether the certificate of first premium deduction gives all the requisite details.

- ix) Whether the proposal form is attested by the Head of Office and he is a Gazetted Officer.
- x) The Head of Office is himself a proposer, immediate superior officer should attest his signature.

2.3.4 In the scrutiny, if the proposal form is found to be in order, O.R. shall be prepared and an entry to this effect shall be taken in the Personal Register at Column No.7

2.3.5 Calculation of O.R :

The following particulars are required for calculation of O.R.

- i) Date of commencement of risk (shall be the first day of the month following the deduction of first premium). 1-5-1998
- ii) Date of Birth 15-7-1955
- iii) Age next birthday (obtained by rounding off the age to the next higher) on the date of commencement. 43 years
- iv) Monthly Premium Rs.150/-
- v) Sum assured available in prescribed premium table with reference to the monthly premium contributed. Rs.25,425/-

1-5-1998

(-) 15-7-1955

16-9-42= 43years ,

43-150-25 425/-

Checked and submitted for O.R.

Clerk

Supdt.

D.I.O

The above calculation shall be done on the last page of proposal form where sufficient space is available.

2.3.6 **Allotment of Proposal and policy number:** After completing the O.R.

The clerk allots Proposal number and Policy number out of the series allotted to the respective District. The proposal cum policy regis-

ter is maintained for each Financial Year. This Register is kept opened till the preparation of Valuation data of that particular year. The policies whose commencement of risk falls in a particular financial year and the entries of such policies should be entered in same financial year of the Policy register. Ex.... Suppose the D.C.R. of policy is 1-1-1995, the entry should be taken in the Policy Register of 1994-95.

2.3.7 The entries in the proposal-cum-policy register shall be made as follows:

Column No.1 Policy Register Sl.No. is entered. The Serial no. of the policy register starts from the opening of the Register and continues till the closure of the Register .

Column No.2 Proposal Number. The proposal serial number is entered in this column. The serial no. of the proposal number is continued from the formation of the Regional Office, District.

Column No.3 Policy number. The policy number is entered in this column from out of policy number series allotted to the respective district.

Column No.4 The name of the insured, designation and office in which he is employed etc. is entered In this column as per the details given in the proposal form.

Column No.5 Date of commencement of risk. The D.C.R. may be entered in this column (as per O.R). :

Column No.6 Date of Birth. Date of birth may be entered as per Column No.2 of the Proposal form.

Column No.7 'Monthly premium. monthly premium is entered in this column (as per O.R.)

Column No.8 Sum Assured. Sum assured of the policy arrived in the O.R. may be entered in this column .

Column No.9 Date of Maturity. Date of maturity is calculated depending upon the superannuation age in force.

In terms of rule 6 of A.P .G.L.I.Rules only the endowment assurance policies are issued which matures on the superannuation of the employee.

2.3.7 The D.C.R. commencing (1) between 1st April, 1980 and 28th February,

1983 and (ii) 23rd August, 1984 onwards shall mature on the Government servants attaining the age of (58) years while the endowment policies under which coverage of risk commences before 01-04-1980 and between 1st March, 1983 and 22nd August, 1984 shall mature on the Government servant attaining the age of 55 years. "

The date of maturity is entered by taking the same from the calculation made in the draft policy.

Column No.10 Last premium due: This may be entered from the calculation made in the Draft Policy.

Column No.11: Date of despatch of policy bond is entered in this column.

2.3.8 The proposal number and policy number allotted by the clerk shall be noted down in the first page of proposal form and also on the draft policy in the respective columns with his initials.

2.3.9 The clerk incharge of proposal-cum-policy register is required to strike the page wise totals of premium and sum assured against fresh policies and subsequent policies separately. He shall clearly indicate the date of entries in the middle of the policy register. An abstract of page-wise totals should be prepared and grand totals be struck-up at the end of the month and the monthly periodical should be prepared in the prescribed format and furnish the same to Directorate by 3rd of every month. The monthly abstracts are to be certified by the Superintendent and Officer concerned.

2.3.10 Preparation of Draft Policy: The draft policy (Form No.11) shows the policy particulars on the basis of which the policy document is prepared.

The caseworker should carefully fill in the particulars of the draft policy.

- i) The calculation of O.R. is also to be shown on the draft policy in the space provided for
- ii) The age at entry is deducted from the age of Superannuation to arrive at the number of full years for which the employee has to pay the premium under the policy (term of the policy).

iii) The number of years (term of policy) is added to the date of commencement of risk deducting one day there from to arrive at L.P.D. For example a policy commencing from 01-02-1987 for a proponent aged (33 years.) The term of policy will be $58-33=25$ years and the L.P.D. will be $01-02-1987+25=01-02-2012$ (-) 01 day= 31-01-2012.

iv) Date of maturity: Date of maturity is arrived by adding the age of superannuation to the date of birth, deducting one day therefrom. For example

Date of Birth	20-06-1948
	58 years
	20-06-2006
	(-) 1
Date of maturity	19-06-2006

2.3.11 The particulars in the draft policy shall be entered on the basis of information available in the proposal form and also with the help of above calculations on the draft policy.

2.3.12 After preparation of draft policy, the file shall be submitted to the Superintendent and Officer concerned for approval duly preparing the Policy bond, loose leaf, and white card.

2.3.13 After approval, the forwarding letter of the policy bond in duplicate shall be prepared, duly indicating the date of despatch of policy bond in the last column of the proposal-cum-policy register and sent to the despatch section through transit register .

2.3.14 Objected proposals : -During the scrutiny of proposals, if some information is found missing for acceptance or any corrections are to be carried out such proposals shall be returned to the concerned office by issuing objection letter using the pre-printed stationery, duly recording the details of the objection in the objection proposals controlling register. The objection letters may be prepared in

duplicate, the original copy may be issued to the office concerned with a request to return the proposal duly attending the objections raised. The Section should retain office copy of the objection letter. If it is first proposal, such copies may be preserved in a separate file in seriatum as per the SI.No. of objection proposals controlling register. If already there is a policy file, the copy of objection letter may be filed in the concerned policy file.

2.3.15 The objection proposals controlling register is maintained as permanent record for each financial year. The format of the objection controlling register is as follows .

Sl. No	Date of entry	Name of the Proposer or Policy No.	Address	Nature of objection	Date on which the objection letter issued	Date of receipt of reply	Date of further letter	particulars of return	Date of receipt of Final reply
1	2	3	4	5	6	7	8	9	10

The SI.No. of the Register shall be continued from the commencement of the financial year till the closure of the Financial year,

Column No.1 Serial No. of the Register is entered.

Column No.2 Date on which the entry is made shall specify.

Column No.3 Name of the proposer and the policy No. if any is entered,

Column No.4 The Office address of the proposer is entered.

Column No.5 Nature of objection is entered,

2.4.1. On receipt of the reply/proposal duly rectifying the objections, the date of reply should be entered in Column No. (6) and rounding off the serial number of the Register. The Register has to be checked periodically to find out whether or not such proposals are returned. Reminders should be issued at least once in a month, duly indicating the reminder letter reference at Column No.(8) of the Register till receipt of such proposals in full form from the concerned.

N.B.: - 1. The objections register SI.No. and date of entry should be recorded in the first page of proposal.

2. All the Columns of the proposal form are checked-up thoroughly and raise the objections at a time but not in piecemeal.

2.4.4 While Issuing the objection letter, necessary entries in the Personal Register may be taken at Column No.(8) and (12) detailing the nature of objection and to whom the objected proposal is sent.

2.4.5 The same procedure should be followed in respect of enhancement proposals invariably.

2.5.1 Processing of proposals for enhanced Premium:

While entering the proposal form in the personal register, it reveals that if the employee is already a subscriber of A.P.G.L.I Fund quotes the policy number, the N.B.Clerk calls for the concerned policy file from the Record Section. The date on which file called for from the Record Section and the date of receipt of file from the record section should invariably noted in the personal register at Column No.7

2.5.2 On receipt of policy file, proposal form for additional insurance should be attached to the policy file and verify the following points carefully in addition to the procedure prescribed for processing the first proposal for insurance.

- a) Whether the name of the employee, father's name, date of birth is tallied with that of details mentioned in the first proposal form.
- b) Reply to Column No. 5(b)
- c) Whether the signature of the subscriber tallies with the signature in the first proposal form.
- d) Month of deduction and the rate of enhanced premium.
- e) Deduction of first premium (enhanced) details.
- f) Attestation and office seal of the officer concerned wherever required.

2.5.3. When the enhanced proposal is found to be in order and the state of health of the subscriber in Column NO. 5(B) is good and Column No. (c), (d) and (e) do not reveal any abnormal informations, the

proposal may be accepted at ordinary rates and the ordinary rate is calculated as follows :

- a) Monthly premium (enhanced)
- b) Date of commencement of risk (first day of next month of deduction)
- c) Date of Birth
- d) Age on next birthday
- e) Monthly premium
- f) Sum Assured
- g) Existing monthly premium
- h) Existing Sum Assured of the policy / Policies so far issued.

1-9-1997 (b)

1-7-1960(c)

0-2-37 - 38 years (d)

T.I.38-50(a) - 11,660/-(f)

A.I. 50/- (g)14,460/-(h)

100/- 26,120/-

Checked and Submitted for O.R.

Clerk

Supdt.

D.I.O.

2.5.4 Further the O.R. details of enhanced policies should be recorded on reverse side of 'A' Draft Policy.

2.5.5 In respect of allotment of proposal and policy number is concerned, the proposal number may be allotted in seriatum as per the serial number of proposal-cum-policy register. In respect of policy number , the existing policy number will be quoted, suffixing 'B' 'C' or 'D" [In case of 2nd, 3rd and 4th policies, 'B', 'C', and 'D' shall be suffixed to the existing policy number,] and the other process in respect of entries in proposal cum Policy Register, preparation of Draft Policy and Fair Policy Bond will be done as per the procedure laid down in

case of fresh proposal. Instead of preparing a new loose leaf, the subsequent policy details may be entered in the L.L. already in existence with existing policy number .

- Note: -
1. In case of female employees for further insurance, scrutiny of proposal forms shall be the same as that of first proposal.
 2. In case of objections if any, with regard to enhancement proposals, the procedure as adopted in the case of first proposals shall be followed.

2.6.1 Processing of proposals where abnormalities in the health History and in the Family History of the proposer is found:- while scrutinizing the proposal form whether it is first or enhanced, the clerk notices any abnormalities in the health history of the proposer and also in the family history , as given or informed by the proposer in the respective columns, the clerk shall put up a note detailing the facts, duly examining the case with reference to the guidelines issued and also further instructions if any issued by the Directorate, asking orders whether the proposal can be accepted at ordinary rates or to conduct medical examination as per medical guidelines. If the Officer passes the orders to process the proposal for acceptance at ordinary rates, the process of such proposal may be undertaken as per the procedure envisaged in earlier paragraphs. In case, the orders are passed to conduct medical examination, further action will be taken to direct the proponent to undergo Medical Examination.

2.6.2 Conducting of Medical Examination:— In terms of orders issued in G.O.Ms.No.27, Finance and Planning (FW Admn.II) Department, dated:22-2-1995, all proposals where the premium payable is within the compulsory limit, shall be exempted from medical Examination Further, the Director of Insurance shall have the descriptionary power to conduct the Medical Examination if the premium payable exceeds the compulsory limit. But the Fund can not accept the sub-standard lives 'where the proposers are suffering from serious ailments like Cancer, heart disease, heart surgery etc. In such case,

the conducting of Medical Examination is very essential under the principles of Insurance law. In such circumstances, the N.B.Clerk after obtaining note orders from the officer concerned shall prepare the covering letter forwarding the Medical Forms No.7 and 8 to the Medical Officer. The concerned department should be informed that the acceptance of proposal is subject to the out come of the medical Examination and directing the proponent to undergo medical examination on a particular date. The Medical Officer also informs about the diseases suffered by the proposer in the covering letter .

2.6.3 Scrutiny of Medical reports: The New Business clerk should see that ail the columns in the Medical report are filled up by the Medical Officer concerned and his opinion classifies the life of the proposer for insurance is given. The Medical Officer opines that the life of the proposer is first Class, the proposal may be accepted at O.R. and the same may be processed by the following normal procedure. But Medical Officer has mentioned IInd and IIIrd Class or IVth Class, such Medical reports may be referred to Directorate for guidelines.

2.6.4 The medical reports in respect of proposals where the premium is paid in excess of compulsory limit and the family health history or personal health history of the proposer found to be abnormal, the medical reports may be sent to Directorate for deciding the case. At present, it is observed that the conduct of Medical Examitiation is very rare. However, all the medical cases are entered in a separate register and watch the progress till the cases are finalised.

2.7.1 Cancellation of proposal number and policy number :

In case any proposal could not result into a policy after allotment of proposal number and policy number and kept them idle over a period of years or the proposer is not eligible due to over age etc.,such proposal numbers and policy numbers may be cancelled. In such circumstances, the clerk shall submit a note detailing the reasons for cancellation of proposal number and policy number. After or-

ders are obtained on note file from the Officer, the entry of proposal number and policy number on the proposal form should be rounded off and got attested by the Officer concerned. The entry in the proposal register as well as policy register in case these registers are combined as proposal-cum-policy register in that register also should be rounded off with the attestation of the Officer concerned.

- 2.8.1 **Registration of Nomination In case:** It is not possible for the insured to nominate a person while submitting the proposal form, a facility is given to nominate a person subsequently after the policy is issued. Also, the nomination can be changed at any time during the lifetime of the policyholder.

Rule 31 of A.P.G.L.I. Fund Rules says that :

Any subscriber to the fund shall have the right to nominate any person to whom the amount of policy or policies or surrender value, which may become due to him under these rules may be paid .

- a) Provided that any nomination to the exclusion of wife or husband or children shall be null and void.
- b) According to the rule, the policyholder may nominate a person or persons related to the subscriber by blood or marriage or a person whom he is legally bound to maintain.

- 2.8.2 A subscriber who subsequently desires to make a nomination shall submit an application to the District Insurance Officer in the prescribed form stating the name, sex, description of the nominee. In the event of there being more than one nominee, the subscriber shall also state as to how much amount he wishes to allot each of the nominee. On receipt of an application from the subscriber, shall enter the same in Personal Register and calls for the policy file from Record Section and attaches the nomination form to the policy file received. In the scrutiny, the particulars are incomplete or inconsistent, a letter is sent to the concerned Department in the proper form at the level of Superintendent.

2.8.3 The clerk shall submit a note to register fresh nomination detailing the , particulars given in the application form. After note orders are passed by the competent authority, nomination particulars are entered in serial order in the nomination register. The format of the Nomination register is given below: ,

Sl. No	Name of the Subscriber	Policy No.	Sum Assured	Amount Allotted	Name of the nominee/ Relationship with the policyholder
1	2	3	4	5	6

A rubber stamp then affixed on the reverse side of the Fair Policy as well as on the draft policy with serial number and date of nomination is also to be entered. The rubber stamp shall contain the following details:

Nomination Register Serial No. _____ Dated _____

As per the application of Sri _____ dated _____ the amount mentioned in document will be paid to the Nominee (S) shown below in accordance with Rule 31 of A.P .G.L.I. Fund Rules.

Name of the Nominee: _____

Relationship with the Policyholder: _____

Amount of Share Fixed : _____

Clerk _____

Supdt. _____

D.I.O. _____

2.8.4 - Thereafter, the policy duly endorsed with nomination particulars is returned to the policyholder by preparing the forwarding letter in duplicate. The original copy may be sent to the policyholder alongwith policybond and the other copy may be retained in the policy file.

2.8.5 Under the following circumstances, the nomination made at the time of proposal can be altered by making fresh nomination:

- (i) One or more nominees mentioned in the original nomination has expired;
- (ii) A policyholder was unmarried at the time of making the first nomination and is subsequently married.

When an application for changing of nomination is received, the New Business clerk shall follow the above procedure for registering the nomination

NB: - 1. If death of the subscriber occurs after the date of maturity or surrender but before the money is actually paid, the policy amount is not paid to the nominee but to the legal heirs of the policyholder .

2. Any nomination made during the life time of the policyholder but received in the department after the death of the policyholder should not be registered in the nomination register.

2.9.1 Issue of duplicate policy bond : In terms of Rule 38 of APGLI fund Rules, when a policy issued by the Department is lost, a duplicate thereof may be issued to the subscriber on paying a fee of one rupee and on submission of written application along with the requisite certificate.

A subscriber lost his policy bond/s may apply to the concerned District Insurance Office through an application asking for issue of duplicate policy bond for which he has to pay Rs.1. towards fee by way of remittance of challan into Government account by way of deduction from the salary under M.H. 8011 -Insurance and Pension Funds. 05 -State Government Insurance Funds 01-APGLI Fund accompanying a certificate in the format given below duly attested by a Gazetted Officer:

Declaration rearding loss of policy

I _____ S/oD/_____ hereby declare that the policies No has/have been lost and not mortgaged with any Bank, Firm, Third Party or any financial institution towards any loan .

Signature of subscriber

/Attested/

Signature of certifying Gazetted Officer
Name, Designation and Office seal

NB: The fee is paid through challan, the original foil of the challan is enclosed to the application or the fee is deducted from the salary of the subscriber, a certificate from the Drawing and

Disbursing Officer concerned is enclosed .

2.9.2 When an application form is received for issue of duplicate policy bond/s, the clerk first enters the same in the Personal Register in the manner in which already explained in the earlier paragraphs and calls the policy file from the record section. On receipt of policy file, attaches the application and its enclosures and submits a Note with all requisite details, such as who is asking for duplicate policy bond, in which office he is employed, the reason for loss of policy bond, whether the requisite certificates are enclosed and the fee is paid as per Rules to the Fund Account. After orders are passed by the officer concerned, an entry be recorded on the draft policy and prepares a duplicate policy bond and submits for attestation of the officer concerned, duly recording an entry in duplicate policies register maintained in the format given below.

S.No.	Date of Issue	Name of the subscriber	Policy No.	Amount Paid
1	2	3	4	5

After the attestation of the duplicate policy bond, the same may be sent to the concerned department by preparing the covering letter in duplicate at the level of superintendent.

2.10.1 Allotment of "A" Number : Allotment of 'A' account number arises in case where the unauthorised amounts credited to the A.P. G.L.I.Fund Account and necessitates its refund to the individuals in respect of L I C, overage and any other deductions pertaining to the employees. In such cases, the claims section pass on the file to the N B Section after taking note orders for allotment of 'A' Account Number. The new business clerk shall maintain a register of allotment of 'A' Account Number and prepares the loose leaf for such cases and sends them to valuation section.

2.11.1 Maintenance of record of deaths within 3 years : When a claim has arisen within (3) years from the date commencement of risk of the policies, the claims clerk shall pass on the file to N B Section for recording entries in the "Death within (3) years Register". N.B. Clerk after taking necessary entries in the Register and returns the file to Claim Section for further action.

The format of Death within (3) years register is given below

Sl. No.	Policy No.	Name of the policyholder	Date of commencement of risk of the plicy	Date of death	Cause of Death	Remarks
1	2	3	4	5	6	7

This information is essentially required at the time of actuarial investigation to know the trend of early deaths.

2.12.1. Process of application for correction and alterations in the records :

When a policy is issued, if the subscriber notices any mistakes in the preparation of Fair Policy, such mistakes will be intimated to the Insurance Department for making necessary corrections in the records. These mistakes are due to oversight by taking the information into draft policy from the proposal form or due to furnishing of wrong information by the subscriber in the proposal form about his name, date of birth and nominee's name, nominee's father's name etc. If such things are there, the N.B. clerk shall call for the policy bond from the policyholder .

2.12.2 On receipt of the policy bond, the clerk calls for the concerned policy file from Record Section and attaches the papers to the policy file and submits a note detailing the reason for occurring the mistake in the draft policy whether they are due to oversight while taking the information from the proposal form or the subscriber committed mistakes while filling the proposal form. In such case, the proof of correctness should be called for and then only the note shall be submitted to Officer seeking permission to correct the records. After orders are passed, necessary corrections shall be carried out in the draft policy, Fair Policy and also in the Proposal form if necessary , rounding off the mistake and entering the correct position duly obtaining the attestation of the Superintendent and the Officer concerned .The corrected policy bond should be returned to the Concerned together with covering letter in duplicate that may be issued at the level of Superintendent. The corrections are effected in Date of Birth, premium, Date of Commencement of risk, Sum Assured, Date of Maturity and Last Premium due etc., the file may be marked to valuation Section for taking necessary entries In Alteration register (ON a OFF Register). The N.B. clerk should also

correct the figures in Proposal Register and Policy Register concerned with the attestation of the officer concerned.

2.13.1 Processing of applications for preparation of Supplementary Files :

When a policy file is lost and beyond recovery , a requisition is made from any Section to the N.B. Section for preparation of supplementary policy file. The N.B. clerk while preparing the supplementary policy file, should take suitable precautions to prevent untoward incidents .

1. A thorough check may be conducted in Record section. In spite of efforts, if the file is not found. '
2. The N.B. clerk should see that whether the note ,file is circulated among all the Sections in the office and result of such circulation may be recorded .
3. Whether the concerned file was called for from the other D.I.Os and the information is received from all the D.I.Os on the availability of policy file.

After due verification of records only, the N.B. clerk shall prepare the True copy of draft policy on the basis of Loose Leaf/White Card/Policy Register entry and got the attestation of the Officer concerned and transmit the same to the concerned Section duly recording an entry In the register of Supplementary Policy files.

2.14.1 Functions of the Superintendent:

1. The Superintendent shall see that the proposals received by the Section are promptly attended and issued the polices. ,
2. He shall see that the registers are maintained properly and entries should be attested wherever necessary .,
3. He shall scrutinise the proposal forms very carefully and see that no substandard life could be accepted under the Scheme.
4. The monthly periodicals are prepared in time and sent to Directorate.
5. He should ensure numerical correctness in the calculations of policy details.

2.15.1 Functions of the District Insurance Officer:

The District Insurance Officer shall ensure that all the proposals are promptly attended and issued policies. He has been given full delegation of powers to the extent of issue of policies is concerned, due to which he shall take utmost care while accepting the proposal forms. He shall see that the monthly periodicals are prepared within the time fixed and ensure the numerical correctness in the calculations and cent percent coverage.

2.16.1 Work Norms: In terms of orders issued in GO Ms No.109, Finance and Planning (FW Admn.II) Department, dated 15-4-1995, the following work norms fixed for New business Section:

1. Entries in Personal Register. .	200 per day
2. Scrutiny of Proposals Fresh & Enhancement ..	75 per day
3. Correspondance in New Business.	20 per day
4. Preparation of draft policies ..	40 per day
5. Entries in Policy Register	100 per day
6. Entries in Proposal Controlling register	120 per day
7. Embossing / typing of policies	50 per day
8. Preparation of Forwarding letters.	100 per day

3. LOAN SECTION

3.1.1 The Loan section deals with the following items of work :

- i) Receipt of loan applications and sanction of loans
- ii) Maintenance of Loan payment and loan recovery records and loan individual accounts
- iii) Preparation of statement of outstanding loan amounts, intimation to the concerned department and calculation of interest accrued at the end of the year.

3.1.2 Functions of the Functionary : The following are the functions of the functionary in the Loan Section:

- a) Maintenance of Personal Register.
- b) Receipt of Loan application.
- c) Entry of Inward in Personal Register.
- d) Calling of policy file from Record Section.
- e) Preparation of premium calculation slip and calculation of loan eligibility.
- f) Calculation of interest on previous loan in respect of sanction of subsequent loan.
- g) Preparation of loan note.
- h) Entries in Loan Payment Register.
- i) Preparation of loan individual account in case of fresh loan and closing of earlier loan account in case of subsequent loan
- j) Preparation of deduction order .

3.1.3 Entry of Loan applications in Personal Register: An application for loan must be made in the prescribed Form No.(29) which will be supplied by the District Insurance Office on a specific letter or personal request. The Loan clerk shall make an entry of the loan application/letter in his Personal Register in the procedure prescribed below on its receipt from Inward Section.

Column No.1 The serial number of the PR should be entered.

Column No.2 The Inward register serial number (current number) should be entered .

Column No.3 The date of receipt of the loan application by the loan clerk should be entered .

Column No.4 The subject of the letter/loan application should be mentioned.

Column No.5 From whom the loan application has been received should be mentioned specifying the name of the subscriber and the office in which he is working.

Column No.6 While mentioning the outside office letter number and date, the policy number should also be indicated in a more visible manner for easy verification.

3.2.1 After entering the loan application/letter in the PR, the loan clerk call for the concerned policy file from Record Section by sending a requisition. The requisition shall contain the details of the policy number, name of the subscriber, name of the section by whom the said file is required and initial of the Loan clerk with date, month and year. An entry also shall have to be made in the Personal Register at column No.7 about the calling of the file from Record Section with date and the date of receipt of policy file.

3.2.3 i) On receipt of the policy file, the loan application/letter is attached to the file.

ii) If the record section intimates that the policy number found to be incorrect, an objection letter in Form No.(44) shall be issued returning the loan application to the concerned Drawing and Disbursing Officer calling the correct policy number or any other details.

iii) If the policy file in question is not available in the Record section, a requisition shall have to be sent to the TRF section through Section Note for making necessary arrangements for calling the file from other District Insurance Offices.

3.2.4 In case the name of the employee (subscriber) as per Loan application and the subscriber's name in the policy file received is one and the same, the loan application should be taken up for scrutiny and for further processing.

3.2.5 Scrutiny of loan application :-

The following are the important points while scrutinizing the loan application: -

- a) The loan application should be properly signed by the subscriber with date;
- b) It should be verified that the certificate appearing at the end of the form is duly filled in and bears the signature of the certifying Gazetted Officer. When there has already been an earlier loan outstanding, the certificate should be signed only by the concerned Drawing Officer of the subscriber.
- c) The amount of loan applied for and the number of instalments chosen for repayment should be clearly mentioned.
- d) The loan application should be accompanied by an advance stamp receipt of one rupee stamp and bears the signature of the subscriber which should be attested by the Drawing and Disbursing Officer.

3.2.6 During the scrutiny, if any omission or commission is noticed the loan application shall have to be rejected and an objection letter shall be issued returning the loan application to the concerned office at the level of Superintendent.

3.2.7 After scrutiny, if the loan application is found to be in order, the loan clerk shall attach the calculation slip to the file. The year-wise premium credits entered in Loose leaf should be noted down in the Calculation slip. The remaining period premium credits should be noted down from the concerned Rough Ledgers, thus the total amount of premium contributed is arrived. In respect of years where premium/loan instalments are not/available in loose leaves, efforts should be made to trace out such instalments/credits from the sus-

pense and then proceed to calculate the loan eligibility .

3.3.1 A subscriber may be granted a loan upto 90% of the surrender value or present value whichever is beneficial to the subscriber, to his credit reckoned at the time of application (Rule 45-1 of APGLI Fund Rules). However, to make the sanction of loans more attractive, Government vide G.O.Ms.No.160, Finance and Planning (FW Admn.II) Department, dated 14-5-1996 read with GO Ms No.161, Finance and Planning (FW Admn.II) Department, dated 17-5-1996 have issued orders replacing the above procedure with new procedure that the subscriber is granted a loan not exceeding 90% of the Surrender value equal to the appropriate fraction of the Paid up Value as per the appended table together with bonuses upto the period for which the bonuses are declared.

3.3.2 . Calculation of loan eligibility : In terms of Rule 22(B) read with 45-1 of APGLI Fund Rules, the loan eligibility of a subscriber against his policies is calculated as detailed below:

The loan admissible on each of the policy shall be calculated separately. First, the premium due upto which the postings are completed should be calculated. For which, the Date of commencement of risk of the policy may be deducted from the end of the month of which the postings are completed and arrive the period to which the subscriber has the contributed premium. An illustration of calculation of loan is, given hereunder:

Policy No.224292	Name: Smt. Y .Narsamma	
Date of application:	1-4-1998	
	'A' policy	'B'policy
Premium	Rs. 16/-	Rs.50/-
Date of Commencement of risk	1-11-1980	1- 3-1988
Age at entry	35 years	42 years

Premium Calculation Slip

Upto 1990-91 . 3842-00

1991-92	1200-00
1992-93 ..	1100-00
	6142-00

31-3-1993 is to be taken as Date of Exit since the postings are completed though the date of loan application is different.

Therefore, the Premium due on 'A' Policy =

Date of exit .. 31-3-1993

Date of Commencement of risk 1-11-1980

30-04-12 = 12 Yrs 5 months

= $12 \times 12 = 144 + 5 = 149 \times 16 = \text{Rs.}2384/-$

Likewise the premium due on 'B' policy =

Date of exit .. 31-3-1993

Date of Commencement of risk 1-03-1988

30-x- 5=5x12=60+1==61 months

61 x 50 = Rs.3050/-

Total Premium Due= Rs. 2384/- + Rs.3050/- = Rs. 5434/-

Amount contributed = Rs. 6142/-

Amount Due = Rs. 5434

Excess = Rs. 708/-

Note : (i) Loan cannot be sanctioned on excess contribution

(ii) If the contributed amount is less than the premium due amount, the less may be adjusted from the last policy which is in force.

In terms of Rule 22[b] of APGLI Fund rules, the Surrender value of the policies can be calculated by adopting a percentage of premium paid as per the table given below taking the age at entry at the commencement of the policy and the duration of the policy upto the date of application.

PERCENTAGE RATIO OF THE SURRENDER VALUE TO THE
PREMIUM PAID

TABLE- I (Maturity age 55 years)

No.of completed years; elapsed	AGE AT ENTRY				
	21-24	25-29	30-34	35-39	40& above
0-4	40	40	50	50	60
5-9	40	50	50	60	60
10-14	50	50	60	60	60
15-19	50	60	60	60	--
20-24	60	60	60	--	--
25 & above	60	60	--	--	-

(G.O.Ms.No.381, dt. 4-11-1977 (@ 6% Table approved)

TABLE - II (Maturity age 58 years)

No.of completed years elapsed					
	21-24	25-29	30-34	35-39	40& above
0-4	40	40	50	50	60
5-9	40	50	50	60	60
10-14	50	50	60	60	65
15-19	50	60	60	65	70
20-24	60	60	65	70	--
25 & above	65	65	70	--	--

'A' policy

'B' policy

Age at entry

35 years

42 years

Duration

17 years

10 years

(Period for which the premia contributed against the policy upto
the date of loan application)

Surrender Value as per Table	60%	60%
90% of the surrender value	54%	54%

Note: For the purpose of arriving the Surrender Value the duration should be taken in whole number of years ignoring the months and days arrived at appropriate percentage should be used from Table I and II depending upon the maturity age of 55/58 years.

Premium contributed on 'A' and 'B' policies = Rs. 5434/-

loan eligibility = Premium contributed x 90% of the Surrender Value

= Rs. 5434- x 54 = Rs. 2934-36 rounded to nearest rupee Rs 2934/-

NOTE :

1. The minimum loan is Rs.1000/-. The minimum of Rs.1000/- shall be the difference between the first loan and subsequent loan.
2. No further loan shall be sanctioned unless half of the earlier loan sanctioned is repaid (Rule 45-4 of APGLI Fund Rules)
3. The loan shall be recovered from the subscriber in such number of equal monthly instalments as the District Insurance officer may direct, but such number shall not be less than 12 unless the subscriber so elects or in any case more than 48 except in case of loans advanced for the purchase of construction of a house when the maximum number of instalments will be 60. (Rule 46 of APGLI Fund Rules) keeping the above rule position in the view and also the request of the subscriber made in the loan application, the loan instalments may be fixed for recovery of loan suitably In whole number of rupees.

B. PAID-UP VALUE METHOD

The following is the procedure for calculating the loan eligibility:

- a) Premium paid under each policy has to be calculated. ,
- b) Premium due from the date of commencement of risk to the date of Last Premium Due (LPD) should be calculated (Term of the Policy x Monthly premium x 12)

- c) Age next birthday on the policy anniversary of preceding surrender is calculated.
- d) Determine the S. V. factor against the age attained (as per column (c) by the policyholder from the prescribed S. V. Table.
- e) Paid up value = $\frac{\text{Premium paid} \times \text{Sum Assured}}{\text{Premium due}}$ By
- f) Bonus value is calculated and add the same to the paid up value end multiplies with S. V. Factor :

Paid up value Rs. _____

Bonus value Rs : _____

(g) Total = X S.V. Factor

(h) Loan eligibility = The product arrived under (g) should be multiplied with 90 %

An illustration in respect of loan calculation under paid up value method is given below

ILLUSTRATION OF LOAN CALCULATION UNDER NEW METHOD

Policy No. 251394 ,

NAME: N.YADAGIRI SWAMY, LECTURER .

Details	A	B
Date of Commencement of risk	1-12-1986	1-3-1992
Premium	Rs.44/-	Rs.116/-
Sum Assured	Rs.11,466/-	Rs.21, 088/-
Age at entry	36 years	42 years
Date of Maturity	15-01-2009	15-01-2009
Date of Birth	16-01-1951	16-01-1951

A. PREMIUM PAID CALCULATIONS :

YEAR R/LReference

1987.88	K2/75/528	528-00	
1988.89	K2 33/660	660-00	
1989-90	K2 87/528	528-00	
1990-91	K3 338/484	484-00	
1991.92	K2 71/396+110/132	528-00	
1992-93	K2 96/1572	528-00	1044-00
1993-94	K2 1920	528-00	1392-00
		3784-00	2436-00

B. Premium Due calculations :

superannuation Age	58	58
Age at entry	36	48
	22x12X44	16x12x116
	= Rs. 11,616/-	= Rs. 22,272/-

C. Bonus Calculations :

1986-87	2.2	—
1987-90	24.0	—
1990-93	80.0	10.833
	56.2 x Rs.11466/-	10.833x Rs.21,088/-
	Rs.6443.89	= Rs.2,284-46

D. Age attained

Date of application	18-5-1996	18-05-1996
Preceding policy anniversary	1-12-1995	01-03-1996
Date of Birth (-)	16-1-1951	16-1-1951
	15-10-44	15-10-45
	45 years	46 years

E. Paid up factor as per table"

Appended to GO. Ms.No	0. 55737	0. 58175
160 Fin. ply (FW AdmnlI)		
dept dt 14-6-1996.		

Loan calculation formula= Premium paid x S.A. + Bonus x Paid up factor x 90%

Premium due

	<u>Rs.3784/- x Rs.11,466/-</u>	<u>Rs. 2436/- x Rs.21,088/-</u>
	Rs.11, 616/-	Rs.22, 272/-
Paid -Up value	-Rs.3,735-16	Rs.2,306-50
Bonus +	Rs. 6,443-89	Rs. 2,284-46
Total	Rs.10, 179-05	Rs. 4,590-96
Paid up factor x 0.55737 x 90%		.x 0.58175 x 90%
	= Rs.5,106-12	Rs.2,403-71
A policy	Rs. 5,106-12 ,	
B Policy	Rs. 2,403-71	
Total	Rs. 7,509-83	

3.4.1 Calculation of Loan Interest :

In case the subscriber has already taken a loan, the loan interest should be calculated basing on the recovery of loan instalments posted in the books or on the basis of loan recovery statement furnished by the Drawing and Disbursing Officer concerned. In the case illustrated above, the above policy holder was advanced a loan of Rs.1940/- to be recovered at the rate of Rs.97/- per month in 20 months and issued a cheque on 2-6-1992, for the total amount being a first loan. The interest on the first loan should be calculated. Therefore, Interest Loan calculation slip shall be attached to the policy file. Loan recovery instalments should be noted against the months as per loan loose leaf entries/rough ledger entries/suspense register (cleared amounts from suspense if any). In case the postings are not completed in the Rough Ledgers, the instalments shown in the Recovery Statement certified by the Drawing and Disbursing Officer concerned shall be taken into account on assumption basis, subject to adjustment at the time of further loan sanction. In case, any variation found in the instalments taken on

assumption basis and after regular posting of loan instalments, the excess or less whatever may be reduced/added to the loan, which is on hand and calculate the Interest. In terms of Rule 48 [1] of APGLI Fund Rules, simple Interest will be charged on the loans. The rate of Interest will be charged on the loans advanced to the subscribers of APGLI Fund shall be one percent over and above the rate of interest allowed by the Government to the balances of the Fund. (Rule 48 of A.P.G.L.I.Fund Rules). After taking the entries of loan recovery instalments against the months, first the loan interest has to be calculated from 2-6-1992 to 30-6-1992, number of days are 29 days. Interest will be calculated as below.

$$\begin{array}{l} \text{No. of days} \times \text{Principal amount} \times \text{Rate of interest} = 20 \times 1940 \times 13 \\ \qquad \qquad \qquad 100 \times 360 \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad 36000 \\ = \text{Rs. } 20\text{-}30 \text{ per month.} \end{array}$$

In July, no instalment is recovered. Interest has to be calculated on Rs.1940/-. In August 1992 the instalment of Rs 194 is credited. Hence, Interest is calculated on the reduced balance i.e. 1940 -194 = 1746, likewise, the loan credits should be deducted from the loan amount and arrive at the reduced balances and the product of all the balances comes to 13871 months. To get the Interest on the product, It should be multiplied by the factor 13/1200 which comes to 150.26 and the balance at the end of March is Rs.1164/-. Likewise, during the year 1993-94 also, the product of reduced balances of loan amount has to be calculated and calculate the interest. In case the entire loan is not fully repaid and there is still balance, the interest has to be calculated till the date of subsequent loan calculation. In the last month, the number of days should be arrived in the manner as explained above and calculate the Interest for that month.

LOAN INTEREST CALCULATION SLIP ;

Policy No.224292	Name: Smt. Y. Narasamma
Loan A/c No. 224292/L	Loan Advancd Rs. 1940/-
Date of Encashment: 2-6-1992	Monthly instalments: Rs.97/- x 20

From Goshwara: 7/92	Previous Loan A/c No. Interim Interest From- To—
<u>YEAR 1992-93</u>	<u>YEAR 1993-94</u>
—Apr.	97 Apr. 1067
—May	97 May 970
June 1940 x 29 = 56260 (D) Rs.20.30	97 June 873
July 1940	97 July 776
Aug. 1746	97 Aug. 679
Sept. 1746	97 Sept. 582
97 Oct. 1649	97 Oct. 485
97 Nov. 1552	97 Nov. 388
97 Dec. 1455	97 Dec. 291
97 Jan. 1358	97 Jan. 194
97 Feb. 1261	97 Feb. 97
97 March <u>1164</u>	97 Mar. NIL
$13871 \text{ months} \times \frac{13}{1200} = \text{Rs } 150.26$	
Balance	NIL
	<u>$\frac{6402 \text{ Months}}{1200} \times 13 = \text{Rs } 69.35$</u>
Interest for 1992-93 = Rs. 20.30 + Rs. 150.26 = Rs. 170.56 ,	
Interest for 1993-94 =	Rs. 69.35
Outstanding Loan recoverable	NIL
Total Interest	Rs. 239.91
Rounded off to nearest rupee	Rs . 240.00 ,

Note : If there is any loan balance in the earlier loan calculation, and there is a gap between the loan interest calculation and the date of issue of cheque, interim interest shall be calculated against the loan balance from the date of loan Interest calculation to the date of issue of cheque and add the said interest to the total interest charged.

3.5.1 After completion of the loan interest calculation, Loan Note Form is

attached to the policy file and the details in the Loan Note should be filled with the help of Loan application, Loan Calculation slip and the Loan interest calculation slip duly indicating the branch of the Bank on which the cheque has to be prepared and submits the file to the Superintendent for Sanction. Necessary entry should be taken in Personal Register against column No.8.

- 3.5.2 Before submission of the file to the Superintendent, the loan clerk should remove the Loan LL from the binder in case a loan was already sanctioned to the subscriber and record the entries of fresh loan in the LL indicating the total amount sanctioned, number of - instalments, amount of instalment etc. and on reverse side of loan loose leaf , the loan balance, If any and the interest charged on previous loan year-wise should be shown against the respective year with the total adjustment. In case, the present loan is the first loan, a new loan Loose Leaf should be prepared by taking the entries of policy number, name of the policyholder, designation, fathers name, office address, amount of loan sanctioned, number of instalment amount of instalments, date of issue of cheque/Bank Draft for attestation of the Superintendent and the District Insurance Officer etc.

3.6.1 Maintenance of Loan payment Register :

After approval of the loan sanction by the District Insurance Officer, the file should be sent to Cheque Section for preparation of cheque or Bank draft through Transit Register. After preparation of cheque/Bank draft, the file returns to the Section where the Loan Payment Register is maintained. On receipt of file from the cheque section, the entries in Loan Payment Register should be made in the following manner: -

Column No.1 **Serial Number** : it represents the serial number of the Loan Payment Register. Loan Payment Register should be maintained for each Financial year. Hence, the serial number of the register may be continued from 1st April to 31st March.

Column No.2 : **Subscribers's number (policy No)**: The policy number of the subscriber should be indicated.

Column No.3 : **Loan Account number** : Since there is no allotment of separate loan account number, the column should be kept blank.

Column No.4 : **Name of the subscriber with father's name** : Name of the subscriber with father's name and designation should be indicated.

Column No.5 : **Name of the payee** : The name of the payee as per cheque should be indicated.

Column No.6 : The name of the Bank on which the cheque is issued should be indicated.

Column No.7: Loan balance of the previous loan should be recorded.

Column No.8 : Outstanding interest should be recorded (Interest pertaining to the previous years i.e. excluding the current year interest) and interest for current year (The year in which the loan is sanctioned, that is the current year) should be shown separately.

Column No.9 : Interest for Current Year should be recorded. If it is a first loan, Column Nos. 7 to 9 should be left blank.

Column No.10 : The net amount sanctioned to subscriber towards loan should be shown.

Column No.11 : Total loan sanctioned should be shown in this column.

Column No.12 : Cheque number/Bank draft number should be recorded in this column.

Column No.13 : Dated, the cheque date / Bank draft date should be indicated.

Column No.14 : The Superintendent as well as the District Insurance Officer has to certify the entry in Loan Payment register.

Column No.15 : Letter No. and Date It should be kept blank.

Column No.16 : Signature of the despatch clerk. The acknowledgement of the despatch clerk is taken in token of receipt of cheque /bank draft.

3.6.2 At the end of the month, the totals of the loan payment register from column No.7 to 10 are struck up and got the certification of Superintendent and District Insurance Officer by preparing the abstract and the total net amount sanctioned should be reconciled with Loan Cash book figures and a certificate to this effect shall be recorded

in the Loan Payment Register every month under proper attestation. The details of payments as per loan payment register shall be shown in the monthly periodical and sent to Directorate by 3rd of every month.

NOTE :

1. Any correction in the Loan Payment Register should be made only after rounding off the earlier entry , with proper attestation of the Officer concerned. ,
 2. The total loan applications sanctioned during the month and the amount sanctioned should be furnished to Directorate every month in the monthly periodicals.
 3. A certificate stating that the Loan Payment Register contains the total number of pages under proper certification. of the superintendent and the District Insurance Officer should be taken in the first page of the register at the time of opening.
- 3.7 .1 **Issue of deduction order:** The entries in Loan Payment Register are over, the file alongwith cheque/Bank Draft should be sent to Loan Section for preparation of forwarding letter (deduction order) in Form No.(30). The address entry should be in favour of the Drawing and Disbursing Officer concerned. The deduction order should contain the details of Loan Gross sanctioned, adjustment of previous loan balance along with interest if any, net amount for which the cheque/Bank draft issued, the number of monthly instalments for repayment of loan, amount of instalment, Name of the subscriber with designation and policy number and the month from Which the first deduction has to be effected from the pay of the subscriber. The deduction order should be prepared in duplicate, one copy may be retained in the policy file, and the original may be issued to the department concerned. The Superintendent concerned should approve the deduction order. After wards, the policy file may be sent to Despatch Section by taking entries in column No. 12,13 & 14 of the Personal Register. The entries should reveal to whom the cheque is issued and the Cheque No Bank draft No, date, amount

and at column No.15, the date of despatch of cheque should be recorded.

3.7.2 Closing of entries in Advance Stamp receipt :

Before sending the cheques/bank drafts to despatch section, the loan clerk shall fill up the columns in the advance stamp receipt, deface the revenue stamp duly recording the amount sanctioned alongwith cheque number /bank draft number, date etc.

3.8.1 Objected Loan forms : The objected loan applications should be returned to the concerned Drawing and Disbursing Officer through covering letter in Form No. (44) specifying the objection very clearly and distinctly. The covering letter should be prepared in-duplicate and got approved by the Superintendent concerned and shall be sent to despatch section. The nature of objection, to whom the objection letter is issued and the date of despatch should be mentioned in column No.8, 12 & 13 columns of the Personal Register duly rounding off the serial number of the Personal Register.

3.9.1 Preparation of monthly pendency statement : At the end of the month, an abstract should be prepared in the Personal Register showing the opening balance, number of loan applications/letters received during the month, total number of loan applications/letters disposed during the month and closing balance at the end of the month. The serial number of the currents pending should also be indicated monthwise specifying the reason for pendency. Further, the period of break-up of pendency i.e. with in one month, above one month to 3 months, above 3 months but below 6 months and above 1 year should also be prepared.

NB: Loan applications and letters should be shown separately in the Monthly abstract.

3.9.2 Periodicals/Periodical reminders : As per the monthly abstract, the periodical should be prepared in the prescribed proforma by 3rd of every month and furnish the same to Directorate. Due to non-availability of policy files/premium accounts/loan accounts, the loan applications are pending in the District Insurance Offices. The

TRF section may be reminded at regular intervals for getting the requisite policy files from other District Insurance Offices.

Functions of the Superintendent :

- 3.10.1 The Superintendent of the Loan Section shall receive the currents pertaining to Loan Section from Inward and distributes the same to the concerned caseworker under proper acknowledgement.
- 3.10.2 He has to watch at regular intervals whether the currents have been entered in the Personal Register in serial order and disposal of cases as per the seniority .
- 3.10.3 On submission of loan Notes by the Loan clerk he should take up the scrutiny of the loan application as per check list:
 - i) Whether the policy file and the loan application is pertaining to same subscriber .
 - ii) The current is entered in Personal Register or not.
 - iii) The subscriber has signed the loan application and the advance Stamp receipt
 - iv) The certificate given by the Drawing and Disbursing Officer is tallying and is in conformity with the records of the department.
 - v) Whether the loan application and the advance stamp receipt is attested by the concerned Drawing and Disbursing Officer.
 - vi) The premia posted in the premium Calculation Slip and Loan Calculation Slip is according to the posted amounts.
- 3.10.4 If the loan application found in order, then the calculation of loan eligibility, interest calculation should be checked thoroughly and he must satisfy himself about the correctness of the numerical calculations. Any mistakes are noticed, if they are in serious in nature, the files may be returned for recalculation. Otherwise, simple mistakes can be corrected at his level on the policy file.
- 3.10.5 He also has to calculate the net amount sanctioned on the reverse side of loan interest calculation sheet, by deducting the total adjust-

ment from the total loan sanctioned and the same may be recorded on Loan note as follows.

- | | |
|----------------------|---------|
| 1. Loan account .. | 240-00 |
| 2. Sri Y.Narsamma .. | 2660-00 |
| | 2900-00 |

and then pass on the file to the officer for sanction.

3.10.6 After preparation of cheque, the entry in the Loan payment register should be verified and certified.

3.10.7 At the end of the month, he shall ensure that the abstract of pendency should be prepared by the Loan clerk. The reasons for pendency and the break up of the period-wise pendency should be checked-up and ensure that these figures are tallied.

3.11.1 Functions of the Officer :

1. The Officer should check up whether the loanee and the policy file is one and the same and the correctness of the execution.
2. He shall ensure the correctness of numerical calculations and the process of loan sanction is done according to the procedures prescribed.
3. He shall attest the entries in the Registers and Loan LLs wherever necessary.
4. He shall see that the loan applications are disposed according to the seniority.
5. He shall see that no pendency piled up in Loan Section for any reason.

3.12.1 **Delegation of powers** : The Dist. Insurance Officers are given full powers in sanction of loans as per the eligibility of the subscribers. However, the sanction of loans where the half of the earlier loan is not repaid should be restricted .

3.12.2 **Work Norms**: As per the Government orders issued vide G.O.Ms.No.109, Finance and Planning (FW Admn.II) Department,

dated 15-4-95, the following are the work norms prescribed for sanction of loans.

Disposal of Loan cases (1st)..	10 to 12 per day
Disposal of Loan cases (subsequent)..	5 to 8 per day
Closing of Loan accounts	40 per day
Entries in Loan Payment Register..	120 per day
Preparation of deduction orders..	100 per day

4. CLAIM SECTION

4.1.1 The claim section deals with the following items of work.

- a) Intimation and settlement of maturity and death claims.
- b) Investigation and settlement of Death Claims.
- c) Payment of Surrender Value in the case of premium discontinued after some premiums have been paid or the policyholder ceases to be from Government Service.
- d) Refund of un-authorized amounts collected in excess of premiums and other cases of refund of deposits.

4.1.2 Under A.P.G.L.I.Scheme only endowment policies are issued. Sum assured is payable on the date of maturity or on death whichever is earlier. The date of maturity is the date on which the subscriber attains age of superannuation of (55) years or (58) years as the case may be. An endowment policy results into a claim by maturity if the policyholder is alive on the date of maturity .If death occurs before the date of maturity, the claim comes under the category of death. If subscriber leaves the service before the payment of entire premium due or not paid, and elects to take Surrender Value of the policy in terms of Rule 22 the claim has to be settled as Surrender .

4.2.1 FUNCTIONS OF THE FUNCTIONERY IN CLAIM SECTION :

1. On receipt of lists showing the maturity of the policies during a financial year from valuation section, the clerk shall issue set of claim forms to the concerned policyholder before the date of maturity .
2. On receipt of claim forms in full shape the clerk shall attaches claim intimation slip.
3. Sends the file to valuation for Registration of Claim and preparation of C.S.
4. On receipt of file from valuation section, the clerk traces the missing credits and further credits from the respective Rough

Ledgers, where L.L. posting could not be taken-up.

5. Sends the policy file to valuation section for C/S checking
 6. On receipt of forms, necessary entry to be taken in P.R.
 7. Calculation of outstanding Loan and interest thereon If any.
 8. Calculation of premium due.
 9. Calculation of interest on arrears.
 10. Calculation of Bonus.
 11. Preparation of abstract for arriving the net amount payable
 12. Preparation of Refund Note.
 13. Preparation of cheque forwarding letter.
- 4.2.2 On receipt of the pre-maturity claim lists from the valuation section the claim section call for the policy files from the Record Section and issue claim intimation slip to the subscriber along with claim form and advance receipt. The intimation letter advises the policy-holder to apply for claim payment by returning the forms duly filled in and attested along with advance receipt and policy documents.
- 4.2.3 After issue of claim forms to the policy holder, the clerk attaches the claim intimation slip to the file duly mentioning the name of the policy holder , policy number, mode of exit and date of exit (date of maturity) with the attestation of Superintendent concerned and sends the policy file to valuation section.
- 4.2.4 On receipt of the policy file from valuation section, the claim clerk shall check-up the C.S. prepared by valuation section, trace-out the premiums for the remaining period from the R.Ls. and include them in C.S. after quoting the Ledger No. and Page No. He also takes suitable action to trace-out the missing credits in the earlier periods by sending the file to suspense section, if necessary and also to call for the premiums from other District Insurance Offices and ensure that all the premia is posted in the C.S. and sends the file once again to valuation section for C.S.checking.
- 4.2.5 On receipt of the policy file after C.S.Checking from the valuation section, the claim clerk shall verify the file once again whether the

policyholder has taken any loan. If the Policyholder has not taken any loan during the tenure of the policy, it should be recorded in C.S. under appropriate column. In case, a loan/loans are sanctioned all the loan accounts should be once again rechecked, whether the loan accounts are properly closed and calculate the Loan O/S and the interest against the previous loan clearly showing the O/S loan balance, loan interest for current year and O/S interest etc. (If the claim clerk doing the Loan refund calculations also this function should be invariably attended by him only).

4.2.6 In the meanwhile the forms are received back from the Policyholder through Inward an entry should be taken in the P .R. in the following manner.

i) Column No.1: The SI.No. of the P .R. should be mentioned. The serial No. of the P .R. should be continued from the beginning of the financial year till the end of the financial year .

ii) Column No.2: The SI.No.of the Inward Register shall be mentioned.

iii) Column No.3: The date of receipt of the form letter by the clerk should be mentioned.

iv) Column No.4: The subject of the letter/form should be mentioned in this Column in brief.

v) Column No.5: The current/Form from whom received should be mentioned in this Column detailing the policyholder name and the Office where he is working.

vi) Column No.6: The outsider Lr.No. and date should be mentioned in this Column with Policy number .

vii) After entry in the P .R., the Policy file if not available in the Section may be called from the Record Section. The date on which the file called for from the Record Section and the date on which the file received in the Section should be shown in the Column No.7 of the P.R.

4.2.7 On receipt of the policy file, the forms are attached and take-up the scrutiny of the form.

a) Whether all the columns in the form are properly filled-up.

- b) The policyholder has signed the claim form and also in the receipt.
- c) A State Government Gazetted Officer attests the signature of the policyholder in the claim form as well as in the Advance stamp receipt.
- d) Whether the original policies is enclosed to the form and the details in the policy bond tallies with the policy file details.
- e) The Advance Stamp Receipt is enclosed to the form.

4.3.1 On scrutiny of the Form, if it is found in order, the clerk shall calculate the premium due against the policy./ policies.

Peremium Due :

The term of the policy should be in years i.e. $58/55$ -, age at entry X $12 X$ monthly premium. For example, if a policy is issued @ Rs.6/- per month at 42 years, the term of the policy will be 16 years $58-42 = 16X12X6=1152$. The premium contributed is deducted from the premium due and if the premium due is more and the premium contributed is less, in such case, the policyholder is due to the Department and the arrears of premia has to be collected alongwith interest. If the premium contributed is more than the premium due, the excess amount may be treated as un-authorised and refundable to the Policyholder without interest. The Sum Assured of the policy/policies shall be written in the appropriate Column of the calculation slip. In case, there are policies mature at the age of (55) years and (58) years, the premium contributed in the C.S. should be seggregated policy wise and the seggregated premium contributed shall be taken to arrive the less or excess premium paid under each policy. After completing the C.S. the clerk put his initial in the calculation slip with date, month and year .

4.3.2 The claim clerk shall take-up the calculation of interest on the arrears of premium (less credited under the policy) at 4% compounded annually. For example: The less premium is Rs.296/- No interest shall be calculated on the first six months premium Rs.6X6, Rs.36/-. Therefore, interest has to be calculated on Rs.296/- — Rs.36/- = Rs.260/-. This amount shall be converted into number of half years by dividing with six months premium. Accordingly, there will be seven full half years since each half-year contains Rs. 36/-, which comes

to Rs. 252/- and there is a balance of Rs. 8/- for eighth half year. The factor shown in the interest table against seventh half- year shall be taken and multiplies with six months premium. The residual balance Rs. 8/- coming under eighth half year, the factor shown for against eighth half year shall be multiplied with residual balance to facillitate to get the full product together interest.

The above caluclation should be shown in the following forma on the reverse side of the Bonus Calculation slip.

Arrears of premium	Rs.296-00
(-) No interest on 6 months premia 6x6	Rs. 36-00
	Rs.260-00
Arrears without interest	Rs. 36-00
7 th half year 7.58301x36	Rs.272-98
8 th half year 1.17166x8	Rs. 9.37
	Rs.318-35

Therefore, the arrears together with Interest charged thereon shall be Rs.318-35. After calculating the Interest the clerk put his initial on the calculation slip.

4.3.3 The claim clerk calculates the bonus on each of the policies in rough on the reverse side of the bonus calculation slip. Likewise, the terminal bonus also to be calculated on each policy.

Bonus Calculations: Date of exit will be the criteria for applying the bonus rates as declared by the Government from time to time but not the date of settlement. For Example, the date of maturity is 11-3-1996, the bonus at Rs.100/- declared for 1990-93 should not be given from 1-4-1990 to 31-3-1996, only the interium bonus rate declared In the last triennium i.e. 1987-90 i.e. Rs.80/- shall be given. Bonus shall be calculated from date of commencement of risk of the policy to the date of maturity. In case, any days are arrived in the calculation, the days may be ignored:

Example:	Sum Assured	Rs. 1110/-
	Date of commencement of risk ..	1-4-1984
	Date of Maturity ..	11-4-1994
	Age at entry ..	48 years
	31-3-1987	11-4-1994

	<u>1-4-1984</u>	<u>01-4-1993</u>
	<u>30-11-2</u>	<u>10 -0-1</u>
84-87	Rs 198	
87-90	Rs 240	
90-93	Rs 240	
93-96	Rs 80	
TOTAL	Rs 758 x 1110	= Rs 841.38
	1000	

Terminal Bonus shall be calculated on the Sum assured of the policy as given below. As per the above example, the term of the policy is 58 -48 = 10 years.

$$\frac{10 \times 4 \times 1110}{1000} = \text{Rs. } 44-40$$

- 4.3.4 The claim clerk shall mention the Date of commencement risk, date of maturity and the Sum assured for each policy in the bonus calculation slip. He writes down the bonuses so arrived for each triennium including the terminal bonus on each policy and struck up the totals and arrives at the total bonus to be paid on all the policies issued. He puts initial on the bonus calculation slip.
- 4.3.5 In the abstract form, the clerk enters the Sum assured of the policies, the total bonus amount arrived on the policies and the excess amount/excess loan if any payable and arrive the total amount payable to the policyholder. Out of the amount so arrived, the deductions such as arrears of premium, interest, outstanding loan recoverable along with interest, fee for duplicate policy may be deducted and arrive at the net amount payable to the policyholder. After completion of the Abstract form, the clerk put his initial on the abstract.
- 4.3.6 Basing on the details of the calculations, the clerk shall prepare the refund note duly mentioning the cheque/Bank draft and the branch of the bank as per the request of the policyholder requisitioned in the refund form and put his initial and submit to the Superintendent and Officer concerned for his approval.
- 4.3.7 After approval of the file by the competent authority, the file sends to cheque section through valuation section for preparation of cheque/Bank Draft.

- 4.3.8 After preparation of cheque/Bank draft the claim clerk prepares the forwarding letter in triplicate at the level of Superintendent. One copy may be retained in the policy file. One copy may be sent to the claimant along with cheque or Bank draft. One copy may be sent to the office concerned. After wards, the file may be, forwarded to valuation Section for despatch of cheque/Bank draft.
- 4.3.9 Necessary entries may be taken in PR at column No.15 about the despatch of the cheque /bank draft duly entering the cheque number, date, amount in 12,13, and 14 columns duly rounding off the serial number of the Personal Register.

DEATH CLAIMS

4.4.1 CLAIM BY DEATH ARISES WHEN:

- a) a subscriber who has been paying premium under the policy died before the date of maturity.
- b) a subscriber who chooses to make his policy paid up under rule 22, subsequently dies before the date of maturity. In this case, the sum assured will be the proportionate paid up value of the original sum assured of the policy.

4.4.2 In case when a subscriber having left Government service does not exercise his choice under Rule 22 to continue the policy or to make the policy paid up and death occurs within three months from the date of leaving service, the policy becomes a death claim and the arrear premiums if any will be deducted. If the policyholder exercises his option for surrendering the policy, though he dies within (3) months, from the leaving of service, the claim has to be settled as Surrender Claim but not Death Claim.

4.4.3 Again, if a policyholder who has a policy in full force or has a paid up policy, was alive on the date of maturity, but dies before the settlement of the claim, it will be a claim by maturity and the amount is payable to the legal heirs of the deceased.

4.4.4 On receipt of intimation of the death, after entering the same in the Personal Register, as usual upto column No.6, as explained under Maturity claim, the claim clerk calls for the policy file from the record section after verifying the name and policy number and found correct, the claim intimation in Form No.(26) has to be issued. After approval by the Superintendent, the policy file sends to Valuation Section.

4.4.5 After receipt of policy file from the Valuation Section, if there is a valid nomination, the claim forms are sent to the nominee, if there is no nomination the claim forms are sent to the widow or the other next of kin even if the intimation is received from other person. If the employer sends the Intimation, the forms are sent to the nominee or widow or other next of kin as the case may be.

- 4.4.6 The following Forms are to be sent to the claimant along with covering letter.
1. Claim form No.2
 2. Certificate of death.
 3. Advance stamped receipt.
- 4.4.7 Simultaneously, a letter is addressed to the Drawing Officer/Head of office concerned asking to furnish certain particulars and close the P.R.entry duly mentioning the details to whom the forms are sent with letter number and date in column No.(8) of the P.R.
- 4.4.8 When the forms are received back duly filled in and attested, they should be carefully scrutinised and the particulars given therein enable the office to determine who is the correct person to whom the policy money should be paid.
- 4.4.9 The following points should be carefully observed:
- a) Whether the claimant who submits the claim form and the details available in the proposal form are one and the same.
 - b) Whether the claimant has signed the claim form as well as in the Advance stamped receipt.
 - c) Whether the forms, receipt and death certificate attested by a State Government gazetted officer.
 - d) The cause of death in the death intimation, the refund form, departmental letter and the death certificate is one and the same, if the death occurs within three years.
 - e) Whether the subscriber was in service at the time of death as per departmental letter.
- 4.4.10 In terms of rule 32 of APGLI Fund Rules, in all the cases, the Director, Directorate of Insurance shall have the power to order the payment of surrender value under Rule 22 or the amount of the policy or policies together with bonus if any to insured as soon as possible on completing the required age and on surrendering on his policy. Payment under this Section shall be subject to a deduction of any

amount that may be due to Government by the Insured on account of the Fund:

- a) If the insured dies before receiving the Surrender Value or attaining the required age, it will be divided between his widow/ widower in case of female subscriber and children in accordance with any request that he /she may have made in the prescribed form referred to in Rule 31.
- b) Failing such a request referred in clause as it will be divided between his widow or widows/her widower (in case of female subscriber) and children equally to the exclusion of adult sons and married daughters whose 'husbands are alive, any sum due to minor being paid to his guardian for the minors benefit of failing a legal guardian to any person who in the opinion of the officer whose duty it is to make payment, is entitled to receive it on behalf of the minor.
- c) Failing a widow/widower and children entitled to participate under clause (a) it will be distributed among other persons in accordance with any request made by the subscriber in the prescribed form:
- d) If no such request has been made it will be paid to the legal representatives of the estate as determined by a civil court having competence to pass order in this respect.

Such claims, which do not exceed Rs. 15,000/- should after enquiry into rights, be paid to the claimants by the Director on production of Indemnity bond and in excess of the above limit or in the event of dispute the claimants be asked to produce a succession certificate by a civil court having competence to pass orders in this regard.

4.4.11 TO WHOM POLICY AMOUNT IS PAYABLE:-

- a) If there is a valid nomination and the nominee is alive on the death of the subscriber, the policy amount is to be paid to the nominee/nominees in terms of the nomination under Rule-31

(a) and (b) and to decide whether there has been a valid nomination and the nomination continues to be valid as on the date of death .

- b) If there is no valid nomination but wife and/or children are alive policy amount are to be paid to the widow or widows and minor sons and unmarried daughters and married daughters whose husbands are not alive.
- c) If there is neither valid nomination or any surviving heirs from the members of the family mentioned in (b) above or if there are conflicting claimants each disputing to other rights, the amount is to be paid to the legal representatives of the estate as determined by the court Rule 32(d)
- d) If there is valid nomination and the nominee is alive on the date of death of the subscriber but the subscriber dies before receiving the policy amount after maturity, the amount is to be paid to the legal heirs of the deceased.

4.4.12 If death is within (3) years the claim termed as an early claim and in such case, the particulars of leave availed on medical grounds taken during the three years preceeding to the date of proposal and also after till the death employee shall be called for.

4.4.13 The cause of death is important particularly in an early claim as it will indicate the possible lines on which to investigate if the proposer suppressed any material information regarding his health at the time of execution of proposal. Further, if the cause of death is suicide within one year, suicide clause will apply and the policy amount should not be paid.

4.4.14 The particulars of family members as available on the date of death of the deceased and their ages and particulars of marriage in case of daughters are important to decide whether they are eligible claimants in case there is no valid nomination.

In such case, the guardianship certificate of eligible minor children should be obtained, if the natural guardian (mother) is not alive, in the following format.

Guardian ship declaration

I..... S/O/D/O..... hereby declare that the following minor sons and daughters of late Sri/ Smt. are under my care and guardianship. The above minors are my real.....

Hyderabad

Signature/ L.T.I.

Dated :

"Attested"

Signature of the certifying gazetted officer

Name, designation and office seal.

4.4.15 If the Major daughter (unmarried), sons who have just attained the majority, in all such cases, while settling the claim in favour of the widow / widower, the withdrawal certificate should be obtained in the following format in favour of the widow / widower.

WITHDRAWAL CERTIFICATE

I.....S/O/D/O, W/O..... here by withdraw my share, in the amount of policy No. in favour of my

Hyderabad

Signature/ L.T.I.

Dated :

"Attested"

Signature of the certifying gazetted officer

Name, designation and office seal.

4.4.16 After receipt of claim forms duly filled in and attested through Inward, an entry should be made in personal register as usual upto Column No 6 as per the procedure envisaged under Maturity claim and attaches the form and sent to Valuation Section. In case, the departmental Information has not been received simultaneously otherwise received separately, a separate entry should be taken in

the Personal Register and rounding off the entry showing the original entry through which the claim forms are received.

4.4.17 After receipt of policy file from Valuation Section, the claim clerk then note down the further premiums if any in the CS which are not posted in the L. Ls referring the Rough Ledgers and sends the file again to Valuation Section for their final checking After checking and noting the total premium collected in red ink on the calculation slip, as well as the premium Loose Leaf. The valuation section send the file to the Loan Refund Section who calculates the loan outstanding and Loan interest due on the loan interest calculation slip and attach the same to the file and send the file to the claim clerk.

4.4.18 Then the claim clerk is now in a position to calculate the premium due under the policy. The difference between calculation of premium due under maturity and death claims is only in Maturity the term of the policy may be multiplied with the monthly premium, In Death, the Date of commencement of risk may be deducted from the date of exit i.e., date of death and convert the period into months. The left over days may be taken into one full month and then calculate the premium due For Example:

16-4-1994 Date of exit

1-4-1984

$15-x-10=10 \times 12=120 + 1,=121 \times 10(\text{monthly premium}) = \text{Rs. } 1210/-$

After deducting the premium paid from the premium due under each policy the less premium or excess premium paid by the subscriber may be arrived as explained earlier under Maturity claim.

4.4.19 The details of the Sum Assured of the policies must be noted in the appropriate column of the calculation slip and put the initial of the claim clerk.

4.4.20 The interest on the arrears of premium should be calculated by following the procedure as envisaged under Maturity claim.

4.4.21 In respect of Bonus, the bonus is calculated from the date of commencement of risk of the policy to the date of exit. The left over

days if any will be noticed in the calculation, it should be treated as full month and bonus should be calculated for that month also.

- 4.4.22 Terminal bonus is also calculated following the procedure as envisaged under Maturity claims. However, the days if any are left over in the calculation the same. may be ignored and not to be treated as full month and the terminal bonus will be calculated for number of full months in respect of death claims are concerned.
- 4.4.23 On the basis of bonus calculations, on the reverse side of the bonus calculation slip the details of bonus shall be noted triennium - wise including the terminal bonus and struck up the totals. Thus, the bonus payable under all the policies is arrived. In the top corner of Bonus calculation slip, the details of policies with date of commencement of risk & date of exit and sum assured of the policies are to be written. After completion of the Bonus calculation slip clerk shall put his initial with date, month & year.
- 4.4.24 An abstract is prepared in the relevant form showing the sum assured of the policies, total bonus amount arrived on the policies by adding the excess amount, excess loan payable, if any, and arrive the gross amount payable to the policy holder. The deductions such as loan balance, interest, arrears of premia with interest, fee for duplicate policy shall be added and deducted from the gross amount so arrived and calculate the net amount payable.
- 4.4.25 If the nominee/ legal heirs are more, the share of each nominee in all the items should be shown separately and arrange to pay the payable amounts separately.
- 4.4.26 After the calculations are made in full shape, refund note in the prescribed form should be prepared mentioning the names of the beneficiaries with requisite branch of the State Bank of Hyderabad/ State Bank of India duly showing their share/ s separately and submit it to the Superintendent and officer for approval.
- 4.4.27 Rest of the process after approval from preparation of cheque to despatch will be the same as explained under Maturity Claim.

Delegation of Powers :

1. In respect of claims, the death occurs within 3 years, the clerks do not have the power to make calculations as above. First, the claim clerk shall obtain the leave particulars through the department concerned and submit a detailed note which gives the details of the policies issued, whether they are compulsory or optional, the cause of death and the leaves availed by the deceased preceeding to the date of submission of proposal form and till the date of death.
2. If it is an accidental death claim, the claim should be treated as death and make payment accordingly.
3. After orders are passed by the competent authority to treat the claim as death claim, then only, the other process of the claim can be taken up.
4. The file may be referred to New Business section for recording entries in a Register called Death within (3) Years Register

The District Insurance Officer is permitted to sanction all the death claims. However, the claims arisen in respect of proposals submitted after the death of the employee and in the circumstances, the rules do not cover the claims and also involves legal matters, disputes if any should be referred to Directorate for further guidelines.

SURRENDER CLAIMS

- 4.5.1 A policy becomes a claim by surrender under the following circumstances:
- 4.5.2 Under Rule 22 of APGLI Fund Rules, when a subscriber leaves A.P. Government service, he can choose (1) either to continue the policy by paying the premiums monthly, quarterly, half yearly or yearly or (ii) to surrender the policy or (iii) to take the policy paid up for a reduced sum assured. The above choice is to be exercised by a letter addressed to the District Insurance Officer within three months of leaving of service.
- 4.5.3 If the subscriber exercise the second choice to surrender the policy,

the policy becomes a claim by surrender. If the subscriber does not exercise his choice within three months, the policy is deemed to have been surrendered. In this case also, the policy become a claim by surrender.

4.5.4 The date of cessation of service should be taken as the date of exit.

4.5.5 When a subscriber sends a letter asking for surrender value of the policy, he should also enclose the proof from the employer certifying the date of leaving service.

4.5.6 On receipt of application, an entry should be made in the Personal Register as usual upto column 6 of the P .R. as per the procedure envisaged under Maturity claim. Then the clerk calls for the policy file from the record section, duly entering the information at column 7 of the P.R. that date of requisition and the date of receipt of file.

After receipt of policy file, the claim intimation is prepared and sends to valuation section, the calculation slip is attached to the policy file and again received back in claim section. The claim clerk shall ascertain the premium credits from the Rough Ledgers till the date of leaving service or the date of last payment of premium and issues the Form No.1 to the concerned duly preparing the forwarding letter in Form No.24 at the level of Superintendent. The entries to whom the forms are issued and the letter number, date etc. should be taken in PR at column 9 to 11 and rounded off the entry.

4.5.7 After receipt of the forms, the claim clerk shall scrutinise the following documents carefully:

1. Refund form No.1
2. Advance Stamp receipt .
3. Orders issued by competent authority to leave the Government service.
4. Policy bond/bonds

4.5.8 The following points shall be carefully observed: ,

- a) Whether the claimant has signed in the refund form and advance stamp receipt.

- b) Whether the signature of the claimant is attested by a State Government gazetted Officer.
- c) Whether the orders are issued by the competent authority to leave the office from employment.
- d) Whether the policy / ies are enclosed to the form.

4.5.9 The Process of surrender claim shall be done as per the procedure given below :

In respect of surrender claims received on or after 14-5-1996, the claim clerk after receipt of policy file from Valuation section, first calculates the premium due policy-wise from the date of commencement of risk to the date of Last Premium due.

55 (Superannuation age)

27 (age at entry)

$28 \times 12 \times 16$ (monthly premium) = Rs. 5376/-

Premium due upto the date of exit should also be calculated :

Date of exit 31-5-1996

Date of commencement of risk 1-12-1977

$30-5-18 = 18 \times 12 + 6 = 222 \times 16 =$ Rs. 3552/-

Age attained also to be calculated to ascertain the factor of paid up values from the table given in annexure.

Date of exit 31-5-1996

Age next next birthday as on the policy anniversary of preceding surrender. 1-12-1995

(-) Date of birth 12-8-1951

18-3-44

SV factor for 55 years - to 45 years = .62890

Paid up value of the policy is to be calculated by following formula :

Premium due upto exit X Sum Assured

Premium due upto date of LPD

$$= \frac{3552 \times 5696}{5376} = 3743.42 \times .62890 = \text{Rs. } 2366.81$$

5376

The above calculation shall be done on separate sheet and the clerk shall initial not only on the sheet but also on the calculation slip.

The excess premia if any paid by the policyholder has to be refunded alongwith payable amount. In case, less premium, is paid, the interest calculation has to be calculated by following the procedure as envisaged under Maturity claims. The less premium is arrived by deducting the premium paid against the policy, from the premium due calculated upto date of exit.

4.5.10 In respect of bonus calculations are concerned, the procedure explained under Maturity claims should be followed.

4.5.11 However, the following points shall be kept in view while calculating the same:

- a) No bonus is payable for the broken period of triennium.
- b) The bonus is to be calculated on the P.V. of Sum Assured of policy, but not on Full Sum assured. The P.V. of S.A. is arrived at by multiplying the relevant factor of 55 years/58 years with Sum assured.
- c) No interim bonus is payable in S.V. cases unless the policy is in force on the next valuation date also.
- d) Terminal bonus is not allowed for surrender claims.

4.5.12 Calculating the interest on arrears premia and bonus calculation on the reverse side of the bonus calculation slip, the details of bonus should be note down in the bonus calculation sip duly mentioning the date of commencement of risk of the policies, date of exit and the paid up sum assured of the policies in the top of the form and put his initial on the form .

4.5.13 The abstract of the claim should be prepared with the details of

paid up value of Sum assured, bonuses payable and the excess premium paid if any and struck up the total to arrive the total amount to be payable to the policyholder. The deductions on account of loan balance, interest on loan, arrears of premia, Interest on arrears of premia and fee for duplicate policy should be entered in the abstract and totalled and deducted from the total amount payable and thus arrive at the net amount payable. The calculations in the abstract must be initialled by the clerk.

- 4.5.14 On the basis of calculations made, the Refund note should be properly filled in duly mentioning the name of the branch of the bank on which the Cheque/Bank draft has to be prepared, verifying the same in the refund form and put his initial on the refund note by the clerk and pass on it to Superintendent and Officer for approval.
- 4.5.15 After approval by the competent authority, the file shall be sent to Valuation section for taking necessary entries in the premium LL, Claim Register and claim payment register. After done with, the file is sent to cheque section for preparation of Cheque/Bank draft.
- 4.5.16 After the Cheque/Bank draft is prepared, the policy file finally reaches to claim section for preparation of forwarding letter. The forwarding letter should be prepared in triplicate at the level of Superintendent. One copy may be filed in policy file and the original copy may be sent to the claimant alongwith cheque/bank draft and the other copy may be sent to the department concerned.
- 4.5.17 After preparation of forwarding letter, the P .R. entry should be closed by mentioning the Cheque/Bank draft number, date, amount and date of despatch in the columns 12 to 15 and send the file to Record Section.

Work Norms :

1. Claim intimation, preparation of CS, separation of LLs 25 to 30 per day
2. Correspondance in Claim cases. 15 to 20 per day
3. Verification of further entries, bonus calculation and Refund Notes .. 6 to 10 per day

4. Closing of loan accounts in refund cases ..	40 per day
5. Entries in Claim LLs	50 per day
6. Entries in claim Controlling Register ..	30 per day
7. Checking of CS by Valuation ..	20 to 25 per day
8. Loan Refund Calculation	10 to 12 per day

5. T.R.F. SECTION

5.1.1 The T.R.F. Section deals with the receipt of policy files, transfer of policy files, and transfer of premium and Loan credits of the policy-holders, Maintenance of Master list of policy files.

5.1.2 Now a days, the transfer of employees is a common thing in each and every Department. With the establishment of District Offices, whenever an employee is transferred to other District, automatically, a system is essentially required to transfer the policy file concerned alongwith connected records to the District Insurance Office to which the employee is transferred. As per the instructions issued by the Government, the Head of office shall intimate the transfer of employee through forwarding a copy of the L.P.C. alongwith policy number to the District Insurance Office concerned. An indication shall be given in the remarks column of the monthly schedule about the employee's transfer and the place of transfer. The subscriber also shall give an application to the District Insurance Officer concerned to transfer the policy file to the DIO to which he is transferred.

5.2.1 The functionary in the TRF Section shall attend the following functions :-

1. On requisition from the sections like New Business, Loans and Claims, the other D.I.Os may be requested to transfer the requisite files along with relevant records.

2. On receipt of policy file/any other information, the information should pass on to the Sections concerned.

3. a) On receipt of policy files, the file shall be sent to Record Section under proper acknowledgement.

b) The premium loose leaf shall be sent to Valuation Section.

c) The Loan Loose Leaf shall be sent to the clerk Who is in charge of loan loose leaves.

4. The entry of receipt of policy files should be taken in the Tr.F ..Reg-

ister while transferring the policy file, the duplicate premium and Loan L.L's should be prepared and kept them in a L.L. Binder in policy No. Serial wise.

5. An entry should be taken in the Master list of policy files notifying the D.I.O. to which the file is transferred. If the file is received, a new entry is taken at the end of the register for future updation of Master list.

6. On requisition, the premium and loan credits should be transferred to the DIO concerned. When the premium/loan credits are transferred from the current Rough Ledger, an entry should be recorded in the remarks column of the Rough Ledger that the premium/loan credits have been transferred to —D.I.O. upto----- month.

7. On receipt of currents (letters), an entry should be taken in the Personal Register and the process of the said currents should be clearly indicated in the Personal Register. When the final action taken against the current, then only the PR entry should be rounded off detailing the nature of disposal in the last column of the Personal Register .

8. At the end of the month, an abstract should be prepared detailing the currents pending at the beginning of the month, currents received during the month, total currents received, no. of currents disposed and the balance of currents pending at the closure of the month. The period-wise break up of pendency also to be shown in the PR. The reasons for pendency of each case should be given with serial number of the PR.

9. Tracing of missing credits and premium credits.

5.3.1 The process of currents in respect of TRF Section shall be as follows:

(i) On receipt of currents from the Inward Section, through the Superintendent concerned or Section Notes through Internal sections like New Business, Loan and Claim, all the Inward should be entered first in the Personal Register.

Column No.(1): The serial number of the PR is entered. (This serial number starts from the beginning of the financial year and continued till the closure of the financial year) .

Column No.(2) : The Inward Register number should be entered. In

respect of Section notes, received from internal sections, the column should be left blank.

Column No.(3): The receipt of the current/Section Note should be entered in the column.

Column No.(4): The title (subject) of the current should be entered in brief in this column.

Column No.(5): The Current/Section note from whom it is received should be written in this column, clearly mentioning the policy holder name, office in which he is employed/Section name.

Column No.(6) : The outside letter number and Date/Section Note number and date Should be entered in this column.

Column No.(7) ; The date on which the file called for from the record Section and the receipt of file should be mentioned in the column of the P.R.

(ii) On receipt of the policy file, the premium LL and Loan LL should be separated from the respective LL binders and see that whether the premium and Loan credits are posted in the said LLs upto date. If the LL posting is not completed for the period requisitioned and the credits should be noted down from the Rough Ledgers directly. Likewise, the loan credits also should be taken out from the Rough Ledger. Afterwards, the duplicate premium and Loan LL should be prepared under the attestation of Superintendent and officer concerned.

(iii) An entry with regard to transfer of policy file should be taken in TRF Register which should be maintained in the following format:

(1) Date.

(2) Policy No.

(3) Name of the policyholder.

(4) Whether the policy file is transferred.

(5) The premium LL is transferred.

(6) The Loan LL is transferred .

(7) To which DIO the file is transferred.

(8) Remarks

Column No.1: Date on which the file is transferred to other DIO is entered.

Column No.2: Policy number of the policyholder is entered.

Column No.3: The name of the policyholder and designation whose policy file proposed to be transferred is entered.

Column No.4: If policy file is transferred 'Y' mark should be noted in the column, if not 'X' mark should be noted.

Column No.5: If premium LL is transferred 'Y' mark should be noted in the column, if not 'X' mark should be noted.

Column No.6: If Loan LL is transferred 'Y' mark should be noted in the column, if not 'X' mark should be noted.

Column No.7: The policy file proposed to be transferred to which DIO, the name of the DIO should be mentioned.

Column No.8: The Remarks column. Anything is missing in the items, the reasons for such missing are noted.

5.3.2 TRF Register is a permanent record. The left side of the page of the TRF register should be used for recording of transfer of policy files and the right side of TRF Register should be used for recording of receipt of policy files from other D.I.Os. At the end of the month, an abstract should be prepared showing the total number of files transferred and number of policy files received with the attestation of Superintendent and Officer concerned.

5.3.3 An entry of transfer of policy file is also to be taken in the Master list of policy files of the District against the entry showing the D.I.O. to which the file is transferred.

5.3.4 A forwarding letter (preprinted stationery/cyclostyled or printed) shall be prepared in triplicate and get the approval of Superintendent and officer concerned and sent to despatch section for despatch of policy file and other relevant records through registered post. One copy to the D.I.O. concerned and the other copy may be despatched

to the policyholder and the Office copy shall be retained in the Section. On receipt of the office copy, the clerk shall close the PR entry recording the particulars in Col. No. (8) date on which the file is returned to the Section (9) the forwarding letter No. (10) date on which the letter is despatched (11) to whom the policy file is transferred.

5.3.5 (a) When a policy file is received from the other DIO, an entry should be taken in the PR as usual upto column No.6 and the file, the premium LL and Loan LL shall be sent to Record Section, Valuation Section, and Loan LL Section respectively under proper acknowledgement.

(b) A Section Note at the level of Superintendent may be prepared in duplicate informing the receipt of the policy file to the concerned Section who requisitioned the said file. The original copy may be sent to the concerned Section who requisitioned the policy file, and the entry in PR should be rounded off .

(c) An entry may also be taken in the TRF Register invariably.

(d) An entry may also be made in the Master list of policyholders by adding the newly received policy file.

5.3.6 In respect of Section notes received from the other internal sections requisitioning the policy files, a consolidated list of policy files are prepared and put up a letter addressing the DIO concerned for transfer of policy files making an entry in the PR as usual upto column No (6) and after approval of the letter, the information in the columns from 7 to 11 should be recorded on which date the letter submitted to officer and returned to section. After entering the letter No., date and to whom the letter is addressed then only close the entry in the personal register .

(i) Periodical reminders should be issued to the concerned DIO till the receipt of policy file/s.

(ii) Even then, if the file is not received within a month, a D.O. letter shall be issued.

- (iii) If the file is not received within (3)months, the DIO concerned may be contacted on phone .
- (iv) If the concerned file is not received and no information has been received from the DIO within six months, the matter may be brought to the notice of the Directorate. In no case, the file alongwith concerned records or the non- avallability of information should be sent within a week. The file is not transferred without any valid reasons within the prescribed time, the clerk and the Superintendent both are held responsible for non-transfer of file and they are liable for disciplinary action under CCA Rules.

5.3.7 Whenever the premium credits/loan credits are requisitioned, after taking entry in the PR as usual upto column No.6, and then trace out the premium and loan credits by referring the file to suspense section. If the suspense registers are not prepared, the credits may be traced out from the Rough Ledgers directly and enter the same in the CS and transfer the credits month wise for which the forwarding letter should be prepared in triplicate. One copy may be retained in the section, one copy may be sent to concerned policyholder and the other original copy may be despatched to the DIO concerned.

5.3.8 On receipt of the premium credits also, after taking necessary entry in the PR, the copy of letter should be prepared with the attestation of the officer concerned, the original copy may be sent to concerned section and the copy of letter should be kept in TRF section and close the PR entry

5.4.1 Functions of the Superintendent:

1. The Superintendent shall ensure the entries in the PR are upto date and taken as per the procedure envisaged above.
2. The Superintendent shall see that all the entries in TRF register should be done in a proper manner and maintain the copies of the records transferred (Duplicate premium LL, Loan LL and Premium credits etc.)

3. The Superintendent shall take suitable steps to update the Master list of policy files of the DIO .
4. The Superintendent shall arrange to send the monthly periodical to Directorate within the prescribed time.

Functions of the Officer:

The Officer must verify the PR of TRF clerk and TRF Register at regular intervals and ensure that no case is pending beyond the time limit. In case of long standing currents with regard to transfer of policy files are noticed, suitable steps may be taken to obtain/transfer the files and brought to the notice of Directorate if necessary .

Work Norms:

Transfer of premium credits ..10 to 15 per day

6. ROUGH LEDGER POSTING

The clerk concerned shall take the Posting of Premiums into Rough Ledgers, on the basis of monthly schedules received from the District Treasury Offices.

6.1.1. The following functions are to be attended by the Functionaries while posting the premium into Rough Ledgers:

- 1) Receipt of monthly schedules from the District Treasury Offices
- 2) Maintenance of Schedule Controlling Register
- 3) Verification of Schedules and list out the missing schedules with reference to abstracts.
- 4) Opening of Rough Ledger
- 5) Preparation of Index.
- 6) Segregation of monthly schedules Sub Account / Major Head wise and arranging them into alphabetical order
- 7) Posting of premiums into Rough Ledger monthwise
- 8) Strucking up of monthwise totals
- 9) Correspondance vvith DDOs for calling correct policy numbers, and details of missing vouchers
- 10) Striking up of horizontal and vertical totals after completion of (12) months posting
- 11) Preparation of SUB ACCOUNT / MAJOR HEAD wise abstract and Main abstract totals.

6.2.1. The A.P .G.L.I. premium is deducted from the pay of the officials at the prescribed rates or the rate by the officials so elected. These deductions are detailed in a Statement called Premium-cum-Loan schedule, which gives the policy number, name of the insured official, and the amount deducted towards premium and loan instalment. The Statements are attached to the Pay bills while presenting them into the Treasuries. The treasuries after passing the bills, detach the Statement of deductions called Monthly schedules and

sends them to the Insurance Department.

- 6.2.2. On receipt of the monthly schedules for a month, the Posting Clerk shall post the SUB ACCOUNT / MAJOR HEAD wise amounts in the Schedule controlling Register month-wise with the attestation of Superintendent and Officer concerned and the month wise figures shall be intimated to Directorate in the monthly periodical.
- 6.2.3. The monthly schedules are verified with reference to the SUB ACCOUNT / MAJOR HEAD wise abstracts and list out the missing schedules in a separate paper and attaches to the concerned S.A. and correspondance shall be made with the District Treasury / Drawing and Disbursing Officer concerned for obtaining missing vouchers, correct policy numbers etc. If the requisite vouchers are subsequently received, the entry in the list of missing schedules is deleted. The clerk shall ensure that there are no missing vouchers or misclassification and the totals of the vouchers enclosed to the abstract are in agreement with the totals that are given in the Abstract.
- 6.2.4. The schedules thus received by the clerk will be posted in a Register called Rough Ledger. The format of the Rough Ledger is as follows:

1. Policy No.
2. Name of the Subscriber
3. Designation
4. April
5. May
6. June
7. July
8. August
9. September
10. October
11. November
12. December
13. January
14. February
15. March
16. Totl Collection
17. Premium Due
18. Less
19. Excess
20. Advance
21. Arrears
22. Interest
23. Suspense
24. Remarks

- 6.3.1 Rough ledgers are maintained for each financial year. With the help of monthly schedules, the clerk opens the Rough ledger. The ledger contains 300 pages or 400 pages depending upon the number of monthly entries to be posted in respect of Sub Accounts / Major Heads earmarked to the said Ledger .
- 6.3.2. The Index of the Rough Ledger will be prepared on the basis of

Rough Ledger of Previous year .

- 6.3.3. Before starting the posting work, the clerk shall segregate the monthly schedules SUB ACCOUNT / MAJOR HEAD wise and tally the totals of premiums/loan vouchers attached to them with the totals of abstract and also verify the missing vouchers. Then, the schedules are arranged in alphabetical order as per the Index prepared.
- 6.3.4. With the help of April month vouchers, he starts the posting work and enters the policy number, name of the subscriber, designation, and premium amount and loan amount. Loan amount should be posted in paise column of the Rough Ledger. Sufficient place should be left after the names of a particular department are written as per the schedules for entry of the names of the new entrants.
- 6.3.5. While entering the names, easy method should be followed to take further months posting in speedy manner. Example: While entering the names of the officials of police department, police personnel shall be grouped according to the cadre i.e. PC wise, HC wise and Inspector wise and enter at one place with P.C. No./ H.C. No against their names. In respect of Education Department, the posting should be made colleges, high.-schools, upper primary-schools, primary schools wise arranging them in alphabetical order. In respect of Medical Department, the postings are made according to the nature of Hospitals, i.e Govt. Hospitals, Unani ,Homeo, Ayurveda Dispensaries etc. arranging each category of the institutions in alphabetical order.
- 6.3.6. Each page in the Rough Ledger exhibits the year of posting and the Major Head. After completion of the April month posting, the totals are struckup and tallied the figure with the Sub Account / Major Head figure booked by the D.T.O. and put his Initial with date by preparing sub-abstract monthwise.
- 6.3.7. While posting the subsequent month, if it is found that the policy no. and the policy holder's name do not appear in the rough Ledger in that particular Office or Major Head such policy no. and name will

be written as a fresh and after the earlier one by making the postings against that entry.

- 6.3.8. In the case of transfers, any reference is found in the monthly schedules, the concerned D.I.O. may be addressed to transfer the policy file and other records of the employee.
- 6.3.9. Any misclassification is noticed during the course of Rough Ledger posting, such misclassification must immediately brought to the notice of the D.T.O concerned and also to the Directorate for necessary rectification .
- 6.3.10. As soon as the premium posted in the relevant month column and the Page No. of Rough Ledger will be written against the name of the subscriber in the monthly schedule invariably as a token of posting made.
- 6.3.11. The Rough Ledger should contain month wise abstracts Major Head wise and also the abstract of all Major Heads posted in the Rough Ledger. The posting clerk as well as the superintendent put their initials on each and every abstract. At the end of the Rough Ledger, the officer should initial the main abstract of all Major Heads.
- 6.3.12. At the end of (12) months posting, the posting clerk shall struck the horizontal and vertical totals in red ink and tally with the total collections booked for the year by the D. T .O.
- 6.3.13. The Rough Ledger postings should be completed by the end of June every year after completion of the financial year .

Functions of the Superintendent:

- 1) The Superintendent concerned shall verify atleast 10% of the total postings in a Rough Ledger and establishes the correctness of the postings.
- 2) The Superintendent shall ensure that the postings are made as per the procedures prescribed.
- 3) The Superintendent shall see that the monthly schedules are received from the District Treasury Office regularly.

- 4) The Superintendent shall see that whenever the missing vouchers or misclassification or variations are found, necessary arrangements should be made to correspond with the concerned authorities i.e. District Treasury Officer, Drawing and Disbursing Officer, Directorate etc. for its rectification .

Functions of the Officer:

- 1) The Dist. Insurance Officer shall plan with the available staff to complete the Rough Ledger Postings within the time frame.
- 2) He should constantly watch the progress of the posting of Rough Ledgers at regular intervals.
- 3) He shall make necessary arrangements to furnish the monthly progress reports Rough Ledger wise to the Directorate in the prescribed format.

Work Norms:

In terms of the government orders issued vide G.O.Ms.No. 109, Fin. & Plg. (FW.Admn.II) Department, dated 15.04.1995, (300) items are to be posted per day by the posting clerk (functionary).

7. LOOSE LEAF POSTING

7.1.1. Loose Leaf is also called as Personal Ledger (individual accounts). It gives all necessary data in respect of each policyholder about the policies issued to him. It also gives the details of premium receipts year-wise and payments made to the policyholder from time to time. Generally, the valuation branch done the LL Posting in respect of Premium receipts. After completion of Rough Ledger posting for a year in the posting Section, the Rough Ledgers are transferred to the Valuation branch for LL posting. The total premium credited during the year as stated in the Rough Ledger at column No.16 against each policy number is posted to the respective LL with reference to the premium Rough Ledger is called LL posting. The LL posting is done from the Rough Ledgers one after another .

7.1. 2. Functions of the Functionery :

1. The clerk shall arrange the LL binders in seriatum at least 10,000 policy accounts.
2. From the Rough Ledger, a clerk read out the policy number and the name of the policyholder.
3. The another clerk shall verify the concerned Loose Leaf from the LL binder and if it exists and tallies with the name of the policyholder, he answers in affirmative.
4. The clerk who handles the Rough Ledger read out the amount received against the policyholder .
5. The other clerk shall take an entry on the reverse side of the Premium LL duly mentioning the Rough Ledger number, page number and the amount. Example: R1 10/240, in the respective years column.
6. The clerk who handles the Rough Ledger has to indicate the word "posted" and calculate the excess premium by taking the premium due and premium paid and the premium due should be entered in Column No.17 of the Rough Ledger, Less premium should be entered in Column No.18 while the excess premium should be

entered in Column No.19 of the Rough Ledger. The advance premium received in respect of deputation employees should be noted in Column No.20 while the policy holder who pays arrears for the past years, the arrear amount collected during the year should be entered at Column No.21 where as the interest should be noted at Column No.22. If the policy number quoted in the Rough Ledger appears to be incorrect, the entire amount should be noted in column No.23. Likewise, the amounts received through no L.Ls, no Numbers, New cases, for want of details should be noted in col.23 only.

7. The numbers which have been ascertained as wrong, such numbers should be encircled and capital 'W' written against such policy numbers while entering the amount contributed in the suspense column No.23.

8. If the premium of a subscriber has been recorded on more than one page of the same Rough Ledger (or) at different Rough Ledgers, cross references of the respective pages and Rough Ledgers should be given against the entries, the premium due less or excess should be calculated or written in the valuation columns of the Rough Ledger after taking into account of all the premium contributed and posted in the different pages of the Rough Ledgers.

9. After completion of posting of 10,000 policy accounts of table an entry should be taken at the last page of the Rough Ledger stating that the L.L. posting was completed for 10,000 policy account from and to with the initials of the clerks attended the L.L. posting work.

10. When the posting of loose leaves from all the Rough Ledger for a year is completed in the said manner, the totalling of valuation columns of Rough Ledger should be taken-up. The totals are to be tallied page-wise, major head-wise and to arrive at the grand total of the valuation columns of the Rough Ledger .

11. The amounts recorded in the Suspense Column should be

listed in Register separately. The grand total of the suspense register should tally with the total suspense amount of the Rough Ledger.

12. After the totals are struck-up and tallied In all the Rough Ledgers of a year, a statement showing the totals of each column from Column No.17 to 23 should be prepared and furnished to Directorate.

13. Similarly a statement showing the suspense amount category - wise should be prepared for each year and furnish the same to Directorate.

14. Both the statements may be required to be sent to Directorate for incorporation in the Proforma Accounts.

7.2.1. FUNCTIONS OF THE SUPERINTENDENT:

1. The Superintendent shall ensure that the items are posted in the L.Ls. properly.

2. He also ensures that the figures are tallied and the Valuation columns are struck-up.

3. The Superintendent shall see that the staff allotted for L.L.posting have worked as per the prescribed norms.

4. The Superintendent maintain a progress chart showing the number of Rough Ledgers per a year, how many tables are arranged and how many tables the L.L. posting in each R.L.completed.

5. He shall ensure that the totals of the valuation columns are Check-up and the suspense registers are prepared and the totals are agree with the total collections of that year .

7.3.1. FUNCTIONS OF THE OFFICER:

1. After completion of Rough ledger posting, the D.I.O shall make necessary arrangements for completion of the L.L.Posting.

2. Suitable steps may be taken to minimise the suspense amount to the extent possible.

3. He shall ensure that the postings are done in a proper manner with accuracy ,if necessary he may have random check.
4. After completion of L.L. posting, the officer shall arrange to prepare the statements in the prescribed format and furnish the same to Directorate.
5. He shall also see that the suspense registers are prepared.

7 .4.1. WORK NORMS:

In terms of the Government orders issued in G.O.Ms.No.109, Finance and Planning (FW Admn.II) Department, dated: 15-4-1995 the L.L.posting entries are 200 per day for a batch. The items to be posted in a suspense Register are 300 per day.

8. VALUATION SECTION

8.1.1. The valuation shall deal with

- 1) Maintaining of Loose leaves binders and posting of premia therein.
- 2) Preparation of Reserve Accounts (O/S Claims).
- 3) Furnishing of year-wise data regarding claims arisen and payments made.
- 4) Furnishing of valuation data.

8.2.1 In the section, the functionary have to discharge the following functions.

- a) Posting of amounts in loose leaves.
- b) Totals of valuation columns.
- c) Preparation of suspense registers.
- d) Preservation of claim binders / Loose Leaf Binders / "A" Account LLs.
- e) Entries in claim register exit-wise.
- f) Separation of premium L.L. from L.L.Binder in respect of claims arisen .
- g) Preparation of calculation slip by noting down the premia posted in Premium L.L.into calculation slip.
- h) Entry of year-wise consolidated amounts in the last column of the L.L.
- i) Totaling of the year-wise credits (C.S.Checking).
- j) Payment entries in L.L. and claim payment register and segregation of amounts loan balance, loan interest, arrears of premium and interest.
- k) Pass on the files to cheque section.
- l) Closing entries in claim register and claim payment register .
- m) Despatch of cheques and Bank Drafts.
- n) Preparation of monthly statement of pendency of claims.
- o) Preparation of Reserve Accounts.
- p) Preparation of New Business Register .
- q) Maintenance of ON and OFF Register .

8.3.1. a) Posting of Loose Leaves.

- i) Loose Leaf is the Individual account or personal Ledger of a subscriber. It is a very important record in which not only the total premium paid right from the date of admission to the date of exit is available, but also all necessary particulars in respect of No. of policies, the monthly premium, date of commencement of Policy / policies, date of maturity, sum assured, age at entry etc., are given. The payment made to subscriber from time to time towards Loan, Sum assured, bonuses, refund of excess premium etc., will necessarily be available in the Loose Leaf. In other words, no payment of any kind is possible without referring the loose Leaf or without entry therein. The front side of the Leaf contains all the above particulars and the back side is meant for posting of premium.
- ii) After posting of one financial year in Rough Ledgers is completed by the posting section, the Rough Ledgers are received by the Valuation Section, for posting in Loose Leaves. The valuation Section take up each Rough Ledger and proceed to fill-up columns from (18) to (24) in Rough Ledger in respect of each item as described below:

Column (18) -Premium Due:

Normally the value of monthly premium X 12 is entered in this column. In case it is found that additional policies have been taken in the middle of the year, the monthly premium in later months will be different from that in earlier months. The valuation section checks up from the 1st page of Loose Leaf whether a additional policy has been issued and if so notes the corresponding total amount as the 'Premium Due' in Column (18). If the Loose Leaf does not disclose any additional policy has been issued during the year, a reference is made to the policy file and then the correct total 'Premium Due' is noted in this Column. If there is no such indication either in Loose Leaf or in policy file, the amount received in excess of first policy premium will be shown in Column NO. (20). Pro-

vided it is clear that this amount is not due to collection of arrears relating to earlier year.

Column (19) - Received Less:

This is equal to (Premium due) of Column (18) less 'total collection under Column (17). This amount viz. (Col.(18) - Col.(17) is noted in this column.

Column (20) -Excess :

If column (17) exceeds column (18) that difference is shown in this if this is in multiples of monthly premium and reference to file shows that it does not relate to earlier years' arrears.

Column (21) -Advance:

In case Column (17) is more than column (18). The excess viz. Col.(17) -Col.(18) is entered here provided it is clear from the file that the policy holder has made this payment towards premium which will become due in the following year. Such payments usually arise in case of subscribers who leave service and thereafter elect to pay premium quarterly, half yearly or yearly, in which case part of the payment relates to next year .

Column (22) -Arrears :

If column (17) is more than Col.(18) and It is clear from the file or Loose Leaf that the extra payment relates to arrears premium of previous years, (17) -(18) is shown In this column.

Column (23) -Interest.

Usually when some amount is to be posted In column (22) i.e. arrears, there will also be some amount received towards interest, according to rules, interest has to be collected for arrears exceeding six months. In such cases the schedule usually shows the interest amount separately and this amount is noted in this column after verifying that the amount is actually meant for the purpose.

Column (24) -Suspense:

All amounts which cannot straight away be taken to premium, loan or interest accounts are posted in this column when an amount is posted in this column there should be a clear remark in the remarks column, regarding the nature of suspense Exp. Wrong policy No., irregular amounts etc.

8.3.1. The following further points should be noted while completing Columns (18) to (24) of the Rough Ledgers.

- a) Where a policy No. is found to be wrong the amount in the Rough Ledger should be circled and 'W No' written against such number and the amount will be posted in the Suspense column of Rough Ledger.
- b) Amounts pertaining to 'A' Account (Accumulation) will be put in suspense column of Rough Ledger and 'A' is noted in remarks column.
- c) All un-concerned amounts like amounts meant for Life Insurance Corporation, Postal Life Insurance etc., will be written in Suspense column with necessary details to facilitate preparation of suspense registers.
- d) If premium is posted in Rough Ledger on more than one page of the same or different Rough Ledgers, cross reference should be given against the policy numbers. Amount due, less or excess should be calculated and written in the respective column of Rough Ledger after taking into account all the premiums at different pages of the Rough ledger .
- e) No amount should be left unwritten in the Valuation Cols of the Rough Ledger i.e. (18) to (24). After filling up Col.(18) to (24) as above, the amount in Col.(16) is posted against the relevant year on the back side of the concerned Loose Leaf .

There are (4) Cols. i.e. year, reference of Rough Ledger, Total amount and space for initial after posting.

In the first column, written the financial year, for which posting of

premium is being done. In the second column, the name of the Rough Ledger and its page No. from where premium is being transferred to Loose Leaf is written. The total premium credited during the year appears in the third column and it is filled in at the time of making posting for the whole year.

Valuation Section keeps all the current loose leaves in separate binders. Similarly all loose leaves in respect of which claims have arisen are kept in a separate claim binder. The current binders contain loose leaves according to the Serial No. of policies. Usually one current binder has 500 loose leaves. The following points are to be observed while making loose- leaf posting.

- a) The policy number, name and amount of monthly premium of the policy holder should be carefully checked before posting an amount from Rough Ledger to Loose Leaf .
- b) The posting of loose leaves will first be made in current binders and after-wards in Claim binders.
- c) Immediately after posting the amount in the Loose leaf, 'posted' stamp should be affixed against the concerned policy number in the rough ledger.

After the posting of Loose Leaves as explained above, the totalling of the Valuation Cols. (18) to (24) of Rough Ledger should be done. These totals are to be tallied page-wise and Major Head wise for arriving at the grand totals of the valuation columns.

The amounts appearing in the Suspense Col. Shall be written separately alongwith the details in a suspense register (form No.34). The total of Suspense register should tally with the total amount under suspense in the Rough Ledger .

After striking the totals and tallying all the Rough Ledger figures for a year, a statement showing the total premium under each Rough Ledger duly classified as per the columns of Rough Ledger will be prepared. This statement alongwith the

suspense details will be sent to the compilation section for preparation of Proforma Accounts while keeping an office copy of both the statements. The suspense register will be sent to suspense section for clearance of such amounts.

8.4.1. Preparation of Reserve Accounts and Data relating to claims:

Besides keeping the Loose Leaves in Binders and posting of premium as already stated in the previous paragraphs valuation section is also responsible for preparation of Reserve Account i.e. 'Account of outstanding claims'. In addition to this, furnishing of information regarding claims arisen and payments made in a year, duly classified by the mode of exit, is also attended to by the valuation section. For these purposes, the following registers are maintained as permanent records.

- i) Claims Register
- ii) Claim Payment Register.

8.4.2 Claims Register :

It is maintained year-wise and all the claims intimated by the Refund Section are written in this Register. The claims which arise may be one of three categories i.e. 1 Maturity 2. Death and 3. S.V. and P.V. These claims are recorded in separate blocks of pages allotted category-wise in the register. The proforma of this register gives the entire details of a claim from its intimation to final settlement. The claims arising in a particular year are recorded in this register under the same year, even if intimation is received later, until the account for the particular year is closed. Claims intimated thereafter will be recorded in the subsequent year of intimation. The number of claims arisen, payments made and how many claims are outstanding at the end of the year can be found from the Register. From this register only, a list of Reserve Accounts at the end of each year is prepared and it also shows the business which has gone out of the current records.

8.4.3 As soon as a claim intimation is received from the Refund Section,

the clerk concerned shall take the following action.

- a) He takes out the Loose Leaf from current binders and white card from the racks and copy down the particulars of premium available in the Loose Leaf (in the C/S (Calculation Slip)).
- b) He takes entry in the claim register from Col. Sl.No. 1 to 8 (viz Sl. No. of register, date of claim intimation, date of exit, policy no. name of the subscriber, No of policies, monthly premium and Sum Assured.)
- c) After the above entries are made in the claim register, the Sl. No. of register with year and mode of exit will be written on the claim intimation slip as well as on the Loose Leaf, White card and C.S. Then the Loose Leaf is kept in the Claim Binder and card in the respective Claim Drawer. The file will then be sent back to the Refund Section.
- d) The refund section shall trace the premiums from the Rough Ledger for the year, which have not been posted in the Loose Leaves and again send the file to Valuation Section for checking the C.S. and its totals. The valuation clerk shall note down the traced premium credits in the L.L.s and struck up the totals in the C.S. as well as in the L.L. and written the total amount in Red Ink.
- e) When the file comes to valuation Section after the claim is sanctioned by the competent authority, columns of the claim register from Sl. NO. 9 to 17 i.e. amount of S.V. or P.V., Bonus, Interim Bonus, Total, Excess, Arrears, Net payable and name of the beneficiary relationship are filled in. The file is then given to the clerk incharge of payment register, who after taking the entries in the payment register sends the file to the cheque section for preparation of cheque/ bank draft.
- f) The Cheques / Bank Drafts after they are prepared and signed by the authorities are received back in the Valuation Section alongwith the files. After receiving the Cheque / Bank Drafts

the Col. From 17 to 22 of the claim register (Amount paid Cheque / Bank Draft No. and Date) are filled in. The Superintendent and Assistant Director shall sign, for each entry in Col.No.26 and 27 respectively.

- g) After completion of a month, the totals Col.No.(I), (6),(7) and (8) are struck-up exit-wise, year-wise (from which the valuation is yet to be completed, the monthly periodical shall be prepared and furnished to Directorate in the prescribed format).

8.4.4. Claims payment register : The claims payment register is maintained financial year-wise to show the payment of claims in one year duly classified by the mode of exit in the following format.

Column No:-

1. serial no. of the claim payment register .
2. Policy Number.
3. Payees Name.
4. Name of the Treasury /Bank.
5. Sum Assured (Maturity) Current year.
6. Bonus (Maturity) Current year .
7. S.A.(Maturity) Past year .
8. Bonus (Maturity) Past year.
9. S.A.(Death) Current year
10. Bonus (Death) Current year.
- 11.S.A.(Death) Past year.
12. Bonus (Death) past year
13. S.A.(S.V.) Current year
14. Bonus (S.V.) Current Year
- 15.S.A.(S.V.) Past year.

16. Bonus (S.V.)Past year.
17. P .F.with interest (Amount)
18. P .F.with interest (Interest)
19. P .F.without interest.
20. Excess without interest.
21. Out-standing premium account.
22. Interest on outstanding premium account.
23. Payment of excess loan .
24. Amount of interest on payment of excess loan.
25. Accumulation.
26. 'A' Register .
27. Total

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28. Arrears amount.
29. Interest on arrears amount.
30. Amount of Insurance loan
- 31.Amount of outstanding interest on Insurance Loan recovered.
32. Amount of Interest recovered on Insurance Loan for Current year
33. Fee for duplicate policy.
34. Net payable.

After striking the total for a month, the figures are reconciled with the Bank scrolls and finally with the booked figures of the Accountant General.

On receipt of the sanctioned files, the clerk, Incharge of claims payment register shall.

- a) Make entries in the Register upto Col.34 and affix stamp on the Loose leaf and Refund Note showing the payment Register Serial No.

- b) Take entry of the payment particulars in the Loose Leaf and obtain initial of Superintendent and District Insurance Officer on both .
- c) Send the files to Cheque Section for preparation of Cheque or Bank Draft. In case where Bank Draft is to be issued instead of Cheque, entries in the payment register will be taken only after the Bank Draft is prepared.
- d) Receive the Cheque/Bank Drafts from the Cheque Section make entries in Col.No.38 ,39 in the claim payment register and send them for signature of the Assistant Director .
- e) Send Cheque and covering letter to despatch section with the payment register so that Col.No.41,43 may be filled by them and returned to Valuation Section.

8.5.1. Preparation of Reserve Account or Accounts of Outstanding claims :

Reserve Account or outstanding claims is the Account of claims, which have arisen in a year, but could not be paid. Reserve Account is therefore prepared at the end of each financial year so as to ascertain the liabilities of the Department towards such claims, which have already arisen. With the help of claim and payment register, preparation of Reserve account is done. While the Claim Register shows the total claims arisen in a year at different modes It also shows classification of payments under each mode of exit. Entries in the payment register relating to current year are used to tick off corresponding entries in the claim register of the current year. Similar entries in the payment register under the headings 'Past Year' enable us to tick off corresponding entries in the last year's list of outstanding Claims. The unticked entries in the last year's outstanding list as well as in the current year's claims register are then copied together in Form No. 36. This list constitutes the outstanding claim list or 'Reserve Account' list for the the current year. When any outstanding claim is settled at a later date, respective item in the Reserve Accounts are struck off and

balance reduced accordingly so as to arrive at fresh balance of outstanding claims. These accounts are furnished to the Compilation Section to exhibit them in Proforma Accounts.

8.6.1. Preparation of valuation data:

Another important function of the valuation section is to collect data necessary for Actuarial Valuation and supply the same to the Actuary, in the form of Movement Schedules. As per Rule 8, an Actuarial Valuation of the Life Fund must be conducted by the Actuary for every triennium (Period of three years) and the surplus available for declaration of bonus determined. For this purpose the Actuary has to ascertain the following:-

- i) The life fund at the end of the triennium.
 - ii) The liabilities under all the policies in force as at the end of the triennium.
- i) Of these, particulars necessary to ascertain item (i) are supplied by the compilation section which prepares the balance sheet and revenue account for every year. To ascertain item (ii) the following information will have to be supplied to the Actuary in the form of 'Movement Schedules' year by year.
- a) Number of lives, policies, Sum Assured, Bonus and monthly premium as at the commencement of the year, to be furnished separately for each V. Y .O.M (i.e. valuation year of maturity)
 - b) Similar particulars in respect of additions during the year by way of (i) New Policies issued during the year (ii) revivals and (iii) alterations 'on'.
 - c) Similar particulars in respect of deletions by way of (i) Death Claims, Maturity Claims and Surrenders and (ii) alterations 'off'.
- ii) To compile the above items and for preparation of the Movement Schedules for each year, the following registers / records are maintained by the Valuation Section.

8.6.2. NEW BUSINESS REGISTER:

a) This register is maintained for ascertaining the Business secured during a year separately under each V. Y .O.M. (Valuation year of Maturity). The Valuation year of Maturity is arrived at by the following formula.

V. Y .O.M. = Calender year of birth + 55, for Policyholders with date of birth Falling between 1st January & 30th Sept.

And

V. Y .O.M. = Calender year of birth + 55, for policyholders with dates of birth Falling between 1 st October & 31st Dec.

The register is maintained year-wise, separately for medical and non-medical policies issued during the Financial year and contain the following columns:

Policy No.	Register. No.	No. of Policies	No. of lives	Monthly premium	SumAss ured	Date of Maturity	Remarks
1	2	3	4	5	6	7	8

b) A block of 500 policies is taken from the policy register and the above information is posted in the New Business Register under the relevent V.Y.O.M. and the totals struck and reconciled for the block (called 'closing'), at the end of the year. The grand totals for the year are arrived at by preparing abstract of totals for each block of closing. For the purpose of making adjustments in Totals due to any change in the policy particulars brought to the notice of the Valuation Section a register called 'Summary of abstract of totals' is maintained in which necessary corrections are effected. At the close of the year, the totals in the Summary of Abstract of totals show the total New Business received during the year .

8.6.3 Alterations Register .

The purpose of maintaining this register is to record alterations in the policy particulars occurring subsequent to the issue of policy. These alterations generally arise due to change in the date of birth or due to policies having been made paid up after the policy has run for some time. Alterations in respect of New Policies (issued after the last valuation) are not noted in this register but effected only in the 'Summary of Abstract of Totals' (described in previous para) of the respective New Business register. Entries in the alteration register are in two parts. One showing particulars (No. of lives, policies, premium and Sum assured) 'ON' as a result of the alteration and the other showing particulars 'OFF' under the respective V. Y .O.M. The totals of the particulars so recorded for the intervaluation period give the additions and deletions from the particulars under each V.Y .O.M. on account of the alterations during the period.

8.6.4. Valuation Card:

Whenever a policy is issued, a Valuation Card is printed/prepared along with the Loose Leaf. One side of the card contains the particulars of the policy. On the other side details of V.Y.O.M., Date of Birth, Date of Maturity and particulars of Entry , exit, premium, Sum Assured and Bonus for each policy are noted. After writing V. Y .O.M. on the back of the card, the card is filed in Policy number Serial order in filing cabinets. The cards in respect of a year are used at the end of the year to check up the V. Y .O.M. wise figures compiled In the New Business Register.

When a Claim arises or when a policy is surrendered, the relevant card or cards are taken out and the entries on the back of the card are filled in by hand by reference to the policy file after sanction of the claim. The claims Serial No. and year as entered in the Claim register is also noted on the card and the card is then transferred to the claim racks (Maturity Claim, Death Claim or Surrender as the case may be). Where the subscriber takes more than one policy there will be more than one card. From the cards transferred to the claim section the V. Y .O.M. wise information relating to Number of

lives, No. of policies, premium, Sum Assured and Bonus under each category of exit are compiled at the end of the year for incorporation in the Movement schedule for the year .

8.6.5. Movement Schedule:

This Schedule is prepared for each Financial year. It contains 26 COIS. Col.(I) to (5) relate to Business in force at the beginning of the year Col.(7) to (11) relate to additions, Col.(12) to Col(16) relate to deductions due to exits other than deaths, Cols.(17) to (20) relate to deductions due to deaths and Cols. (22) to Col.(26) relate to business in force at the end of the year .

i) Col.(I) V. Y.O.M. (Valuation year of Maturity): This is arrived at as explained earlier while discussing the new Business Register. All further Information is entered V. Y .O.M .wise, one line being used for each V.Y.O.M.

II) Cols. (2) to (6): Business In force at the Commencement:

These relate to the number of lives, Premium, Sum Assured, Bonus and B.R.F. at the beginning of the year. Usually the figure in these Cols. Should be the same as the corresponding figures of 'Business in force at the end of the year i.e. Cols. (22) to (26), for the same V.Y.O.M. of the 'Movement Schedule of the previous year.

III) As the compilation of the 'In force' figures of all the Regional/ District Offices is done at the Directorate and as Regions/Districts are only furnishing figures for 'OFF' and 'ON' movements, Cols. (2) to (6) as well as Cols. (22) to (26) are left blank by the Regional/District Offices and only Cols. (7) to (21) are filled in. The Directorate while consolidating the total business for all the Regions/Districts, arrives at Cols. (2) to (6) as well as Cols. (22) to (26) by taking the total for all the Regions/Districts.

iv) Cols.(7) to (11): Additions.

These relate to additions during the year due to (I) New Business (ii) revivals and (iii) alterations On". Of these figures relating to (I) are obtained for each VYOM from the New, Busi-

ness Register those relating to Revivals as also other alterations 'On' from the alteration register. .

- v) To obtain cols.(7) (No. of lives) col.(8) (Monthly premium), col.(9) Sum Assured relating to New Business, all the cards of the year are first checked with the policy register and if there are any missing cards, new cards are prepared. The cards are then sorted VYOM Wise and the totals of No. of lives, Monthly premium and Sum Assured under each VYOM as obtained from the cards are checked with the totals in the Summary of abstract of totals of all the closings of the New Business Register .
- vi) Col.(10) viz. Bonus additions are not filed in by the Regional/ District Offices. In the consolidated schedules of the Directorate, these figures are calculated from the total New Business figures of the regions/districts by applying the rate of Bonus declared at the end of previous valuation. This col. is filled in the schedule for the first year of the triennium. In the schedules for the other two years, this column will be blank.
- vii) Col (11): Bonus Reduction Factor (BRF)_ After sorting the Valuation cards by VYOM, they are further sorted by month and year of commencement and the total Sum Assured for each of the 12 sub-groups of each VYOM is arrived at. The Bonus Reduction Factor helps to ascertain the deduction to be made in the bonus of a new policy from the bonus for all the three years of the triennium. In respect of any particular VYOM policies commencing in, say, June 1978 earn bonus for (2) years 10 months of the triennium and so reduction should be made for the (2) months of the triennium for which it is not in force. BRF for this particular sub group of the VYOM is therefore equal to $SA \times 2/1000$
- viii) Similarly BRF for each of the 12 Sub Groups of the year under the VYOM calculated and added together and the total is shown in col (II) against that VYOM.
- ix) Information under each of the above items (7) to (11) must be worked out separately for medical and non-medical business.

- x) Similar particulars in respect of revivals and alterations 'On' are taken from the alterations register separately for each VYOM and then added to the corresponding figures of the New Business Register. The merged figures are then incorporated in the Movement Schedule in cols. (7) to (11).
- xi) Cols. (12) to (16) Deductions for exits other than death claims: The deductions in number of lives, premium, sum assured, bonus and bonus reduction factor in respect of Maturities, surrenders and alterations 'Off' come under this category. These are available from the maturity claim register, surrender claim register and alterations register respectively, separated for each VYOM and incorporated in cols. (12) to (16) of the Movement Schedule.
- xii) Col. (17) to (21): Deductions for Death claims:
The Particulars in respect of death claims are collected by picking the death claim cards by reference to Death Claim Register, sorted VYOM wise and the figures are then incorporated in cols. (17) to (21) of the Movement Schedule.
- xiii) Col. (22) to Col. (26) : Business In force at the end :
The particulars for these columns are obtained by adding the 'additions' (col. (7) to (11) to the corresponding figures of Business in force at the beginning of the year and then subtracting the corresponding figures for deaths as well as exits other than deaths. Thus col. (22) = col.(2) + col.(7) -Col. (12) + .Col. (17) and so on. These columns (22) to (26) are not filled in by the regional/district offices just as the columns (2) to (6) are filled in. The Directorate prepares the consolidated movement schedules of all the Regions/districts who fill cols. (2) to (6) as well as col. (22) to (26) of the consolidated schedule.

8.7.1: FUNCTIONS OF THE SUPERINTENDENT :

1. The Superintendent shall ensure that all the Registers must be properly filled in and maintained neatly and visible manner.
2. The Superintendent shall attest the totals/entries in the Registers wherever necessary .

3. The Superintendent shall ensure that the data as requisitioned by the Directorate should be prepared within the time limit and furnish the same to the Directorate for preparation of Proforma Accounts as well as declaration of Bonus to the policyholders.
4. He shall see that the monthly periodicals prepared regularly and furnish the same to the Directorate.
5. He shall see that the data is prepared accurately.

8.8.1: FUNCTIONS OF THE OFFICER:

The District Insurance Officer shall ensure that all the Registers prescribed are properly maintained and the entries are properly recorded. He should check up the Registers at periodical intervals and ensure correctness of entries .

9. CHEQUE SECTION

9.1.1 After sanction of Loans and claims, the file is sent to the Cheque Section for preparation of cheque/Bank Draft for the amount so sanctioned. After receipt of files in cheque section, the clerk concerned shall segregate the files into two categories.

i) files required preparation of Cheques

ii) files required preparation of Bank Drafts. Cheques are issued to the policyholders who are in the Dist. Head Quarters and the Bank Drafts are issued to the outstation subscribers.

9.1.2. The following registers are maintained in the cheque section:

1. Cheque books Register .

2. Loan cheque register

3. Claim cheque register .

4. Loan Bank Draft register

5. Claim Bank Draft register

6. Loan cash book

7. Claim cash book .

8. Unpaid cheque register (Loan)

9. Unpaid cheque register (Claim)

9.1.2. First, the following Rubber Stamps should be affixed on the face of the Cheques at appropriate places. 1) Branch of the Drawee Bank, 2) Loan Account/ Claim Account, 3) Head of Account 8011 -Insurance pension Funds, 105 -State Govt. Insurance Funds, 01 -A.P. Govt. Life Insurance Fund, 4) Stamp of the officer who is competent to issue the cheque, 5) "Account Payee" stamp should be affixed in the left corner of cheque as well as on the counter foil of the cheque.

9.1.3. Before writing the cheque, the clerk should ensure that competent authority passes the policy files. The clerk then writes the name of the Policy holder /Beneficiary, designation, amount in words and

amount in figures in the respective columns of the cheque and also in the counter foil. The policy No. also be written on the top of the counter foil of the cheque, and write the amount in words in red ink in the middle of the cheque horizontally by increasing one rupee of the cheque amount. In case, the cheque is issued for preparation of Bank Drafts, the word 'FOR B.D's' shall be written in place of policy number and the cheque is issued in favour of Branch Manager of the Drawee Bank.

9.1.4. After writing the cheque, the clerk shall enter the cheque No B.D. No. and date of preparation in the Loan Note as well as in Refund Note at appropriate Columns, under the attestation of the Superintendent concerned.

9.1.5. The clerk shall also take an entry in the loan cheque Register showing the policy No. cheque number, date and amount and sufficient place shall be left to acknowledge the receipt of cheque by the concerned clerk who deals with the Loan payment Register and claim payment register. After entering the cheques issued for a day in the said register, the total expenditure shall be struck up and it should be closed and certified by the Superintendent and officer concerned. In case the cheques are Issued on claim Account, similar procedure should be followed for taking entries in the claim cheque register. While opening the above registers in cheque section, all the pages of the registers should be numbered and certificates appended on the first page under attestation of the officer concerned showing the number of pages the registers contained. In case the cheque Issued for preparation of Bank Drafts, such cheque also should be entered in the respective cheque register showing 'For B.D's in place of policy number .

9.2.1 In respect of preparation of Bank Drafts, the clerk prepares the list of policy files in duplicate which requires Bank drafts and the amount of such list shall not exceed Rs.1, 00,000. Necessary entry detailing the policy no. name of the branch, amount etc. should be taken In the respective Bank drafts register (Loan/Claim). The cheque number,

date and amount should invariably be indicated in the bottom of the above entries. The Superintendent as well as the officer should verify the correctness of the total amount in the list with reference to the policy files then only the cheque has to be issued in favour of Branch Manager. The cheque as well as a copy of the list may be sent to the Bank. On receipt of the Bank Drafts from the Bank, the Bank draft number as well as the date of Bank draft shall be entered against the entries already made in the Bank Drafts Register (Loan/Claim). The clerk who deals with the Loan payment register as well as claim payment register shall put his initial in token of receipt of Bank Drafts.

9.3.1 Loan cash book and claim cash book shall be maintained separately for each financial year. On receipt of L.O.C. from the Directorate, the entry should be taken in debit side of the cashbook. At the end of the month, the entries of date wise expenditure as per loan cheque register and claim cheque register should be taken on the credit side of the cashbook showing the cheque numbers from and to. After entering a month's expenditure, the totals are struck up in cash book and by deducting the total expenditure, the balance of L.O.C shall be arrived and then take-up the reconciliation of figures with those booked in bank as well as Dist. Treasury Office, by getting the Bank scrolls. The Supdt. and the Officer concerned should attest the entries in cashbook every month.

9.4.1 Reconciliation of Expenditure :

Unpaid cheque registers are maintained in Cheque section. First, the cheques issued during a month shall be entered in that Register showing the serial number, policy number, cheque number and date and note down the encashment dates as per Bank scrolls against the respective cheques. The cheques, which are not encashed during the month shall be treated as unpaid cheques and prepare an abstract showing the unpaid cheques and take up the reconciliation of the figures in the format Prescribed below in the Loan/Claim Cashbook:

- 1) Total expenditure on account of issue of cheques during the month----
 Add: Cheques of previous month encashed during the month -----
 Add: Cheques of claim a/c included in Loan a/c /cheques of Loan a/c
 included in claim A/c -----
 Total
 Less: Unpaid cheques during the month
 Less: Cancelled cheques during the month
 Net payments _____

These figures should invariably be tallied with the figure booked in District Treasury as well as in the Bank and should be got attested by the Officer .

NOTE:

1. The officer concerned should only attest the corrections in the amounts entered in the Registers maintained.
2. The entries in respect of cancelled cheques should be rounded off, under proper attestation of the officer concerned.
3. The time barred/returned Bank drafts should be remitted to Fund account through challan to the Head of account 8011-105-01.
4. A controlling register shall be maintained for watching the used chequebooks duly entering the cheque numbers from and to.
5. While cancelling the cheques, the original foil of cheque should be obtained and attached to the concerned counter foil and the word 'cancelled' should be written on the face of the cheque under attestation of officer concerned in Red ink and reason for such cancellation shall be recorded under proper attestation, on the reverse side of the cheque.
6. The cheque books/counter foils of used cheque books shall be kept under the safe custody of the officer .
7. All the registers in the cheque section are maintained finan-

cial year wise and closed the same at the end of the respective financial year .

8. The cancelled cheques should not be credited back to the L.O.C. account.
9. Chequebooks are supplied by the District Treasury Officer against the indent made by the District Insurance office. On receipt of cheque books, the cheque Section clerk should ensure that all the leaves in the cheque book are intact or not, and if any leaf is found missing, the said fact shall immediately be brought to the notice of the District Treasury Officer concerned immediately. One chequebook may be used for Loans and another for Claims. After the cheque books are exhausted, the Yellow leaf may be returned to the District Treasury Officer for obtaining another cheque book.

9.5.1 Functions of the Superintendent:

1. After sanction of Loans/Claims by the District Insurance officer, the Superintendent shall ensure that cheques are written according to the sanction order .
2. The Superintendent also ensure that the prescribed registers are maintained and the entries are properly made in the said registers.
3. He should verify the correctness of the entries in the registers and attest the entries wherever necessary .
4. He should make necessary arrangements for safe custody of chequebooks and counter foils of used chequebooks.
5. He should take suitable steps to reconcile the figures and rectification of variations if any noticed.

Functions of the Officer :

The District Insurance Officer shall ensure that the Cheques/Bank Drafts are properly written as per the amounts so sanctioned, proper maintenance of records and registers and also the correctness of the entries in the Registers and attest the figures wherever necessary as explained in the earlier paragraphs.

Work Norms :

In terms of Government orders issued in G.O.Ms.No.109, Finance and Planning (FW Admn.II) Department, dated 15-4-1995, the clerk should write (50) cheques every day.

Delegation of Powers :

The District Insurance Officer is fully authorised to issue cheques (for the amount payable) without any monetary limit. However, while issuing a cheque for preparation of bank drafts, the monetary limit should not exceed Rs. 1.00 lakh for each cheque.

10. RECORD SECTION

10.1.1 The Record Section is the responsible for maintenance of the policy files of the subscribers. The section shall take steps to weed out the records, after the preservation time expires as per the Government Orders issued from time to time.

FUNCTIONS OF THE FUNCTIONARIES IN RECORD SECTION :

The main functions of the Functionary are:

- a) Supply of records/Policy files as per the requisitions.
- b) Checking of records transferred by various sections in the District Insurance Office.
- c) Sorting of policy files policy number serial wise sent or returned by the sections and placing them in or restoring them in their proper places.
- d) Registry of policy files sent outside the section and removal of requisitions while placing them in their proper places.
- e) Cleaning and dusting of racks and the examination of records to protect them from damage by insects.
- f) Labelling and varnishing record boards.
- g) Keeping the policy file bundles and volumes neatly and methodically in the racks.
- h) Destruction/weeding out of records in due time.

10.1.2 Custody of Records: Each subscriber is having a separate policy file with assigned policy number. After the first policy is issued, the papers pertaining to proposal, draft policy etc. tagged with a file cover duly indicating the policy number assigned to the subscriber in visible letters on the file cover and sends to record section for preservation. After that whatever the correspondance made by the subscriber for sanction of loans and settlement of claims etc., all the papers will be added to the policy file. These policy files are stored in the racks policy number serial wise. They have to be preserved till the expiry of contract with policy holders .

10.2.1 Duties of the Record Superintendent: The Record Section is under immediate supervision of a Superintendent who is responsible for the proper maintenance of records and expeditious transaction of policy files. He should periodically inspect the registers maintained by the clerk in order to ensure that they are properly maintained.

Record Assistant : The Record Assistant /Clerk is responsible for the proper maintenance of the records. The clerk/s should see that the records are neatly and methodically arranged and the rooms are kept tidy. They should promptly attend to requisitions for policy files and maintain necessary registers showing the policy files sent out and returned.

10.3.1 Destruction of Records: Government vide G.O.Ms.No. 212, Finance and Planning (FW Admn,II) Department, dated 11-2-1978 has issued orders for periodical destruction of records, which shall be regulated as follows:

S No	Particulars	Period for which Preservation recommended
1.	Proposal register	30 years
2.	Policy register	30 years
3.	Nomination register	Permanent
4.	Rough numbering register	5 years
5.	'A' numbering register	3 years after payment
6.	Within 3 years Death register	5 years after payment
7.	Doctors fee payment register (Provisional register)	3 years after audit (register)
8.	Doctors register for Medical Examination	3 years after audit
9.	Medical Intimation Register for Dist. Cases	1 year
10.	Proposal controlling register	3 years
11.	Proposal objection register	6 years

12. Proposal and policy number cancellation register	30 years
13. White cards	Permanent
14. Loose Leaf Binder	Permanent
15. Claim Payment Register	Permanent
16. Bonus Register	Permanent
17. Claims Register	Permanent
18. Alteration register	5 years after valuation
19. New Business Register	5 years after valuation
20. Suspense lists	3 years after audit
21. Claim Cheques controlling register	3 years after audit
22. Claim B.D. controlling register	3 years after audit
23. Claims Register	Permanent
24. Claims Controlling register	3 years after audit
25. Claims Book-lets	3 years
26. Transfer of Ins. Files Register	Permanent
27. Premium and Loan Schedules (Goshwaras)	3 years after audit
28. Rough Ledgers of Premium and Loan	25 years
29. Schedules Controlling Register	1 year
30. Incoming schedule updating files monthwise from various drawing officers of twin cities	1 year after the plates are updated
31. Bradma Log books	3 years after audit/ Inspection
32. DO Lr .To drawing officers files	1 year after compliance
33. Requisition for movement cards of claims sec.	1 year after affecting updating
34. Cheque Payment Register of Loans	5 years after audit
35. Cash Books (compilation section)	Permanent
36. Journal entries	Permanent

37. Ledger Accounts	Permanent
38. Revenue account and Balance sheet	Permanent
39. Depreciation register	Permanent
40. Proforma Accounts and Audit Reports	Permanent
41. Managing Committee Meeting Minutes	Permanent
42. Suspense Register	Permanent
43. Suspense Clearance Register	Permanent
44. Loan Ledgers (Old)	30 years
45. Loan Interest accrued register	3 years after audit
46. Incomplete proposal files	5 years
47. Maturity claim files	5 years after full payment
48. SV and PV files	5 years after full payment
49. Death claim files	5 years after full payment
50. Rejected Proposal files	Till completion of age 45 years of the proponent

10.3.2 Registers to be maintained in the Record Section: Whenever the policy files returned back from the Sections, the Record clerk shall check up the policy files with reference to the policy file numbers listed out in the transit register and receives them by giving acknowledgement. These files should necessarily serialised according to the policy number serial wise' and placing them in the respective racks removing the requisition slips from the bundles. In respect of requisitions made by the sections, as per the requisition slip, the clerk shall verify the concerned bundle and take out the policy file requisitioned duly placing the requisition slip in the bundle in place of policy file. The requisition slip should invariably show the following details:

1. Policy number
2. Name of the subscriber:
3. Policy file requisitioned by which section
4. Initial of the clerk with date

10.3.3 The taken-out policy file should be arranged serial number wise and enter them in the register section wise. The record section register should be maintained in the following format:

Sl. No	Date	File No.	Issued to section	Signature of the receipt	Total No. of requisitions received	Total No. of policy files issued	Total No. re requisitions returned	Remarks
1	2	3	4	5	6	7	8	9

Column No.1: The serial number of the register is indicated. The serial number should be commenced from 1st- April

Column No.2: Date of issue of policy file is indicated.

Column No.3: The policy file number is indicated.

Column No.4: To whom the policy file is sent should be mentioned.

Column; No.5: The signature of the clerk who has received the policy file is obtained.

Column No.6: The total number of requisitions received from the Section should be indicated.

Column No.7: The total number of policy files issued to the Section against column No.6 should be Indicated.

Column No.8: The total number of requisitions returned to the section should be indicated. The reasons for the return of requisition also be indicated on the concerned requisitions.

Column No.9: Remarks if any should be indicated.

10.3.4 A register for watching the receipt of policy files from the sections should be mentioned in the following format:

Sl.No	Date	File No	Section from whom received	Remarks
1	2	3	4	5

Column No.1: The serial number of the register is indicated.

Column No.2: Date of receipt of policy files indicated.

Column No.3: The policy file number is indicated.

Column No.4: The Section from whom the policy files returned should be indicated.

Column No.5: Remarks if any should be indicated.

10.4.1 Work Norms:

In terms of G.O.M5.No.109, Finance and Planning (FW Admn.II) Department, dated 15-4-1995, the Record Assistant / Clerk should take out/insert atleast 200 policy files per day.

11. SUSPENSE SECTION

11.1.1 The suspense section shall deal with clearance of suspense amount contained in the Suspense Registers prepared by the Valuation Section at the end of LL posting for each financial year .

11.1.2 The functions of the functionary in the Section are:

a) On requisition by the Sections like Loans, TRF and Claims tracing out the missing credits from the suspense.

b) Effecting of necessary entries of clearance in the clearance register .

c) Sanction of missing credits on the strength of affidavit.

d) Preparation of monthly periodical in the format about the progress achieved in clearance of suspense account.

11.2.1 When a file is marked to suspense section, the suspense clerk shall verify the credits with the details available in the file, in the probable Major Head and Office concerned. If the credits are traced, then the amounts are shown in the Calculation Slip duly mentioning the correct policy number against the entry rounding off the amount in the suspense register .

11.2.2 The suspense clearance register should be maintained in the following format:

S.No	Date of clearance	Policy no.	Name of the policyholder	Amount cleared	Suspense for the year	Remarks
1	2	3	4	5	6	7

11.2.3 The total of the amounts so cleared during a month should be struck up and furnish the total amount cleared in the monthly periodical in the format prescribed and sent to Directorate.

11.3.1 When the missing credits are not traced even after taking the measures as envisaged in G.O.Ms.No.1604, Finance and Planning (FW Admn.II) department, dated 5-12-1978 and in such circumstances, the Government have permitted the Director of Insurance to sanction the missing credits on the strength of affidavit in the form prescribed.

11.3.2. Sanction of missing credits from General Suspense: - To get the sanction of missing credits from the Directorate on the basis of affidavit,

the clerk shall submit a note to the officer concerned and after orders are passed then only the file may be referred to Directorate.

11.3.3 The clerk in his Note should explain the measures taken by the Section to clear the missing credits and the circumstances to sanction the missing credits on the strength of an affidavit.

11.3.4 When the Directorate has accorded sanction to release the missing Credits, the amounts so sanctioned may be deducted from the suspense of the respective year while making an entry in the suspense clearance register .

11.3.5 In terms of orders issued in GO. Ms. No.1604, Finance and Planning (FW Admn.II) Department, dated 5-12-1978 read with Govt. Memo No. 40468/691/Admn.II/83 dated 12-5-1983, the missing credits can be sanctioned beyond (3) years from the date of exit or the application for refund.

11.4.1 Functions of the Superintendent :-

1. The Superintendent shall watch the clearance of amounts at regular intervals whether the correct amounts have been credited to the accounts of the policyholder or not.

2. The Superintendent shall ensure that the monthly periodical is prepared and furnished to Directorate within the requisite time and also ensure correctness of the numerical totals.

3. The Superintendent shall see that no case is pending in the section for want of clearance of amounts and arrange to dispose off the case within three days.

11.4.2 Functions of the Officer :-

The Officer shall see that a fair amount of suspense is cleared in a month by watching the progress every fortnight and ensure the submission of periodicals within the prescribed time.

Work Norms :

Entries in suspense register are 300 per day. Clearance of suspense amount per each clerk -Rs.1, 00,000/- to Rs.2,00,000/- per month. (G.O.Ms.No.109, Finance and Planning (FW Admn.II) Department, dated 15-4-1995)

12. ADMINISTRATION SECTION

The Administration Section, deals with the appointments, promotions, pay fixations, sanction of annual grade increments, sanction of Loans and advances, leaves of the employees, consolidation of periodicals, consolidation of business reports, court cases, complaint cell cases, Government District Collector meetings, File Disposal reports, Roster of appointments, maintenance of service registers etc. The service matters of Govt. servants should be dealt in accordance with the rules issued in Govt. orders from time to time and also Rule framed in A.P. Fundamental Rules, A.P. Financial Code, Pension Code, Treasury Code etc.,

12.1.1 The functions of the functionary in the Administration Section are:

1. Maintenance of attendance register, late attendance register, late permission register, and turn duty register .

2. Maintenance of service registers, personal files of the employees, casual leave accounts, controlling registers, Incremental registers, periodicals register, confidential reports, C.C.L. Register .

3. Sanction of leaves such as casual leaves, optional holidays, earned leave, half pay leave, extraordinary leave, maternity leave etc. to the staff and officers .

4. Sanction of loans and advances, festival advance, educational advance, G.P .F .advance/withdrawals, House Building Advance, motor cycle advance, marriage advance and motor car advance to the staff and officers and follow up action for completion of formalities.

5. Placing of indents for vacant posts.

6. Placing and declaration of probation of staff .

7. Maintenance of stock files, Proceedings Register, Office Order Register

8. Consolidation and submission of monthly, quarterly, half-yearly and yearly periodicals.

9. Maintenance of roster of appointments.

10. Pay fixation of the staff and officers.
11. Any matter relating to service welfare of employees/staff.
12. Issue of service certificates and salary certificates.

The Service matters of the Government servants should be disposed off by following the Government orders issued from time to time and as per the rules governed in Fundamental Rules, A.P. Leave Rules, A.P. Treasury Code, A.P. Financial Code, A.P. Pension Code and A.P. Accounts Code, A.P. G.L.I. Service Rules etc.

12.1.2. The provisions in Fundamental Rules shall be followed by all the Government servants who are paid from the consolidated fund of the State. These rules deal with service aspects relating to Government servants such as General conditions of service, pay, pay fixations, increments, additions to pay, combination of appointments, dismissal, removal and suspension, retirement, leave, joining time and foreign service etc. The power of interpreting the rules is reserved with the Government. Whenever there is a doubt in interpreting a rule, the same shall be referred to Government through Directorate.

12.2.1. Some of the important definitions in the A.P. Fundamental Rules are as follows:

Duty : Service in a post, joining time authorised, course of training, compulsory wait treated as such by competent authority, periods of enforced halts enroute on tour, casual leave etc. are treated as duty.

Pay : Pay means (i) Basic Pay (ii) Special Pay (iii) Personal Pay (iv) Additions to pay granted under FR 9.

Foreign Service : means service in a post where the government servant draws his pay from a source other than the consolidated fund of the State.

Personal Pay : means additional pay granted to save the employee from loss in substantive pay or on personal grounds like family planning incentive increment.

12.2.1. The wholetime of a government servant is at the disposal of

the Government and he may be employed in any manner required by proper authority without claim for additional remuneration (FR 11).

12.2.2. Confirmation is delinked from availability of permanent post. Confirmation can be done against a temporary post in the initial post after satisfactory completion of probation. No person can be appointed regularly without medical certificate of health as provided under FR 10.

12.2.3. Government may transfer a government servant from one post to another. (FR 15)

12.2.4. A Government servant may be required to subscribe to provident fund or similar funds at the prescribed rates (FR 16).

12.2.5. No Government servant shall be granted leave of any kind for a continuous period exceeding five years. Wilful absence from duty not covered by any grant of leave will be treated as "Dies-non" for all purpose viz. Increment, leave and pension.

12.3.1. **Pay Fixations:** The following are the circumstances under which the pay fixations of the staff and officers arise:

1. First appointment to a post.
2. Revision of scales of pay.
3. Promotion to a post carrying higher responsibilities.
4. Reversion to a lower post.
5. Appointment by transfer to a post outside the regular line.
6. Repatriation to the parent department from outside the regular line.
7. Substantive appointment to a post not carrying higher responsibilities or to a new post.
8. Appointment under Automatic Advancement Scheme.
9. Re-employment.

12.3.2 **General Principles of pay fixation :**

(i) In respect of revision of pay scales, necessary guidelines given by the Government for pay fixation each time shall be followed. In the absence

of guidelines, pay should be fixed at the same stage in the Revised Pay Scale and if there is no stage, next below the stage to the pay drawn in old scale and the difference is treated a personal pay to be absorbed in future increments.

(i) For purpose of pay fixations, only basic pay is taken into consideration.

12.3.3 Some of the pay fixations are illustrated hereunder:

(i) First appointment:- On first appointment, pay is fixed at the minimum of the Pay scale. However, the pay of a regular government servant when appointed directly to another post on selection by APPSC is protected.

(ii) Automatic advancement Scheme

	Junior Accountant	On completion of (8) years of service
Scale of pay	1745-40-1825-50-2075-60- 2375- 75-2750-90-3200- 110-3420	1875-50-2075-60-2375-75- 2750- 90-3200-110-3750
1-2-1993	2930	
1-5-1993	Completed (8) yrs	3020
		[FR22 (a)(I) -pay fixed at the next higher stage]
1-2-1994	3020/-	3110
	Date of next increment in the lower post	FR 31(2) (Pay re-fixed in the higher post consequent to the notional increase in the lower scale on the date of next Increment)

On completion of 16 years of service in the same post, the same pattern of pay fixation under FR 22(a) read with FR 31(2) should be followed.

Employees drawing pay in automatic advancement scheme when actually promoted to a higher post are not allowed, the pay fixation under

FR 22(B). The pattern of pay fixation as under FR 22(a) (i) read with FR 31(2) is permissible in such cases.

12.3.4. On promotion to a post carrying higher responsibilities, where a Government servant is promoted to a higher post (when he is not in Automatic Advancement Scheme), the pay is fixed under FR 22(B). The individual is allowed option to have the benefit of this fixation either from the date of increment itself or from the date on which he is entitled to the next increment in the lower post.

12.3.5. Pay fixation on promotion: An employee drawing a basic pay of Rs.4010/- w.e.f. 1-4-94 in the time scale of pay of Rs.2600-75-2750-90-3200- 110-3750-130-4400-160-5200-190-5550 was promoted to the next higher category of post in the scale of pay of Rs. 3880-130-4400-160-5200-190-6-150- 230-7300-280-8140 on 15-9-1994. Fix his pay on the basis of option from the date of promotion and the date of next increment of lower post.

1. If opted from the date of promotion Itself:

<u>Date</u>	Pay scale of lower post (2600-5580)	Pay sclae of higher post (3880-8140)	<u>Remarks</u>
1-4-1994	4010		Pay fixed at next
15-9-1994 (Date of Option)	+ 130 Notional increment Added under FR22-B	4270	higher stage after the addition of no- tional increment
1-9-1995 (Date of next increment)		4400	Increment

2. If opted for promotional scale from the date of next increment of lower post instead of Date of promotion .

1-4-1994	4010		
15-9-1994	—	4140	Pay fixed under F .R.

			22 (a) (1) at immediate next higher stage
1-4-1995 (Date of option)	130/- (regular increment due in lower post) add add 130/- (Notional increment added on promotion)		Pay fixed at next higher stage FR 22(B)
	Total	4400	
1-4-1996 (Date of next increment)	—	4560	Increment

Note: a) The date of fixation under FR 22(B) is crucial date for grant of future increments in the higher post.

b) From P.R.C.1993 above fixation is available to those who have not received any advancement schemes in the lower post.

12.3.6 Government have introduced a new automatic advancement scheme in the Revised Scales of Pay 1993 with effect from 1-8-1993. The scope of applicability of the Scheme is limited to the employees drawing in the pay scale of 3880-8140 and below. The main features of the Scheme are as under:

(i) On completion of eight years of service which counts for increment an employee shall be eligible for special grade scale which is usually a scale next above the ordinary pay scale of the post.

(ii) On completion of sixteen years of service which counts for increments and if the employee is fully qualified to be promoted to the higher post, he shall be eligible for the pay scale of next promotional post. If there is no promotional post under the relevant service rules, the employee is eligible for the scale of pay next above the special grade post (Special promotion post scale/Special Adhoc Promotion post scale).

(III) On completion of twenty four years of service, which counts for increment an employee shall be sanctioned one increment in the existing

scale in that SPP Scale SAPPS as the case may be which is in addition to normal increment. In case of employees whose date of normal increment is different from this date of completion of 24 years of service, the date of next increment will be after completion of one year of service from the date of drawal of increment allowed on completion of 24 years of service.

(iv) The benefit of automatic advancement scheme will be withdrawn if the employee relinquishes his right to promotion. Similarly, persons appointed to a lower post at request are also not eligible for the Automatic Advancement Scheme.

Sanction of increment

12.4.1 According to Rule 24 of F.R., increments shall ordinarily be drawn as a matter of course unless it is withheld. Increment can be withheld if the conduct of the employee has not been good or his work was not satisfactory. Presence of orders is necessary for withholding an increment. If no order withholding the increments are received by the Drawing Officer, he should draw the increment by enclosing an increment certificate to the pay bill, unless it is an increment due on declaration of probation or passing of a prescribed test which can be drawn only after issue of orders declaring the satisfactory completion of the period of probation or the passing of that test.

12.4.2 Rule 26 of FR lays down the conditions under which the service count for increment. According to this rule, service in a post including leave counts for increment except the following periods:

(i) Period of suspension treated as not duty: If suspension is for misconduct, service preceeding suspension also will not count for increment.

(ii) Periods of EOL taken for reasons other than illness on Medical certificate, causes beyond the control of employee or for prosecuting higher studies. Specific orders are necessary for counting EOL taken for the above 3 reasons for increment. Powers delegated to Heads of Departments to count period of EOL on private affairs for a period of not exceeding (6) months. Govt. Orders are required for the remaining period.

(iii) Overstayal of leave not regularised.

- (iv) Service in a lower post at request.
- (v) Break in service due to discharge ,
- (vi) Periods of leave or deputations during which the employee would not have continued in that post but for leave or deputation.

Increment are generally drawn from the first day of the month in which it falls due. If he is on leave other than C.L. On that day it is admissible only after he resumes duty .

12.4.3 Incentive increment for family planning operations:

Employees or their spouses who undergo family planning operation are eligible to draw one advance Increment as Personal Pay subject to the following conditions:

- (i) The number of children should not be more than two.
- (ii) The rate of increment is the rate of next increment due after operation and this amount is treated as personal pay to be drawn at that rate throughout service as a separate entity. .
- (iii) Husband should be below 50 years of age and wife between 20 years and 45 years of age.
- (iv) Sterilization etc. should be done at Government Hospital. If operated in private Hospital, the certificate should be countersigned by a Government Doctor not below the rank of Civil Asst. Surgeon within (5) days from the date of operation.
- (v) Increment should be allowed from the 1st of the month following the date of operation .
- (vi) Operation should be while in service.
- (vii) If both Husband and wife are employees only one of them can draw the Personal Pay at their choice.
- (viii) Personal Pay should be withdrawn from the date of recanalisation.
- (ix) Personal Pay is not admissible for Hysterectomy.

12.4.4 Combination of appointments :

Under F.R.49 the State Government may appoint one Government

servant as a temporary measure to officiate in not more than two independent posts. Powers were delegated to Heads of Departments for a period upto 3 months below regional level. The order should declare whether he officiates, or holds full additional charge or merely to discharge the current duties of additional post. The second post should be distinct or separate or not subordinate to the first post. Additional pay should also be sanctioned by the above authorities.

NOTE : 1. The additional pay at the above rates is admissible @ 1/5th for the first (3) months of additional charge and at half those rates for another (3) months and thereafter no additional pay. Heads of Departments can sanction the additional pay for first (3) months and for the period in excess of (3) months, sanction of Government is necessary .

2. Additional pay is admissible if the full additional charge is held for a period not exceeding 14 working days excluding holidays, optional holidays, and Casual Leave if any, and in respect of current duties one month .

3. No additional pay is allowed for a lower post and Class-IV Employees.

12.4. 5 Pay during Joining Time :

(i) Joining Time is treated as duty and the employee is entitled to a pay drawn by him in the old post before handing over charge and in addition D.A., H.R.A. & C.C.A. etc. as applicable at old station conveyance allowance F .T .A. are not admissible during Joining Time.

(ii) During joining time after leave with allowances Joining time pay equal to leave salary .

(iii) Where transfer of charge consists of inspection of several stores or scattered works by both the officers the relieving officer is treated as on duty.

12.4.6 Joining Time Computed:

- | | |
|-----------------------------------|---------|
| (i) (a) For preparation | 6 days |
| (b) For Journeys By Rail 500 Kms. | |
| by Motor Vehicle 150 Kms. | One day |

Besides the above one Sunday is admissible.

(ii) When there is no change of residence as a sequel to the transfer only one day is allowed .

12.4.7 Service Register :

Service Registers should contain every step in Government servants official life which include temporary and officiating appointment, promotion of all kinds, regularisation and completion of probation, increments, transfers and leave, changes in Group Insurance groups, Nomination for D.C.R.G., G.P.F. and G.I.S., G.I.S. subscription deduction details entries of sanction of long term loans and advances, Family members particulars, options for pay fixation in Revised pay scales, declaration of Home Town, L.T.C. Annual services verification certificate, punishments awarded recorded in April each year. Every Government servant should be allowed to verify his service Register every year and in token his signature should be obtained in the Service Register. A periodical to this effect should be sent to the immediate superior by the end of September. The Service Register should contain all the events in the career of the Government servant. Mention about the character should not be made. They should be kept in the personal custody of the Head of the Office.

12.5.1 **Leave:**

The General Rules for grant of leave are as follows: These rules are known as A.P.Leave Rules, 1933.

12.5.2 leave is a permission granted to a Government servant to be absent from actual day. Leave can not be claimed as a matter of right. When the exigencies of the Public service so required the discretion to refuse or revoke leave of any description is reserved with the sanctioning authority . Any kind of leave admissible may be granted in combination with any other kind of leave (other than Casual Leave) so admissible or in continuation of leave except Casual Leave already taken whether of the same or any other kind.

12.5.3 Leave ordinarily begins on the day on which transfer of charge is effected and ends on the day on which charge is resumed. Public/Op-

tional Holidays can be prefixed and suffixed to leave. A Government servant on leave can not take-up any service or setting up of private practice etc. except with the prior permission of the Competent Authority. All leaves shall be availed only with prior permission.

12.5.4 A Government servant who remains absent even after the end of his leave, he is not entitled for any leave salary for the period of such unauthorised absence, and that period will be debited against his leave account as though it is leave on half pay unless extension of leave is regularised by the Competent Authority .

12.5.5 The application for grant of leave should specify the period of leave, nature of leave, leave address and in the case leave on Medical Certificate, the Medical Certificate should be enclosed.

12.5.6 Leave at credit will lapse on account of interruption in service other than on leave. Leave at credit shall lapse on the date of retirement, death or resignation.

EARNED LEAVE :

12.5.7 Earned Leave at credit not exceeding 240 days can be encashed in case of retirement or death while in service, all regular employees both superior and Class- IV employees are eligible to surrender earned leave of 15 days in each financial year and receive cash benefit in lieu thereof equal to leave salary on full pay of 15/30 days in terms of Government Orders issued from time to time. Temporary and emergency employees are eligible to surrender 15 days of Earned Leave after completing 24 months of in the first instance there after 15 days during the alternate financial year.

Type of employees	Earning Capacity	Accumulation	Availment
1. Regular including L.G.S.	Advance credit of 15 days for each half year on 1st Jan. and 1st July	180 days upto 30-6-83 240 days from 1-7-83 onwards.	120 days at a time, 180 days if outside India
2. Others (non-permanent)	Advance credit of 8 days per half year on 1st Jan and 1st July	30 days	Leave at credit

In respect of employees who join service in the middle of the half year, the advance credit will be as follows for each completed month of service. Regular joined on 15-2-1989- 1 st half year completed months -4 months @ 21/2 days = 10 days. Other joined on 15-2-1989 1st half year -4 months 1 + 1 + 2 + 1 = 5 days. Similarly for those ceasing from service in the middle of the year .

If the employee is on EOL during the preceeding half year, advance credit for the present half year will be reduced by 1/10 of the period of EOL taken during the preceeding half year subject to a maximum of 15/8 days.

12.5.8 Half pay leave: Credit is given @ 20 days for each completed year of regular service. There is no limit for accumulation and leave to the extent admissible can be granted at a time. However, in respect of temporary employees, half pay leave can be granted on Medical certificate only after two years of service and 10(a)(i)(1) candidates are not eligible for half pay leave.

12.5.9 Commuted leave: Sanctioned on MC only. Half of half pay leave at credit can be commuted to full pay to an extent of 240 days in one's entire service. The debit in the half pay leave account will be double the period of commuted leave taken.

12.5.10 Leave Not due : When half pay leave is not at credit, leave not due to an extent of 180 days during entire service can be granted on MC only. The debit will be made in the half pay leave account to be set off against further credit. If an employee resigns or retires voluntarily after availing this leave and before wiping off the minus balance the leave salary paid for the minus balance should be recovered. However if it is on medical invalidation or death, recovery will not be insisted. Head of the Department has to examine the case for sanction of leave.

12.5.11 Extraordinary leave: Heads of Departments are competent to sanction. Permanent and approved probationers -Not exceeding 5 years alongwith other kinds of leave. Probationers 23(a)(ii) .The duration of EOL on anyone occasion shall not exceed the following limits:

- a) Three months ordinarily.
- b) Six months if it is supported by medical certificate and the employee has completed three years of service.

c) 18 months for treatment of TB or leprosy either as inpatient or out patient on a certificate issued by the authorised medical officer and the employee has put in a service of one year .

d) 12 months for treatment of cancer, mental illness on the certificate from the recognised institute or Doctor and

e) 24 months for prosecuting studies certified to be in public interest and to employees of SC and ST to join examination, training course at the centre notified by Government to the extent necessary , provided that Government servant has completed not less than one year of continuous service before proceeding on leave.

12.5.12 Leave SALARY :

1. Earned leave : Equal to full pay drawn before proceeding on leave.

2. Leave on Half pay: Equal to half of the pay drawn before proceeding on leave and full pay for a period of 6 months in entire service, if the leave is on MC for treatment of TB, Leprosy, cancer, mental illness or heart diseases.

3. Leave not due : equal to half pay.

4. Commuted leave: Twice the amount admissible under (2) above.

5. E.O.L: No leave salary. However, in respect of N.G.Os whose pay does not exceed Rs.2375/- per month, If the leave is for treatment of TB, leprosy, cancer, mental illness, Heart diseases/Renal failure eligible to exgratia equal to half the pay drawn before proceeding on leave Subject to minimum of Rs.780/- per month and a maximum of Rs.1185/- per month and employees in Last Grade Service are eligible for ex-gratia equal to half pay subject to a maximum of Rs.1050/- per month and minimum of Rs.690/- per month.

12.5.13 Special disability leave : Grant of leave is Vested with Government only. This leave is admissible to a permanent and temporary government servant who is disabled by injury intentionally inflicted or caused or in consequence of due performance of official duties or in consequence of his official Position. This leave is granted on MC issued by the competent medical authority for a period not exceeding 24 months for any one disabil-

ity. Leave salary equal to leave on average pay is payable for first 120 days in respect of permanent employees and at half average pay for the remaining period without debit to any leave account. If the employee requests for payment of leave salary on full pay, full pay will be paid for the period of earned leave admissible (120 days maximum) and half of the period will be debited to the earned leave account.

Note: The disability does not include the disability caused in the road accidents while going to office from residence and vice versa, but includes road accident while proceeding on official duty from office to another office or court or a work spot or the field.

12.5.14. Study Leave: This leave is granted by Government only for the study of scientific technical and similar problems for a period not exceeding 2 years in entire service after putting a service of 5 years. If it is combined with leave and other allowances, this period should not exceed 24 months. EOL may be taken in conjunction of this leave without any limit. He will draw during leave, leave salary on half pay.

12.5.15. Meternity leave: This leave is admissible to married women employees on the basis of medical certificate issued by a competent medical officer for a period not exceeding 120 days for each confinement and not exceeding 6 weeks in cases of abortions, including miscarriage and termination of pregnancy under M.T.D. Act of 1971. Maternity leave for confinement is to be sanctioned to female government servant with less than two surviving children. This leave can be combined with other kinds of leave. If this leave falls during vacation, the residual of 120 days only will be sanctioned as meternity leave. Leave salary payable is equal to leave salary on full pay.

12.5.16. Hospital leave : Not debitable to any leave account and applicable to all last grade service employees and certain subordinate service staff in SR (2) of FR 101(b). This leave is on half pay for a period not exceeding 6 months in every 3 years of service when detained in Hospital and receiving medical aid as Out patient. It does not admissible when the treatment is necessitated by intemperance of an irregular habit. Out of the (6) months, (3) months can be on full pay, if the detention in hospital is due to injury received or disease contracted in the course of duty .

N.B.: While sanctioning above leaves a brief narration of leave so

sanctioned shall be recorded in Service Register in addition to entries in respective leave accounts.

12.5.17. Casual Leave: Casual leave is a concession allowed to enable government servant in special circumstances to be absent from duty for short period without such absence being treated as leave. Maximum period of casual leave that can be availed in a calendar year is only 15 days. The un-availed Part of this leave will lapse at the close of each calendar year. Casual leave may be combined with Optional holidays or Sundays or other authorised public holidays provided the resulting period of such absence does not exceed 10 days. In case of casual leave to a purely temporary and emergency government servants, the sanctioning authority shall use his discretion having regard to the length of service put in by such government servant. Government servant may be granted casual leave for half a day either from 10.30 AM to 1.30 PM or from 2.00 PM to 5.00 PM. Individual leave accounts shall be maintained. The rules issued in District Office Manual shall be observed.

12.6.1 General Provident Fund: The rules which govern General Provident Fund are called as 'The Andhra Pradesh General Provident Fund Rules 1975'. Accounts are maintained by Accountant General, Andhra Pradesh, Hyderabad.

Definitions: Rule 2(c) : Family means wife/wives, parents, children, minor brothers, unmarried sisters, deceased son's wife and children, parental grand parents in the absence of natural parents.

Rule 2(d) : Fund means General Provident Fund.

Rule 2(G): Year means Financial year.

Rule 5 : Eligibility: 1. All regular and temporary employees who have completed one year of service are eligible to subscribe for this Fund at the rates specified .

12.6.2. The Last Grade employees who have completed five years of service and whose date of retirement is ten years ahead shall subscribe compulsorily at 4% of their pay. However those who have put up less than five years may subscribe voluntarily. At present, District Treasuries / Pay and Accounts are maintaining the G.P .F .accounts of Class IV employees.

12.6.3. Rates of subscription:

S.No	Category	Rate of subscription
1.	Employees drawing emoluments not exceeding 600/-	3% of the pay
2.	Employees drawing emoluments exceeding Rs.600 -but below Rs.1000 -	4% of the pay
3.	Employees drawing emolumements 1000 -and above	6% of the pay

Temporary advance can be sanctioned under the conditions stipulated in Rule 14.

NB: 1) Generally, it should not exceed three months pay or half balance at credit whichever is less.

2) Whenever subscriber applies before liquidation of earlier advance, the balance of earlier advance shall be added to the eligible amount so that entire amount can be recovered in easy instalments.

3) Advance shall be recovered in not less than 12 instalments but not more than 24 Instalments and where the advance exceeds the above limits it should be recovered in not more than 36 Instalments.

12.6.4. Calculation of eligibility: (Govt Memo No.32742-A/200/Pen.I/ 78-1, dt.23-5-1978)

Balance as per calculation slip issued

Add: a) Subsequent subscriptions

b) Subsequent Loan Instalments

c) D.A.arrears adjusted

d) Missing credits if any adjusted as intimated by AG

Less: a) Temporary advance sanctioned after issue of a/cs slip

f) Missing debits not accounted in AG's slip

Net amount to be adjusted to fix equal monthly instalment within limits.

Eligible amount

Add: Previous advance balance

Total

12.6.5. Part-final withdrawals:

1) An employee who completes 20 years of service or 10 years ahead of retirement are eligible.

2) The conditions for sanction of part final withdrawal are stipulated in Rule 15.

3) There shall not be more than two such withdrawals in a financial year .

4) Sanction shall not be made on more than one occasion for the same purpose.

Calculations: (Govt Memo No.32742-A/200/Pen.1/78-1, dt.23.5.78)

Balance as per Accounts slip

Add: a) Subsequent subscriptions:

b) subsequent loan instalments

c) D.A. arrears adjusted

d) Missing credits, if any adjusted by Accountant General after issue of A/cs slip.

less: a) Temp.advance if any after issue of a/cs slip

b) Withdraw is after issue of a/cs slip

g) Missing debits in the above a/cs slip

Net amount

Eligible amount

12.6.6. GENERAL:

1. The sanctioning authority shall always be two level above that of the applicant.

2. Cases of relaxation of Rules in case of real hardship shall be referred to Government in Finance Department.

3. No recoveries shall be effected four months ahead of date of retirement.

4. No advance/withdrawals shall be sanctioned four months ahead of retirement.

5. Recoveries shall commence from the first pay bill for full month drawn after advance is made. As per orders issued in Circular Memo No.23374/47/GPF/Pen.11/95, dt.11.8.95;

1. The subscriber shall not subscribe less than the percentage as indicated in the schedule appended to Rule 10 and not more than his emoluments i.e. pay.

2. The subscribers have to fix their GPF subscription at the beginning of the year.

3. The subscriptions so fixed can be enhanced twice or reduced once during the course of year .

4. The emoluments for the purpose of GPF subscription is defined In sub rule 2 under rule 10 of G.P .F .(A.P .) Rules.

13. ACCOUNTS SECTION

13.1.1 Definitions :

1. Government means the Government of Andhra Pradesh
2. 'Government account' means the Consolidated Fund of the State.
3. 'Governor' means Governor of Andhra Pradesh
4. 'Financial Year' means the year beginning with the 1st April and ending with the following 31st March.
5. 'Cadre' means the strength of a service or a part of service sanctioned as a separate unit .
6. 'Joining time' means the time allowed to a Government servant to join a new post or to travel to or from a station to which he is posted.
7. 'Lien' means the title of a Government servant to hold substantively either immediately or on the termination of period or periods of absence, a permanent post including a tenure post to which he has been appointed substantively.
8. 'Budget estimates' are the detailed estimates of the receipts and disbursements of the budget year .
9. 'Budget year' means the financial year commencing on 1st April and ending with 31st March for which the budget is prepared.
10. 'Departmental estimate' means the estimate submitted to the government by the Head of Department or other estimating officer .
11. 'Estimating officer' is the officer primarily responsible for preparing the estimates of receipts or expenditure in the form fixed by Government for submission through the usual channel.
12. 'Chief controlling officer' means a head of department or other officer who submits the estimates direct to the Government.
13. 'Drawing and Disbursing Officer' means a Government officer who draws money from the treasury on bills (except that a gazetted Officer who is not the head of an office and who draws only his own pay and travel-

ling allowances from the treasury is not included in this term).

14. 'Controlling Officer' means Head of department or Department officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the subordinate authorities of a Department.

3.2.1. The Accounts Section in the Directorate as well as in the District Insurance Offices are responsible for drawal of moneys from the treasury as per the sanction orders issued by the competent authority in accordance with rules and regulations in force.

3.2.2. The functions of the functionery/ies in this Section are :

- 1) Drawal of salaries of the permanent/temporary establishment.
- 2) Drawal of amounts from Treasury to wards office expenses
- 3) Maintenance of Registers of Loan recoveries of the employees.
- 4) Submission of number statements and budget estimates.
- 5) Reconciliation of figures under Management expenses.
- 6) Maintenance of cash book, U.D.P. Misc. cash book and other registers as prescribed .

3.2.3. The following principles govern the incurring of expenditure from public funds. These are called Standards of Financial Propriety.

a) The expenditure must have been sanctioned by a general or special order of the authority competent to sanction such expenditure.

b) Sufficient funds must have been provided for the expenditure in the appropriation act for the current financial year or by reappropriation of funds sanctioned by a competent authority .

c) The expenditure should not be prima facie more than the occasion demands. Every Government servant should exercise deligence and care while incurring expenditure.

3.2.4. It is the duty of every Government servant not merrely to observe complete integrity in financial matters but also to be constantly to see that the best possible value is obtained for all public funds spent by him or under his control and to guard scrupulously against every wasteful expenditure.

3.2.5. All the appropriations in the budget lapse at the close of the financial year. A Government servant should not reserve any amount or appropriate by transfer or deposit to any other head or draw from the treasury and keep in cash chest any portion of an appropriation i.e. Budget, remaining unspent during the year in order to prevent it from lapsing and use it for expenditure after the end of the year .

3.2.6. The powers of sanction of the subordinate authorities are laid down in the Government orders issued from time to time. In respect of consumer items and contingent expenditure, larger delegation of powers are vested with the Heads of Departments, District Collectors and District Officers from time to time.

3.2.7. A sanction order should stipulate the authority under which it is accorded. Copies of the sanction should be sent to Accountant General over ink signature of a gazetted officer .

3.2.8. Sanction of the Government or any subordinate to the Government takes effect from the date of the order conveying the sanction unless otherwise stipulated in the sanction order under the rules on the subject.

3.2.9. A sanction for a fresh charge lapses, if it has not been acted on for a year, unless it is specially renewed. The period of one year is taken into consideration from the date of issue of the sanction which should be considered to have been acted upon, if payment is whole or in part has been in pursuance of the sanction within 12 months from the date of issue. In cases where part payment has been made within the stipulated period, subsequent payment of balance may be made without a fresh expenditure sanctioned.

3.2.10. When there is a specific provision in a sanction for any fresh charge to the effect that the expenditure would be met from the budget provision of a specialised financial year and will not be operative for one year from the date of sanction.

13.3.1. Head of account: The expenditure of Management expenses of the APGLI Department and the expenditure of the Management expenses of all the District Offices which are under the administrative control of the Director of Insurance Government of Andhra Pradesh, Hyderabad (Head of department) is initially charged to the following Head of account and finally

transferred to/debited to the Fund account of the Department at the close of every financial year .

DEMAND X TREASURY :

MH 2235- Social Security and Welfare

060 -Other Social security and Welfare Programmes

105 -Government Insurance Schemes

(01) Headquarters (03) District Offices (04) Group Ins. Scheme

13.3.1. The following are the common detailed and sub detailed head of accounts to classify the expenditure as incorporated in the Budget Estimates (GO Ms No.304, Finance and Planning (FW BG) Department, dated 3-9-1994).

Code	Description
010	Salaries
020	Wages
030	Dearness allowance
040	Travel Expenses
050	Office expenses
060	Rents, Rates and Taxes
070	Publications
080	Advertising and Publicity
090	Grants-in-Aid
100	Contributions
110	Subsidies
120	Scholarships and stipends
130	Hospitality/Entertainment expenses
140	Sumptuary allowances
150	Secret Service Expenditure
160	Major Works
170	Minor works

180	Maintenance
190	Machinery and equipment
200	Tools and Plant
210	Motor Vehicles
220	Investments
230	Loans
240	Materials and Supplies
250	Interest
260	Dividends
270	Pensions
280	Gratuties
290	Depreciation
300	Inter Account Transfers
310	Writes off and Losses
320	Suspense
330	Payment of Professional and Special services
340	Other charges .
350	Royalty
360	International Programmes
370	Payments out of dicretioneries
380	Deputation / Travel abroad of scientists
390	Rewards
400	Discount on Loans
410	Other discounts
420	Service of commitment charges
430	Cost of ration
440	Arms and ammunition
450	P.O.L.

460	Clothing, tantages and Stores
470	Stores and Equipment
480	Foreign allowances
490	Festival advances
500	Advances
510	Compensation
520	Gifts
530	Reserves
540	Expenses of conducted tests
550	Fees to Staff artists
560	Feeding of Cashdoles
570	Purchase of Food grains
580	Central State Transfer of resources
590	Prizes and awards
600	T.A/D.A. to non-official members
610	Refunds
620	National value of gifts received
630	Customs duty
640	Lands
650	Buildings
660	Diet charges
670	Drugs and Medicines
680	Purchase of antiques/ Ancient Relics and contemporary arts
770	Deduct recoveries
780	Deduct recoveries -Suspense
800	Lumpsum provision

13.3.2. The Major Head and the sub head in respect of the Fund account of this Department incorporated in the Budget Estimates are as under:

MH 8011 - Insurance and Pension Funds —

For Receipts and Expenditure

105 - State Govt. Insurance Funds

01 - A.P .Govt. Life Insurance Fund.

13.4.1. Preparation of bills and maintenance of registers: The Superintendent who is incharge of the Accounts should look after the Preparation of all bills and cash transactions of the office and should maintain the following registers and records:

<u>Sl. No.</u>	<u>Name of the Register</u> Form No. of APTC Vol.II
1. Pay Bill for Gazetted Officers	47
2. Pay bill for establishment -Permanent & Temporary separately on the specimen prescribed by Government	47
3. Cash book	5
4. T.A. Bill register	52
S. Misc. Bills Register	40
6. Register of Contingent charges	7 of APFC Vol.I
7. Acquittance Register for payment of pay & Allowances.	88
8. Misc. Acquittance register for payment of TA/Festival Advance.	58
9. U.D.Pay Register.	20
10. Permanent Advance Register.	89
11. Treasury Bill Register.	70
12. Cash book for non Government transactions.	
13. Office copy of L.P .C. Register issued.	
14. Tour advance register.	
15. Register of recoveries of festival advance.	
16. Register of recoveries of Medical advances.	

17. Register of recoveries of loans granted to Government servants for purchase of Motor bicycles, House Building, Marriage, Motor cycle etc.
18. Register of Recoveries of General Provident Fund.
19. Register of recoveries of APGLI.
20. Register of recoveries of PLI.
21. Register of recoveries of advance on transfer .
22. File containing the original challans for the amounts remitted into the treasury .
23. Register of actual expenditure incurred with progressive totals prescribed In Budget Manual.
24. Office copy of GPF Bills register .

All the Registers should be neatly bounded and kept as they are very important in nature as a permanent record. The following instruction should be followed for their maintenance:

- i) All the pages of the Register should be numbered and certificates appended on the front page under attestation of the Head of office showing the number of pages the register contained.
- ii) If the Register is opened in manuscript for want of printed copy, the headings of the register should be typed and neatly pasted.
- iii) There should be no register without proper headings.
- iv) A register once exhausted should be drawn from the concerned clerk and sent to the record room for safe custody under proper acknowledgement.
- v) In case of cash book, permanent advance register and U.D. Pay Register, the closing balance appearing on the last page of the register and a certificate to the effect should be appended in the new register under the certification of the head of the office.

13.5.1. Custody of the cash Chest: The office cash balance should be kept having double lock arrangements. The cash chest shall if practi-

able be embedded in masonry so as to prevent the removal by the thieves. One key of the cash chest should be held by the head of the office and the other by the Superintendent or any other senior most Government servant of the office. They should personally hold the keys of the chest and the keys should never leave the possession of the Government servant concerned. The cash chest should be opened and closed personally by them and should not be entrusted to the attenders/other personnel. Whenever any Government servant holding the key of the cash chest happens to be on camp or go on C. L. he should personally hand over the key to any other Government servant who is authorised to hold the same during the absence. It should not be sent through any other messenger who may unscrupulously prepare a duplicate key for its use at a later date without notice of the Head of the office and other government servant holding the keys.

- 13.5.2. Whenever there is change in the incumbent of the government servant holding the key of the cash chest due to any kind of leave or transfer, the incoming government servant should personally verify the cash and record a certificate of verification in the cash book under his own hand writing and affix his dated signature.
- 13.5.3. The duplicate keys of cash chest should be kept in a small packet and the packet sealed and sent to the nearest treasury for safe custody. The receipt granted by the treasury should be carefully filed. Thereafter every year, the receipt obtained at the time of deposit, the contents of the sealed packet should be checked up and the duplicate keys should again be deposited in the treasury for safe custody.
- 13.5.4. When leaving the office every day, after locking the cash chest, a proper seal duly signed by the Head of office should be pasted on the cash chest and the sealed cash chest should be handed over to the night watchman under his acknowledgement. On the next day, when the office is opened, the cash chest should be taken over by the Head of office by furnishing acknowledgement.
- 13.5.5. A register should be maintained for this purpose in the form noted in Appendix I. The Night watchman is expected to be awake during

the nights and guard the office and cash chest. He should be provided with a torchlight and stick. Once in a fortnight, the head of the office should make surprise visit to the office to find out whether the night watchman is performing the duties or not and record the result in the register. If the night watchman is found sleeping and in drunken state, deterrent action should be taken against him.

13.6.1. Cash Book : The following instructions should be followed in the maintenance of cash book:

- a) Each office should maintain a cash book in A.P .T .C. form No.5 with the following columns :
 - i) Date of receipt
 - ii) Particulars
 - iii) Amount
 - iv) Date of disposal or remittance to the treasury
 - v) Particulars
 - vi) Amount
 - vii) Remarks
- b) There should be two cash books -one for Government transactions and the other for Non-Government transactions. The cash balances relating to Government transactions and non-Government transactions should be kept separately in the cash chest.
- c) Subsidiary cash books may however be opened, if need be, taking their totals to the Main Cash Book.
- d) Money received on behalf of the Government should Immediately be accounted for in the Cash Book.
- e) In respect of amounts received on account of encashment of bills and Cheques at Treasury or Bank, they should be supported by relevant entries in the treasury bills register or U.D.Pay register etc.
- f) All moneys (receipts) received from the treasury/Bank should be entered in cash book and added and grand totals struck.

- g) For every item of disposal, there should be an entry on credit side of the cash book and there should be an acquittance in proof of having disbursed the amount.
- h) At the close of business on each working day, the cash book should be closed duly verifying the cash on hand and the closing balance arrived at Cash book.
- i) A Memorandum of verification should be recorded in the Cash book duly counting the cash and verified with the book balance as shown in the cash book and the other registers after they have been closed for the day and then signed by the drawing officer/District Insurance Officer as shown below:

A. Balance as per cash book	..	..	xx
Balance as per U.D.P.register	..	..	xx
Balance as per P.A. register	..	..	xx

Total book balance

xx

B. Amount held in cash

xx

 Amount held in the shape of cheques & Drafts

xx

Total

C. Cash balance ascertained by counting

xx

- j) If there is difference in the book balance and the physical balance the same should be reconciled.
- k) If the concerned officer happens to be in camp or leave, the officer who looks after his work or the ministrerial head should also check up the cash book as above and the District Insurance Officer should as soon as he returns, verify the entries in the cash book and attest the same duly satisfying the correctness of the same.

13.7.1. Procedure with regard to demand drafts and cheques: Whenever a demand draft/cheque is received in favour of departmental of-

ficer towards the Government dues/the premium in respect of Panchayath Raj employees or deputation employees, it should be entered in the prescribed register. A Temporary receipt in APTC form No.4 should be issued for the draft/cheque. It should be recorded as receipt in the cash book immediately on receipt. Once in a week or lesser intervals a challan for each draft/cheque should be prepared and presented together with draft/cheque to the bank duly making an entry on payment side of the cash book for collection and crediting the proceeds to the Government account. The name of the individuals on whose behalf the premium by draft/cheque is remitted should be specified on the reverse side of challan. After the proceeds covered by the cheque/draft are realised, a final receipt should be issued to the concerned authority. The challan and date should be noted against the relevant debit entry in the cash book and also in the prescribed register. The schedules along with original challan are handing over to the concerned posting clerk.

13.8.1. Treasury Bill Register:

- a) The District Insurance Officer presenting bills at Treasuries should enter particulars of all its bills in a book called "Treasury Bills Book" in APTC Form No.70 with the following columns:
1. Number and date and description of the bill
 2. Total amount of bill
 3. In cash
 4. By Government drafts or book adjustment
 5. Name and designation of the person in whose favour the government drafts are to be issued.
 6. Name and designation of the messenger authorised to collect token from the Treasury and cash from the bank/Treasury.
 7. Signature of the Drawing Officer.
 8. Date of receipt of the bill in Treasury and the initials of H.H.A.
 9. Token number allotted by the treasury.
 10. Amount passed by the Treasury

11. Dated initials of the H.H.A. in token of the treasury having passed the bill.
 12. Remarks (date of receipt of money should be entered and initialled by the Drawing and Disbursing Officer).
- b) The register should be presented at the Treasury alongwith bill. The treasury will not accept any bill unless the treasury bills book duly entered upto column No.7 is presented with it.
 - c) Where the bill is passed for payment, the treasury is expected to note the amount for which the bill has been passed and the concerned in the official should sign in full in token of authenticity of the particulars recorded by the treasury in column No.8 to 10. If there are unattested corrections or errasures or over writings in respect of the amounts noted by the treasury, they should be got attested by the treasury officials, after receipt of money from Bank. The treasury bill register should not be allowed to remain in the treasury for unduly long periods. If there are bills pending for more than nine days in the treasury, the matter should be taken up with the Treasury Officer or S.T.O., by the Head of office for their expeditious disposal.
 - d) If the treasury-returns a bill with any objection and if it is sought to be represented after rectification of defects pointed by the Treasury, a fresh entry should be made in the Treasury Bills Register and the bills sent.
 - e) If the Treasury passes any bill for less amount disallowing certain amount according to the entry recorded by it in the treasury bills register, a memorandum of deductions from the bills should be obtained from the treasury in APTC Form No.71.
 - f) While endorsing bills for encashment, care should be taken to follow the monetary limitations as laid down in Art.274 of APFC Vol.I.

Register of Bills:

- 13.8.2. In Twin cities, where the bills are presented at Pay and Accounts Office, a register of bills in APTC Form No.70-A should be maintained with the following coloumns:

(1) Sl. No. (2) Description of claims (3) Amount (4) Endorsed in favour of (5) Signature of DDO (6) Token No. (7) Date (8) Cheque No. (9) Date (10) Amount passed (11) Reference to UDP Register (11) attestation.

13.8.3. The following certificates should be recorded when the existing register is closed and a new register is opened:

(i) (a) Certified that this treasury bills book/register of bills contain pages serially numbered from _____ to _____ and brought into use w.e.f. _____ (in words _____).

(b) Certified that I am presenting the bills in P&AO / DTO/Sub Treasury through this register of bills / treasury bill book only and I have personally satisfied myself that no other register of bills/treasury bills book is currently in use for presenting the bills at the PAO/District Treasury/Sub Treasury.

(ii) Certificate to be recorded when the Register is completed and lodged before a new register is brought into use: "Certified that I have personally satisfied myself that all the bills presented through this register of bills/treasuries bill book have been either encashed or returned by the PAO/Treasury officer and have been properly and completely accounted for. This register is closed and kept under my personal custody."

(iii) To prevent presentation of fraudulent drawal of bills this register should be reviewed bi-weekly by the Drawing and Disbursing officer and the result of review should be recorded in the form of abstract as below:

(i) Opening balance (2) Bills sent during 1st half/2nd half of the week. from _____ to _____ (3) Total 1+2 (4) Bills passed during 1st half/2nd half of the week (from _____ to _____) (5) Brief reasons for pendency.

13.9.1. Undisbursed Pay Register:

All the amounts relating to the claims of Government servants in the office should be brought to account in this register on the same day of encashment. The same register shall also be used where necessary for watching the disposal of the undisbursed balances, if

any, of amounts drawn on contingent bills in excess of the permanent advance.

13.9.2. The U.D. pay register should be maintained in A.P.T.C. Form No.20 with the following columns:

(1) Date (2) Annual serial number (3) Description of bill (4) amount (5) Amount disbursed (6) Date of subsequent disbursement (7) amount disbursed (8) balance (9) date (10) No. of receipt item from which disbursed (11) Particulars of payment and (12) Amount.

13.9.3. The serial number in this register should be assigned consecutively for each financial year. The serial number against each item should be rounded off when the complete amount under particular item is disbursed leaving no balance.

13.9.4. The receipt should be indicated in column Nos. 1 to 4 while the disbursements thereto indicated in columns 9 to 12. On each day of transaction, the totals under receipts and disbursements should be worked and the balances struck. The undisbursed balance as verified from the acquittance roll should be entered in col.5 and subsequently noted in col.6 to 8 till the entire amount is disbursed and the item is finally rounded off.

13.9.5. The closing balance of U.D.P. register should be taken to the cash book.

13.9.6. The Head of the office should sign the U.D.P. Register.

13.9.7. The undisbursed amount should not be kept more than (3) months from the drawal and they should remit to the Government account.

13.10.1. Parmanent advance : As a general rule, drawal of money from the Treasury is only by presenting a proper voucher prepared in accordance with the rules and no money should be drawn until it is required for immediate disbursement. The permanent advance system is an exception to general rules. Permanent Advance is meant for meeting unforeseen and urgent expenditure which can not be postponed for fulfilling the formalities.

13.10.2. The amount of permanent advance should be limited to what is absolutely essential to meet ordinary requirements.

13.10.3. The permanent advance is sanctioned by the Head of office. The amount required by subordinates should be allotted by the head of office from permanent advance.

13.10.4. It should be drawn after sanction in APTC Form No.40 debitible to MH 872 -Permanent Cash Imprest -Civil.

13.10.5. The permanent advance, the order in which sanctioned and the amount drawn should be noted on the front page of the register and attested by the Head of office.

13.10.6. An acknowledgement should be sent to sanctioning authority.

- a) When the permanent advance is sanctioned for the first time.
- b) When there is revision in the quantum of permanent advance.
- c) On 15th of April every year showing the position of 31st March
- d) When there is a change in the incumbent of the post.
- e) It should be in the form prescribed under Art.98.
- f) The acknowledgement should always be for the full amount sanctioned.

In terms of orders issued vide G.O.Ms.No.5, Finance and Planning (FW.Admn.II) Department, Andhra Pradesh, Hyderabad, dt. 23-01-1998, the permanent advance sanctioned to various categories of offices in the Department are:

Directorate ..	Rs.6000/-
Zonal Offices. .	Rs. 3000/-
District offices ..	Rs. 1000/-

13.10.7. Recoupment of Permanent advance may be made at the end of calendar month and also when during course of a month a transfer of charge takes place or when the balance of permanent advance on hand has become in conveniently small.

13.10.8. The Permanent advance register should be maintained in form No.89 of APTC with the following columns.

Charges (1) date (2) monthly Sl. No. (3) description of expenditure (4) amount (5) mode of recoupment (6) date of recoupment.

Receipt : (1) date, (2) No. Bill, (3) serial number of the Item of charges recouped,(4) amount,(5) remarks.

13.10.9 Each voucher for the expenditure incurred from the permanent advance should be entered in this register and its recoupmnt watched. The register should be closed every day of transactions with the following abstract:

(1) Opening balance (2) Total (3) Deduct charges (4} Closing balance (5} Add unrecouped expenditure as per sub voucher (6} Total permanent advance

13.10.10 The columns 7 to 10 showing the receipts should be filled up whenever the contingent bills are encashed to recoup the Permanent advance and whenever the cash is recovered from the persons concerned. Simultaneously col.5 showing the mode of recoupmnt and col.6 showing the date of recoupmnt should be filled up under the attestation of Head of office.

13.10.11 Consecutive serial numbers should be assigned for the month to the vouchers for the months spent from permanent advance and that number should find place both in the register and on the voucher .

13.10.12 When the contingent bill is prepared to recoup the permanent advance with reference to the paid vouchers, the vouchers should be cancelled to avoid the possibility of double drawal at a later date.

13.10.13 The un-recouped vouchers and cancelled vouchers should be preserved carefully in the personal custody of Head of office for production before the inspection parties. If any voucher is not produced, the head of office will have to make good the amount covered by vouchers so lost and not produced.

13.10.14. The closing balance of permanent advance register should be taken to the cash book.

13.10.15 Whenever there is change in the incumbency of head of office, due to C.L., Earned leave or transfer, the closing balance of permanent advance register including un-recouped vouchers should be verified by the incoming Government servant and the result of verification should be recorded in the register under his full signature.

13.11.1 Preparation of bills: The Superintendent who is incharge of accounts section should look after the preparation of all bills and cash transactions of the office and should maintain the following registers for drawal of pay and allowances.

1. Pay bill register of gazetted officer.
2. Pay bill register for establishment -permanent and temporary separately on the specimen as prescribed by the Government.
3. The temporary establishment pay bills should be prepared separately giving therein the reference of the Government orders in which the establishment was sanctioned and the period also.

3.11.2 Contingent Bill in Form No:58 on the specimen prescribed by the Government i.e. fully vouched bill for preferring the claim to the treasury should be prepared in respect of expenditure under office expenses such as service postage, telephone and telegram charges, water and electricity charges and other office expenses etc.

Note: While presenting the claim under the above items of expenditure, care should be taken to enclose the requisite sub vouchers properly. A copy of the orders of the sanctioning authority should also be necessarily enclosed to the claim wherever necessary quoting the reference of the same in the bill. The provision allotted to meet the expenditure during the financial year should also be noted in the relevant column of the contingent bill enclosing Form No.100 to each bill.

3.11.3 Bills for claiming the loan and advances sanctioned to Government servants should be prepared in Form No.40 as prescribed by the Government. Bills for drawal of GPF advances, Final withdrawals etc. should be prepared in form No.40-A as prescribed by the Government. TA Bills should be prepared in Form No.52 and the inner sheet should be prepared in Form No.52-C.

Note: While preferring the claim of loan and advances, care should be taken to furnish the requisite particulars of the claim in the bill indicating the provision allotted. Copy of the orders through which the advance is sanctioned should also be enclosed to the bill alongwith necessary documents certificates etc. giving references in the Bill.

In order to admit the claim by an office and to book the expenditure correctly in respect of each item i.e. pay and allowances contingencies by AG AP Hyderabad and DTO, it is very essential to mention the correct Head of account (Classification of expenditure) on each bill form for which necessary space has been provided in each bill form. On preparation of bill, necessary entries should be taken in the Budget provision register and Treasury Bill book / register of bills as the case may be on certification of Drawing and Disbursing Officer concerned.

On Passing the bill, moneys /cheque is received, the entries in treasury bill book/register of bills should be closed.

- 13.12.1. Acquittance Register : The acquittance register is a record of salary and allowances disbursed to the establishment and in receipt of token from the payees in the shape of acknowledgement. The acquittance roll should be examined by the Superintendent in charge of Accounts Section and by the Drawing Officer concerned for each transaction to satisfy themselves that proper receipts have been taken for all sums disbursed and bills and payment/have been posted in the cash book. The Superintendent in charge of accounts section is responsible for timely preparation of pay bills, TA bills, and other bills in the time schedule as prescribed by the Pay and accounts Officer /District treasury officer and for drawing the amounts from Bank after receipt of Cheque. He is also responsible for distributing the same to the proper person and obtaining their acknowledgements with the assistance of cashier provided to him. Office cash must be deposited at the close of each day in the cash chest. The cashier is forbidden to keep office cash in his personal possession or mix up with private money. The drawing officer

will personally inspect the cash at the close of each day and sign on cash books on the same day.

13.13.1 Procedure for claiming the pay and allowances of the gazetted Officers :

According to the procedure laid down in G.O.Ms.No. 437, Finance and Planning (FWAdmn. II) Department, dated 16-8-1979 the claim of pay and allowances and TA in respect of all gazetted officers in the State except all India services will be prepared in the establishment pay bill and TA bill forms and will be preferred to the Pay and Accounts Officer District Treasury Officer under the signatures of the Drawing Officer concerned to whom the Head of office had authorised to draw pay and allowances of the staff.

When those Gazetted Officers are transferred from one place to another, the procedure now being followed in respect of N.G.Os. should be followed.

In case of first appointment of Officers at the minimum of the time scale of pay attached to the post consulting with the District Treasury Office is not necessary for the initial pay fixation of the officer. However, the District Treasury Office should be consulted for fixation of pay in all other cases.

The service record as well as LPC of the officers transferred should be sent to the head of the office under whom the officer is transferred. In the case, the transferred officer is posted as head of office, the record could be sent to his immediate controlling officer nominated for the purpose of maintenance of the records or the Head of the department.

Consequent to the establishment of District Insurance Offices, the D.I.O. have been declared as Heads of offices as well as drawing and Disbursing officers and are authorised to sanction increments, leaves etc. to the staff under their control as per the orders given in G.O.Ms.No.44, Finance and Planning (FW.Admn.II) Department, Andhra Pradesh, Hyderabad, dated: 28-03-1998.

13.14 .1 Budget Estimates and Revised Estimates :

The Budget Estimates of the APGLI Department for each financial year are prepared in the Directorate taking into account of all the requirements of Directorate and District Insurance Offices in respect of all units of appropriation and submitted to Government at the appropriate time after approval of the Chief Controlling Officer i.e. Director of Insurance (Head of the Department). In order to finalise the Budget Estimates and the Revised Estimates at Directorate, the estimating officer at Directorate and all the D.I.Os are made responsible to submit their demands in respect of each year well in advance i.e. before the due date of submission of budget estimates to Government as detailed below:-

1. Number statements for the next financial year on or before 30th June of every year .
2. Budget Estimates for the next financial year in respect of all units of appropriation before 31st August every year, indicating the revised position of the estimates for the current year
3. Proposals for supplementary grant on or before 31st August every year.
4. Proposals for the re-appropriation of funds within the budget grant on 25 th August of the current financial year.
5. Surrender of savings if any before 15th december in each year.

13.15.1 Reconciliation of expenditure :

The drawing and disbursing officer of Directorate and all the D.I.Os of this Directorate should watch the progress of the expenditure continuously and report to Directorate every month in respect of the actual expenditure made during the previous month under the various units of appropriation. For the purpose of reconciliation of expenditure with those booked in PAO Hyderabad in case of payment of Twin cities and in case of payment at DTO/STO, the Drawing Officer concerned should arrange to record the daily expendi-

ture in the relevant books with reference to voucher number, date of encashment etc. in relating to each unit of expenditure such as pay, pay of officers, pay of establishment, DA, HRA other allowances, wages, TA, office expenses , contingencies etc.

13.15.2 In case of variation in the figures, the Drawing and Disbursing Officer should take prompt action to rectify the errors by referring the same to the treasury Office concerned or Accountant general AP Hyderabad as the case may be under intimation to the Directorate. He should also see that the expenditure should not exceed the allotment made by the Directorate in any case,. In case of the expenditure exempted from the "Scheme of control over expenditure" they are authorised to incur expenditure over and above the amount placed at their disposal to avoid delay in payment. However, they are responsible to regularise the excess expenditure by sending the proposals to Directorate at the appropriate time for obtaining the additional funds in case of payment relating to the last quarter of a financial year in excess of the Budget allotment if any. They should ascertain the position from Directorate for the grant of additional amount before the expenditure is incurred, estimating the disbursements carefully.

13.15.3 The drawing and disbursing officer in the Directorate who is entrusted with the reconciliation is also responsible to collect the information from each District Office well in advance to rectify the variations with the figures finally booked in Accountant general, AP Hyderabad.

14. STATIONARY SECTION

14.1.1 The Stationery section is responsible for maintenance of stores including all articles and materials such as furniture, instruments, appliances, stationery articles, materials such as furniture, instruments, appliances, stationery articles, material for maintenance of building, departmental forms and registers etc. All stores should be purchased through the Director, Printing and Stationery Department excepting those which have been specifically exempted from their purview, under article 123 of A.P. Financial Code. The items under rate contract finalized by Director of Printing and stationery should be purchased from the earmarked firms. In cases of emergency, the Heads of office may purchase stores directly after obtaining approval of the Director in regard to other items as well.

14.1.2 Where stores are purchased directly, the following criteria should be followed in regard to preference in the purchases.

First preference for stores manufactured in sister Government Departments /Workshops. Second preference in respect of standard items to fully owned Government undertakings and corporations. These corporations need not participate in tenders. In respect of non - standard items, the undertaking also have to participate in the tenders, if any called by departments.

The items reserved for SSI units should be exclusively purchased from them. The list of such items can be had from Director of Industries. These units have also been exempted from the requirement of lodging of earnest money and security deposit from these specified items for which they have been enlisted.

The goods manufactured in Jails should be had from them only. They include furniture, stitching of Khaki uniforms, attenders' liveries, ammunition boots for officials of police, fire services and prison departments, phynyl, etc. These items can be purchased from outside only after obtaining 'No stock certificate from the Jail department. Modern office equipment such as computers etc., should be purchased only through A.P. Technological services Ltd. The cloth requirements of officials towards livery etc. should be purchased from the APCO. Like wise, the woolen carpets should

be purchased from the A.P. State Wool Industrial Cooperatives, leather goods from lidcap. Steel furniture should be purchased solely from the APSSIDC while wooden furniture should be purchased from the Jail Department. The Government centres like PWD Workshops Furniture mill cum Mechanical Wood Workshop, Sanathnagar etc. Industries Centre, Hyderabad should be given next preference. Stitching of uniform should be entrusted to physically handicapped cooperative tailoring industries. Canning of chairs and manufacturing of garden chairs should be entrusted to physically handicapped co-operative cane and Weaving Society.

Tender System :

1. Single tender system should be adopted in regard to purchases of a small order which do not exceed Rs. 1000/- and Rs.2000/- if more than one kind of article is ordered at one time and propriety items.
2. Limited tender system should be followed when the limits of single tender systems are exceeded and the estimated value of order is less than Rs. 5000/-
3. Open tender system should be adopted in regard to purchase of Value of Rs. 5000/- and more

When open tenders are called, circular communication be sent to dealers to repute apart from wide publicity in news papers, trade bullentins etc. A time gap of atleast one month should be given between the date of notification of the tender and the last date of submission of tenders. If the lowest tenders is passed over specific reasons therefor should be recorded.

Stock Accounts - Separate stock registers :

Accounts should be maintained for all the stationery articles, furniture, equipments, depatmental form and registers etc.

Inspection of Stores :

Stores should be periodically inspected and action taken to regularize the short comings by recovery from the concerned /write off etc. The unserviceable articles should be identified and action taken for disposal and write off in the manner indicated in Article 143 of

AP Financial Code Vol-I

Losses : In the event of losses in cash or stores , the department should follow the detailed procedure under Article 294 to 302 of A.P.Financial Code., Departmental action should be pursued to see that the losses are made good and where this is impossible, shall get the order from the competent authority for waiver of the same. The modus operandi of the loss should be investigated thoroughly to know the defects in the system if any which resulted in the loss and to ensure necessary remedial measures.

Delagation of powers : Delagation of powers have been accorded in GO. Ms. No. 490, General Administration Department dated 28-9-1994 and G.O. Ms. No. 389, General Administration (AR&T) Department, dated 4-9- 1996 and G.O.Ms.No 148 fin & Plg (FW T.F.R) Dept dt. 21-10-2000

Functions of Functionery in Stationery Section :

1. Maintenance of Personal Register.
2. All the currents should be recorded in Personal Register.
3. Supply of stationery against the indents of the sections.
4. Periodical checking of stationery articles /items of furniture, departmental forms and registers etc, through physical verifications.
5. Maintenance of stock registers/Asset Registers.
6. Consolidation of indents of the Sections to place consolidated indent to the Director, Stationery and Printing Department.

7. Maintenance of Library books :-

Library : The Stationery section is incharge of Library books purchased with in the powers delagated/supplied by the Head of the Department. A catalogue should be maintained in the Section to know the references of books available in the Library. All officers and staff are eligible to borrow books from the Library. On application, one can have books from Library. Every book borrowed shall be returned within fourteen days, Encyclopedias, Dictionaries and Gazettes

etc received from Director, Stationery and Printing Department should be neatly stitched and made available to the staff and officers for their reference, if necessary.

All stock registers should be closed by 31st March and fresh stock registers should be opened with the opening balances of stocks as on 1st April. The asset registers maintained by the officer should invariably show the date of purchase, number of items purchased, value of the item purchase, loss of assets and the remedial action taken to recover or write off the amount.

15. DESPATCH SECTION

15.1.1 All the Fair copies of the letters, periodicals, memos should be despatched to other departments/ offices through this Section only. When the officer signed the fair copy it should necessarily be sent to Despatch section for despatch. The Despatch of letters should be done without further delay .

Functions of the despatch clerk :

1. Entries in despatch register
2. Preparation of covers duly addressed
3. Weighing the covers for affixing of postal stamps
4. Maintenance of service ticket register
5. Maintenance of local delivery book.

15.1.2. When the Superintendent, Despatch Section receives the fair copies of letters from the sections he should check up whether all the letters are signed by the officer concerned and also see whether the enclosures are attached correctly to the letters. If it is found in order, he shall hand over the letters to the despatch clerk for despatch. The despatch clerk shall enter the letters in the despatch register which should be maintained in the following format.

1. S.No.	2. Date	3. No. of Enclosures	4. Towhom addressed	5. subject	6. File No	7. Reply No/ Date	8. Remarks
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Column No.1. The serial number of the register is indicated. The serial number starts from 1st April and ends by 31 st March.

Column No. 2 Date of despatch of the letter is indicated. The serial number of the despatch register and the date of despatch should be indicated on the draft letter and then the file may be returned to concerned section.

Column No.3 : Enclosures if any to the communication is mentioned.

Column No.4: The communication to whom it is addressed is indicated.

Column No.5 : Subject of the communication in brief should be indicated.

Column No.6 :The file number of the section or the letter number of the communication is indicated.

Column No.7 : After verifying the Inward, the reply to the communication is entered in this column.

Column No.8 : Remarks if any should be indicated.

15.2.1 After entering the details of the despatch letters in the register, the despatch clerk shall prepare a cover, writing the address of the communication duly stamping the office seal at the left side of the cover and insert the communication into the cover. After closing the cover, it will be weighed and according to weight, the postal stamps are affixed as per the postal rates in force. He shall then take necessary entry in the service ticket register.

15.2.2 The Service Ticket Register should be maintained in the following format :

Date	Outward No	To whom Sent	Receipt	Expenditure	Balance	Remarks
1	2	3	4	5	6	7

Column No. 1: The date of despatch should be indicated.

Column No. 2 : The serial number of outward (despatch) register is indicated.

Column N. 3 : The cover to whom it is sent may be mentioned clearly.

Column No. 4 : The postal receipt in token of registered post should be pasted.

Column No. 5 : The expenditure on account of despatch of said letter towards postal charges is indicated.

Column No. 6 : The balance of postal stamps should be indicated.

15.2.3 At the end of a working day, the details of opening balance of

service postage, the expenditure incurred on the working day and the balance of service postage should be shown in the register. The denomination of balance of service postage stamps should be mentioned clearly and it should be got certified by the officer concerned on the same day. For communication to be delivered locally by hand, a separate register 'Local Delivery Book' should be maintained.

15.3.1 Functions of the Superintendent : The superintendent, Despatch Section should see that all the Registers are maintained properly and it should be periodically checked. He should also see that the despatch of letters should be done without any delay.

15.3.2 Works Norms : In terms of G.O.Ms.No. 109, Finance and Planning (FW Admn. II) Department, dated 15-4-1995, the despatch clerk shall despatch atleast (100) letters per day.

यदैव विद्यया करोति श्रद्धयोपनिषदा
तदैव वीर्यवत्तरं भवति

**Duty performed
with Knowledge, Faith and Devotion,
becomes really effective**

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