



कार्यालय, रक्षा लेखा महानियंत्रक

उलन बटार रोड, पालम, दिल्ली छावनी - 110010

Controller General of Defence Accounts
Ulan Batar Road, Palam, Delhi Cantt- 110010



No. AN/VII/7327/Prmt Adv/ 2021-22

Dated: - 09.12.2021.

To

All Pr. Controllers/ Controllers/PIFAs/IFAs

(Through CGDA website)

Subject: - SOP for use of Prepaid Debit Card for Permanent Imprest and Contingency Advance in DAD offices.

SOP for use of Prepaid Debit Card for Permanent Imprest and Contingent Advance in the offices of DAD based on the guidelines issued by the Ministry of Finance, Department of Expenditure, Controller General of Accounts OM No. R/20001/1/2020-GBA-CGA/548-658 dated 14.07.2021 is attached herewith for your further necessary action please. This would help to reduce cash payments for incurring expenditure through permanent imprest held by Head of Offices/DDOs and payments through Contingent advances sanctioned to designated officers.



(Sushil Kumar)

Sr. Accounts Officer (Estt.)

Copy to –

1. IT&S Wing Admin General (Local),
2. Estt. – General Management.
3. CENTRAD – Barar Square

for uploading on CGDA Website

} For necessary action.



(Sushil Kumar)

Sr. Accounts Officer (Estt.)



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SOP on use of Prepaid Debit Card (PDC) for Permanent Imprest and Contingent Advance.

Prepaid Debit Card (PDC) shall be used for incurring petty expenditure currently done through cash withdrawn for imprest and in lieu of Cash payment currently being paid for incurring expenditure through Contingency Advance. PDC issued by accredited bank of the Department can be charged as per requirement for meeting day to day contingent and emergent expenditure. The Official defined under Rule 322 and 323 of the GFR 2017 shall use this PDC at any Portal/Shop/POS for making digital payment by following the procedures laid down in Rule 31 and 99 of the Receipt and Payments Rules 1983 (as amended from time to time). All transactions being made through Cash for petty expenditure shall now be made digitally through PDC. The procedure for its introduction, usage, security and accounting is as follows:

I. Introduction and Usage of PDC for Permanent Advance and Contingent Advance.

1. PDC preferably a chip based RuPay card, as required by any office shall be got issued from Accredited Bank of the Department after obtaining permission from the Head of Department.
2. The PDC shall have to be obtained in the name of the Official to whom Permanent Imprest has been sanctioned. These types of cards shall be called as PDC (Imprest). The PDC (Imprest) will be surrendered on account of transfer/retirement of the card holder.
3. The PDC (Imprest) shall have a predefined limit which has to be sanctioned by the Head of the Department for the Permanent Imprest under Rule 322 of GFR 2017.

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4. The balance to be loaded in the PDC (Imprest) shall be limited to the Imprest amount sanctioned to the Official.
5. The PDC can be used at the Point of Sale (POS) terminals online payment gateways in general and cash payments through withdrawals from ATM for payment to vendors, who do not have facility for accepting payments through digital means. Withdrawal of cash shall be restricted to the issuing bank's ATM only as withdrawing cash from other banks' ATM may attract service charges.
6. For Contingent Advance a separate PDC shall be issued in the name of DDO for purchase of goods or services or any other special purpose needed for the day to day functions of the Department subject to the provisions of Rule 323 (1) of GFR 2017. These types of PDC's shall be called PDC (Others).
7. With the introduction of PDC (Others) for Contingent advance, issue of Category 'B' Cheques in the name of DDO for payment of Contingent Advance in cash to Officials must be discontinued.
8. The PDC for contingent advance can be kept alive maximum till 31st March or last working day of the financial year. On this day, balance in the PDC for contingent advance must be made Zero by depositing remaining amount back to Government Account through e-MRO. Similarly amount towards closing of Imprest account or reducing of Imprest amount also be back to government account through e-MRO.
9. In case of PDCs for Contingent advance, as per rule 323 (2) of GFR 2017, the adjustment bill along with balance, if any, shall be submitted by the government servant within fifteen days of the drawal of advance, failing which the advance or balance shall be recovered from his next salary (ies).
10. Regarding KYC documents, PAN of the applicant shall be insisted upon by card issuing bank only for identification purpose and not to linking the same with Account for further linking with Income Tax Department. The production of Official ID issued by the Department office may also be considered for the purpose of KYC, subject to security instructions of the Department.

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II. Security of the PDC

1. All safeguards Do's and Don'ts for the card holder, as advised by the issuing-bank shall be strictly followed for operation and safekeeping of the PDC.
2. The PDC should be treated as cash. Hence, the same safeguard as applicable for cash shall be followed. It should be kept in cash chest or as appropriate while leaving the office for the day.
3. In case of loss of PDC, the PDC holder shall report immediately to the bank. All he/she needs to do is call up concerned Bank's Phone Banking centre and quote the PDC reference number mentioned on the card mailer. The card will be deactivated immediately by the bank to prevent misuse.
4. To claim unutilized balances (lost/stolen/expired card) the original Card Holder needs to visit the branch and fill out a form for a new card or for a refund of the remaining balance.
5. In case of misuse of lost PDC, FIR with Police needs to be lodged and pursued by the holder of PDC.
6. In case the PDC is lost or damaged the PDC holder will be held responsible and unutilized portion of the amount should be refunded by him immediately and request for condoning loss of government money will not be entertained under any circumstances.
7. The PDC kit containing PIN number should not be opened by officials other than the card holder.
8. On receipt of the PDC, the card holder has to satisfy himself that the cover containing the PIN is not opened/ tampered with.
9. If there are multiple prepaid cards then PIN for each of them should be different.

III. Accounting and Reporting

1. As mentioned in Rule 31 and 99 of the Central Government Accounts (Receipt and Payment) Rules 1983, the Official to whom the PDC has been issued shall render accounts with bills/invoices for recoupment of balances on the card whenever the

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- balance is near to zero rupees. It will be mandatory for the card holder to recoup the balance on the card on or after 1st April.
2. The claim for recoupment of Imprest shall strictly be as per the codal provisions. Receipts of payment made through PDC for purchase etc. are to be provided as proof of payment supported by vouchers as per codal provisions.
 3. Cash Book maintained by the Imprest holder Cashier should specify Hard Cash and money held in prepaid card separately.
 4. All Accounting entries on account of recoupment and expenditure from the PDC should be recorded in the Cash Book maintained for Petty Expenses in the office.
 5. Registers as given in Annexure-I and Annexure-II shall be maintained by DDO for issue/ Surrender and time to time recoupment of PDC respectively. DDO shall take acknowledgement of the official in the register while issuing/ surrendering the card. The Registers mentioned in Annexure I and II are mandatory and will be available to the PAO of the Department to check at the end of every quarter.
 6. Register for handing over and taking over of the Cashier's charge shall have all necessary particulars of Imprest Card balances.
 7. The provisions of Para III (2) to III (6) must be followed alongwith Rule 27 of Financial Regulations Part-I (Volume - I) and Para 88 of O.M. Part - II.

IV. Responsibility and Duties of Head of Office.

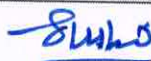
- i. The Head of Office shall be responsible for ensuring that the expenditure incurred out of this PDC is in conformity with the General Financial Rules 2017 and Delegation of Financial Power Rules 1978 (as amended) from time to time and also other instructions issued by Ministry of Finance and Controller General of Accounts, D/o expenditure including amendment of these rules.
- ii. Head of Office to ensure that all the checks and balances as defined in Civil Accounts Manual para 10.12 for maintenance of Permanent Cash Imprest Account (being enforced in the present system) are enforced.
- iii. Head of Office shall ensure that once PDCs are issued all future recoupment of imprest will be made by top up of the PDC only.

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- iv. The PDC should be surrendered by the card holder due to retirement, transfer etc. to the Head of Office along with the full account of the money spent out of it. HOO will record the reason for the same in the control register and the card will be submitted to bank for cancellation after ensuring the settlement of imprest account in all respect by HOO.
- v. The card surrendered should not be reissued and should be surrendered to issuing bank and balance, if any, transferred to government account. In case of retirement/ transfer of imprest holder, fresh card will be issued to the new incumbent in lieu of surrendered card on the basis of written request.
- vi. The PFMS Reports to be developed will help the HoO to control the limits set for the Department as a whole and for each Authority in the Card and the expenditure incurred and the total number of cards issued and total amounts against all the cards originally issued and the amount spent at any point of time and the recoupment requirements etc.

V. Responsibilities of the Pay and Accounts Office and DDO.

1. The DDO shall be responsible for maintaining the detailed accounts of the PDCs. The checks and balances (being enforce in the present system) should be enforced and all the provisions relating to maintenance of accounts records of the Imprest are strictly adhered to hitherto fore.
2. The DDO's who are using PFMS for processing of their payments and accounting may enter the data using the vendor type Imprest Recoupment and Contingency Advance in the relevant Section of the PFMS.
3. As and when the balance of PDC is exhausted, the same will be recouped from the Pay and Accounts Officer/CDDO with a claim supported by the Statement of Expenditure from Officer to whom the card has been issued along with bills/ invoices for individual items of expenditure incurred.
4. The bill for recoupment of Imprest will be cleared and payment made electronically (where the DDO is on PFMS) by the pay and Accounts Officer/CDDO to the Debit Card account in the Bank after following usual checks for such payments etc. The Payment



of bank for topping up the card can also be made by issuing cheque where the DDO is not on boarded in PFMS.

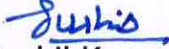
5. The PAO/CDDO has to ensure that payment advice in respect of PDC is sent to the bank well within working hours and PDC is topped up on the same day by the bank.
6. PAO/DDO must ensure that no charges will be levied by the accredited bank for issue and top up of PDC to the Department and also for top ups of these PDCs.
7. PAO/DDO must ensure that no new account is opened for the purpose of issuing and topping up of the PDC.
8. PAO/CDDO shall ensure that e-payment procedure being followed in PFMS is adopted for topping up of the PDC, where the e-payment instructions are issued to the bank with the equivalent amount through PFMS Portal.
9. PAO, Internal Audit of the respective offices shall also check the operation of the Prepaid Card system as a standard para in their reports.
10. DDO shall maintain the bank statement concerned to PDC as on 31st March generated in the month of April in support of the balance appearing in the cash book for the purpose of audit. DDO shall generate such statements frequently to verify the balance appearing in the cash book.

VI. Responsibility of the Card Holder

1. The Card Holder will be liable for PDC's security, its safe keeping and the secrecy of PIN.
2. The Card and its PIN (in physical form) should not be kept at the same place (Almirah or Safe) when not in use.
3. The Personal Identification Number (PIN) associated with PDC should be kept confidential and kept secret by the officer, who is responsible for transacting through the card on behalf of the Head of office.
4. At the time of applying for PDC, necessary KYC documents of the officer (Identity and Address Proof) in whose name the card will be issued have to be furnished to the card issuing bank as per the Bank's requirement.

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5. A Mobile number, associated with Head of office/ Head of the Department/Division/DDO, may be furnished to the Card issuing Bank at the time of applying for the card.
6. This mobile number shall only be used to receive OTP relating to transaction done through PDC.
7. Once the card is issued, it is not transferable. Hence it is not possible to issue multiple cards in the name of a single person for security and transparency reasons.
8. Card issuing bank's instructions on security and operation of the card may be adhered to by the PDC holder.
9. Card holder is required to share the Account Statement of the Prepaid Debit Card with the office at the time of submission of recoupment bill as a supporting document.


(Sushil Kumar)
Sr. Accounts Officer (Estt.)

ANNEXURE I

Register for Issue and return/surrender of PDC for Permanent Advance and Contingent Advance

Sl. No.	Nature of Advance (Permanent/Contingent)	Name of the Official to whom card is issued	Sl. No of the Card (first 4 digits followed by XXX XXXXX last 4 digits)	Date on which issued	Balance on the Card (in Rupees) at the time of issue	Signature of the Official receiving the card	Date on which card is returned/surrendered with reason	Balance at the time of return/surrender	Signature of Official returning/surrendering the card	Signature of DDO		Signature of Head of Office.
										At the time of issue of card	At the time of return/surrender of card	

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ANNEXURE II

Register for recoupment of funds in PDC for Permanent Advance.

Sl. No.	Date	Sl. No of the Card (first 4 digits followed by XXX XXXXXX last 4 digits)	Limit on the PDC	Balance on the Card (in Rupees) before recoupment	Total amount of Bills rendered by card holder for recoupment	Amount recouped (in Rupees)	Balance on the Card (in Rupees) after recoupment	Signature of the Cashier	Signature of the Official holding the card	Signature of DDO

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