

CHAPTER-X

Petty Contingent Expenses Cash Imprest

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Chapter-X

Petty Contingent Expenses - Cash Imprest

1001. Nature of Contingent charges -"Contingent expenditure" means all incidental and other expenditure including expenditure on store which is incurred for the management of an office, for the working of establishment (DFPR Rule 13).

1002. Expenditure in respect of rents, rates and taxes, clothing, stationery and other stores required for traffic and running staff, the repairs and maintenance of furniture and office equipment, and rental of and stationery used for electronic computers is booked under sub-heads other than contingencies and is regulated by rules embodied elsewhere in this and other Indian Railway Codes.

1003. No pay, or additions to pay, or compensatory allowances of any kind may be charged as Contingent Expenditure. As an exception to this, however, pay and allowances in the following cases are treated as Contingent Expenditure;

- i) Staff employed in connection with the upkeep of an office.
- ii) Safaiwalas etc. provided they are not entitled to service gratuity specially permitted by Railway Board.
- iii) Such Class IV staff as malies and grass cutters etc., specially permitted by the Railway Board to be charged to contingencies.

1004. Classification of Contingent Charges -The contingent charges may be broadly divided into two classes, viz. ordinary and special contingencies. Charges coming under each of these classes may be recurring or non-recurring.

1005. Special contingencies include -

- i) charges, the bills for which require the counter-signature of the head of the department such as charges on account of taxi hire.
- ii) unusual charges that require the special sanction of competent authority such as entertainment expenses on special occasions.

Note 1- The expenditure on entertainment/refreshment at important meetings/conferences etc. will be regulated by the instructions issued by the Railway Board from time to time. The General Manager, in consultations with FA&CAO, may re-delegate his powers for incurrence of expenditure on serving of light refreshments such as plain coffee/tea/ cold drinks in conferences and meetings with official/non-official visitors as are considered specially important and unavoidable as far as the railway working is concerned.

The luncheon parties, dinners and receptions on the Railways can be arranged only with the personal sanction of the General Manager of Zonal Railway/ Production Unit and Divisional Railway Managers with prior concurrence of the Associate Finance. However, the powers to sanction working lunches at formal inter-departmental and other meetings and conferences can also be re-delegated by the General Managers in consultation with FA&CAOs.

Note 2 -In addition to above powers, separate authorization as detailed below have been given to GMs, CCM/CMSM and CPROs for hospitality and entertainment expenses in connection with the entertainment of distinguished visitors, sales promotions, commercial publicity and public relations works.

- i) GMs may incur expenditure as per extant delegation in connection with the entertainment of distinguished visitors, i.e. distinguished official or non-official personages, representative of foreign technical associates, foreign technical experts, and representatives of trade including overseas companies.
- ii) For the purpose of maintenance of cordial press and public relations to project the Railway's image, expenditure by CPROs from Hospitality Fund should be as per extant delegation. The General Manager, is however, empowered to incur the expenditure as per extant delegation in special circumstances where the need for such expenditure is imperative and in the best interest of the press relations and commercial advertising works. Such cases of enhanced expenditure should be rare and advised to the Board.
- iii) The expenditure to be incurred by Divisional Railway Managers on entertainment/hospitality etc. will be as per extant delegation.

1006. Liveries and Warm Clothing -Provision for clothing and other articles for Class IV servants employed in the office of the Railway Board, and subordinate and attached offices located at Delhi is to be regulated by the rules prescribed by the Government of India, Ministry of Home Affairs from time to time.

1007. Provision for uniforms and warm clothing to Class III and IV Railway staff, other than those covered in Para 1006, is to be regulated by the instructions on standardised uniforms issued by the Railway Board.

1008. Conveyance hire -For journeys performed on duty, suitable charges for hire of conveyance may be paid subject to orders issued by Railway Board from

time to time.

1009. Unusual charges should in no circumstances be incurred without the previous sanction of a superior authority, viz., the General Manager of a Railway Administration or the Railway Board.

Ordinary Contingencies

1010.

- a) Unless it is otherwise stated in any rule, expenditure on ordinary contingencies (i.e. on other than special contingencies) may be sanctioned by the, head of an office.
- b) The power vested under these rules in the General Manager may also be exercised by the following authorities in respect of their offices and the offices under their control -
 - i) The Secretary, Railway Board.
 - ii) The heads of offices directly subordinate to the Railway Board.
- c) The General Manager and the authorities detailed in clause (b) above may re-delegate all or any of their powers to authorities subordinate to them.

1011. Deleted.

1012. No charges shall be entered in any contingent bill for any postage stamps other than service postage stamps, except in cases where the latter are not acceptable.

1013. Deleted.

1014. Deleted.

1015. Deleted.

1016. Stationery and Printing Stores (including Rubber Stamps) -Except as provided in paragraphs 1017 and 1018 all stationery and printing stores shall be obtained through the Controller of Stores. In the case of offices attached to a railway, the indent for stationery on the Controller shall be made by the General Manager of the Railway. Costly articles of stationery shall not be purchased at public expense.

1017. General Managers of Railways may make direct purchases in emergencies, i.e. arising out of delay on the part of or the failure of supplies from the Deputy

Controller of Stationery, or sudden unforeseen demands of stationery articles subject to the condition that such purchases at any one time should not exceed 3 months requirements and that the Controller of Stores is advised giving particulars of each purchase, party purchased from, rates and references to the indent against which supplies have been delayed.

The powers of direct purchase of stationery stores, office machinery and appliances and printing stores may also be exercised by Controller of Stores in emergency as per extant delegation for each item in consultation with the Financial Adviser and Chief Accounts Officer.

1018. When it is inconvenient to obtain stationery stores through the Controller of Stores, Petty local purchases may be made by heads of the Departments as per extant delegation and by Mechanical Engineers holding independent charge of workshops as per extant delegation. The exercise of these powers will be subject to the following conditions -

- a) Local purchases should be so regulated that the overall procurement of stationery stores including those received through the Government of India Stationary / Regional Stationery Depot does not exceed the total requirements of the indenter on the basis of the prescribed 'quantity scale'.
- b) These delegations do not extend to the purchase of paper for printing purposes except with the prior concurrence of the Controller of Stores.

These powers may be re-delegated to the Divisional Officers posted away from Railway/Divisional Headquarters to the extent necessary, provided the same are considered useful in actual practice subject to conditions (a) & (b) mentioned above.

1019. The authorities empowered to make local purchases shall carefully observe the general rules which have been issued by the Government of India laying down the policy to be followed in making purchases of stationery and printing stores.

1020. Deleted.

1021. Deleted.

1022. Deleted.

1023. Subject to the provisions of paragraph [1019](#), the General Managers of railways may purchase locally, to meet urgent and unforeseen requirements, an article of office machinery or appliance or any number of similar articles at one time, as per extent delegation in each case and Rs.25,000/- in the aggregate in

each case in any one year. Petty local purchases of office machinery and appliances may also be made subject to the provisions of paragraphs [1018](#) and [1019](#).

1024. Deleted.

1025. Deleted.

1026. Deleted.

1027. The rates shown in the bills submitted by the company for spare parts should be verified with the latest price lists. It is important that the correct part numbers should be shown by the repairers in their bills.

1028. Office equipments for which there is no Rate Contract or where authorized firms holding Rate Contracts or their agents have no servicing facilities, shall be maintained by the Heads of Departments, Divisional Railway Manager and Mechanical Engineer (Workshops) concerned either by entering into adhoc annual contracts themselves on competitive basis in consultation with Associated Finance by making local arrangements. In order to ensure uniformity of rates for servicing and overhauling of the equipments, it should be ascertained from the firms whether they already have a similar contract with any other Government Department/Office.

1029. Other Stores -The head of an office except that of an office not attached to any particular railway must obtain all stores by an indent on the Controller of Stores of the railway, unless he has been permitted to obtain them himself by the General Manager of the railway.

1030. Deleted.

1031. Deleted.

1032. Deleted.

1033. Official Publications -Official publications issued in India by the Ministry of Railways will be supplied free to railway officers in accordance with any general distribution sanctioned by the Railway Board in respect of such issues. Additional copies of such publications and other official publications may, if required, be obtained by the heads of offices from concerned Office.

1034. Office -publications (other than Parliamentary papers) published in any foreign country should be procured by the General Manager, through the respective High Commissioners or Embassies, as the case may be.

1035. For maps supplied by the Survey Department separate rules have been issued by the Surveyor General of India.

1036. Non-official Publications -Books and newspapers or other periodical

publications whether published in or out of India shall not be purchased, or subscribed for, at the public expense by any public officer without the previous sanction of the General Manager.

1037. The General Manager and lower authorities to whom he may delegate powers in this behalf, should make their own arrangement direct with the agent or publishers for the supply of such news papers, periodicals and books as may be required for their use and or the use of officers subordinate to them.

1038. The sanction for the supply should be communicated to the Accounts Officer who will check the charges in the same way as other items of recurring contingent expenditure.

1039. Payment in the Railway Offices abroad for supplies received from out of India should be arranged for through the embassy/High Commissioner of India.

1040. Recurring charges -Except as otherwise provided in these rules, no charge which binds Government beyond a single payment may be incurred without the sanction of the General Manager.

Note -A General Manager may authorize Heads of Departments and Divisional Railway Managers to sanction the payment of rents, rates and taxes of buildings occupied as, offices and the installation of telephones in offices and residences of officers and Subordinates under their control.

1041. For contingencies of their own offices the Secretary, Railway Board, and the Director General Research, Designs and Standards Organization may sanction recurring charges as per extant delegation.

1042. All other officers authorized to draw contingent bills may incur recurring contingent charges other than those specified in [paragraph 1043](#) as per extant delegation subject only to the existence of the necessary allotment and to any restriction which the General Manager may impose.

1043. Deleted.

1044. Bills for Contingent Expenditure.-Bills should be prepared separately for ordinary and special contingencies. In regard to periodical charges and scale-regulated contingencies, it should be stated when the charges were last incurred, to enable the Accounts Officer to see that the expenditure has not been incurred before the expiry of the prescribed period. The sanction of competent authority

should be quoted in cases in which superior sanction is necessary for incurring expenditure. All contingent bills containing charges for miscellaneous supplies should bear a certificate that the articles have been received in good condition and entered in the stock account.

1045. Vouchers of contingent Expenditure –The limit below which vouchers need not be forwarded to the Accounts office in support of the contingent bill should be approved by the General Manager in consultation with Financial Adviser and Chief Accounts Officer, but all vouchers which are not submitted to the Accounts Office should be effaced and cancelled in such a way that they cannot be used again in support of claim against the railway. All vouchers must be submitted to the Accounts Office in support of the payment.

Note -The vouchers whether sent with the bill or retained in the office should be certified as under by the executive/divisional officer-“Certified that in the case of vouchers attached to the bill and those retained in my office relating to the purchase of goods made thereunder and the amounts paid on account of GST on those goods are correct under the provisions of that Act or the Rules made thereunder and in case of supplies against regular contracts, the relevant contract includes a specific provision that GST is payable by Government”.

1046. Duties of the Drawing Officer –The drawing officer is expected to exercise the same vigilance over contingent expenditure as a person of ordinary prudence would exercise in spending his own money. He should further see that the vouchers are in proper form, have been receipted by the proper person and have been so made out that a second claim against the railway for the same charge is impossible, that the expenditure is absolutely necessary for the efficient management of the office or the performance of the service to which it relates, that the rates are not uneconomical, that the sanction of higher authority is not required under the financial restrictions laid down in any rules or orders issued by competent authority and, where necessary, the requisite sanction is obtained and quoted in the bill in support of the charge and that adequate budget provision exists to cover the expenditure involved.

1047. Disbursement of contingent charges –Contingent charges are disbursed in the following ways -

- i) Payment by the officer incurring the expenditure out of imprest or permanent advance allowed to him.
- ii) Payment by the Accounts Officer direct to the supplier, on the authority of the officer competent to incur the expenditure and on receipt of proof of

supply. In such cases, the firm's bill and receipt should be sent in original to the Accounts Office.

- iii) Payment by the head of the office on receipt of money from the Accounts Office:

No money should be obtained from the Accounts Office unless it is required for immediate disbursement and adjustment bills supported by necessary vouchers and payee's receipts should be sent to the Accounts Office immediately after disbursement.

- iv) Book adjustment by the Accounts Office when supplies have been made by another department of the railway, or another railway or a department or Ministry of the Government of India, provided the charges have been acknowledged by the offices concerned.

In such cases the rules of adjustment prescribed by supplying departments should be followed. If any such rules prescribe cash payment, the procedure will be as in (ii) above. For supplies from the Railway Stores or other Railway Departments the rules on the subject should be followed.

- v) The charges for service postage stamps are drawn on separate contingent bill forms in the usual way, and separate cheques therefore are issued by the Accounts Officer in favour of the officer who supplies the stamps. Cheques so issued are not subject to any special minimum amount.

1048. Control over Contingent Expenditure -A register of contingent expenditure should be kept in each office, analysing the amount charged to the head "office contingencies" in such detail and under such sub-heads as may be considered necessary for the control of expenditure. The contingencies register should be examined at least once a month by an officer and if there are signs of extravagance under any sub-head of contingencies these should be investigated and steps taken to restrict the expenditure under those sub-heads. The following are amongst the items which should be watched in this way -

- i) Stationery and forms and printing charges.
- ii) Telephones.
- iii) Hire and purchase of office equipment.
- iv) Hot and cold weather charges.
- v) Uniforms.
- vi) Conveyance hire

Note -The cost of electric energy (whether generated in a Railway Power House or purchased in bulk from an outside source and distributed by the railway), the expenditure on the maintenance and repairs of telephone instruments and apparatus provided by the railway at its own cost and the rent paid to Government

Telegraph Department on account of wires provided by that department are not treated as contingent charges and will be finally charged to Abstracts E, F and H. Where, however, telephones are obtained on hire from the Government Telegraph Department or private companies the charges paid on account of rent and trunk calls shall be treated as contingent expenditure and debited to office contingencies.

1049. The control of expenditure against the budget allotment for "office contingencies" should be exercised by the Heads of Departments and Divisional Railway Manager with the help of the Allocation Register maintained in the accounts Office. In the case of other railway offices, such control will be exercised by the officers to whom such a grant may be given through the registers of expenditure maintained by them.

1050. An imprest is a standing advance of a fixed sum of money placed at the disposal of an individual to meet the following types of expenditure:

- 1) Petty Office expenses.
- 2) Cost of raw materials for the diet of indoor patients of hospitals.
- 3) Emergent charges which cannot be foreseen.
- 4) Other petty expenses as per extant delegation in each case. Emergency petty advances may also be made on the responsibility of the imprest holder out of imprest money placed at his disposal.

A certificate to be recorded by the procuring official/Imprest holder in the following format:

"I,, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."

1051. The amount of an imprest must not be larger than is absolutely necessary. It should be reckoned at the lowest possible figure calculated to suffice for meeting charges of the nature referred to in the preceding paragraph and should be fixed in consultation with the Accounts Officer who will advise as to the appropriate amount of the imprest.

1052. Subject to the provisions of the previous paragraph, the General Manager of a railway will have full power to sanction imprests. He may re-delegate his power in this respect to authorities subordinate to him on such conditions as he may think fit to impose. In the case of other offices, the grant of an imprest will require the sanction of the competent authority as decided by Railway Board.

1053. The number of imprests should not be multiplied unnecessarily. An officer's imprest should meet the needs of every branch of his office. If he has subordinates who require petty sums, he should rather spare a small portion of his own imprest for their use than apply for separate imprest for them, taking acknowledgements from them in the same way as he himself furnishes to the Accounts Officer and retaining them in his office.

1054. The responsibility for making proper arrangements for the safe custody of the imprest money rests entirely with the imprest holder and he must at all times be ready to produce the total amount of the imprest in vouchers or in cash.

1055. The imprest account should be kept in duplicate, the counterfoil being kept by the imprest holder and the original, supported by the necessary vouchers, forwarded to the Accounts Officer from time to time as the holder of the imprest may require it to be replenished. The account should be closed ordinarily on the 27th of each month and recouped before the end of the month so as to ensure as many of the month's transactions as possible being included in the account. The imprest should be recouped once in a month only.

1056. Imprest Card -Few National Banks have launched imprest card scheme for handling Imprest under which imprest card holders are given a card with fixed amount. Imprest card holder receives transactions messages through SMS. Since the imprest card eliminates handling of cash and is a safer and more reliable system, it may be actively used by the Railways. It will also bring efficiency in the system. Guidelines issued by Ministry of Finance (Department of Expenditure) vide OM dated 14.07.2021 for use of prepaid debit cards for permanent imprest and contingent Advance in Ministry/Department, may be referred. Accounts Directorate of Railway Board has also issued guidelines in this regard.
