No. A/I/1444/Rev of sec com

To

All Concerned

Subject: Rounding off the transaction to the nearest Rupee.

While reviewing sectional compilation of PCDA (WC) in has been observed been that booking in done by some of the suboffices/ sections in the figures of paisa. It is mentioned that as per Para 310 of Defence Account Code the trasaction of Government involving fractions of rupee shall be brought to account by rounding off to nearest rupee.

For further necessary guidance on different types of Govt transactions Para 310 of Defence Account Code may be referred (Copy Enclosed). It is therefore requested that while carrying Govt. transactions the instructions contained in the Para 310 of Defence Account code may be strictly complied to.

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IT&S (Local)

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ROUNDING OFF THE TRANSACTION TO THE NEAREST RUPEE

310. The following transactions of Government involving fractions of a rupee shall be brought to account by rounding off to the nearest rupee (fraction of 50 paise and above to be rounded off to the next higher rupee and fraction of less than 50 paise to be ignored):

(1) Personal claims of Government servants and pensioners

(a) All entitlements due to an individual employee by way of HRA/DA/TA etc., and all 'Inner Column' deductions from salary bills on account of PLI/Licence fee/Taxes etc. including book transactions shall be rounded off in whole rupees.

(b) In the case of Travelling Allowance bills the rounding shall be done only at the last stage and not in respect of each item, e.g. Railway fare, Mileage and Daily Allowance, comprising the claim of an individual.

(c) Interest on loans and advances to an employee which is computed as a percentage of base amount and its recovery is effected in instalments shall be made in whole rupee.

**Note 1:** In the case of emoluments fixed by law which are in fraction of a rupee shall be rounded off to the next higher rupee.

**Note 2:** Payment on account of Pension/Relief on Pension/DCRG/Committed value of Pension shall be rounded off to the next rupee.

(d) All Government transactions, whether involving actual receipts/payments or book adjustments, involving fraction of rupees shall be made in whole rupees.

(2) All transactions of PAOs/Banks through Cheques and Challans.

(3) Transactions between one Government and another or between two Departments of the same Government.

(4) Amounts converted into Indian currency from Sterling or other foreign currencies.

(5) Reserve Bank remittances, other than those of sums representing dues fixed by or under any law or under any contractual obligation of the Government. Sums representing dues fixed by or under any law shall be always be rounded off to the next higher rupee.

(6) Deposits and receipts other than those which are fixed by or under any law or are specially exempted by the Government from the operation of this Rule. Sums representing amounts fixed by or under any law shall be always be rounded off to the next higher rupee.

(7) The only type of transactions which have to involve paise would be cash transactions for petty purchases or sales which are reflected in a primary record like cash book. Instructions for rounding off of such transactions are as under:

(i) Petty cash payments for local purchases are met out of Permanent Cash Imprest available with the Head of office and recoupment bill duly supported by sub-vouchers (where necessary) is required to be preferred periodically to the Pay & Accounts Office for replenishment of the Imprest. As far as possible, suppliers should be persuaded to cooperate in rounding off the amount payable to them on each occasion to the nearest rupee. In exceptional cases where payment of paise cannot be avoided, the total of the sub-vouchers sought to be recouped would include paise also. Nevertheless, the recoupment bill shall be submitted to the PAO for the whole rupee portion only. However, for the purpose of balancing the transactions in the main cash books as well as in the petty cash book, the DDO will: