

Government of West Bengal
Finance Department
Audit Branch

No. 3724 –F.

Kolkata, the 10th May 2007.

MEMORANDUM

Sub: Procedure for classification & Accounting of 'Refund of Revenue' and 'Recoveries of Overpayment'

The undersigned is directed to say that the question of laying down the procedure for classification & accounting of 'Refund of Revenue' and 'Recoveries of Overpayment' has been under consideration of the Government in Finance Department for some time past.

After careful consideration of the matter, the Governor has been pleased to decide that the procedure as detailed below may be followed for classification & accounting of 'Refund of Revenue' and 'Recoveries of Overpayment' :

Procedure for classification & Accounting of 'Refund of Revenue'
and 'Recoveries of Overpayment'

1) Receipt Heads :- "Refund of Revenue" shall as general rule, be taken in reduction of the Revenue Receipts under the same Major, Sub-major, Minor and Sub-head where the revenue was originally booked and the detail head shall be '20-Refund'. When it is not practicable to account for such refund under the proper functional classification, '900-Deduct Refunds' may be opened (i) as a minor head under the major/sub-major heads falling in the sector 'B-Non-Tax Revenue', (ii) as a sub-head under the major, sub-major, minor heads falling in the sector 'A-Tax Revenue'. Detail head shall be '20-Refund' in both the above cases.

2) Expenditure Heads (Revenue Accounts) :-

- Recovery of overpayment whether deposited in cash or by short drawal from bill, during the same financial year in which such overpayment was made, shall be recorded as Reduction of Expenditure under the same major, sub-major, minor & sub-head where the expenditure was originally exhibited and the detailed head shall be '70-Deduct Recoveries'.
- Recovery of overpayment pertaining to previous year(s) shall be recorded under a district minor head '911-Deduct-Recoveries of Overpayment' and detail head shall be '70-Deduct Recoveries' under the same major, sub-major, scheme head where the expenditure was originally exhibited.

- Recoveries of overpayment of Pay and Allowance for same financial year shall be shown as '(-) Expenditure' in the Pay Bill concerned.
- Recoveries of overpayment of Pay and Allowance for previous financial year shall be shown as minor head '911-Deduct-Recoveries of Overpayment' and detail head shall be '70-Deduct Recoveries' under the same major, sub-major, scheme head where the expenditure was originally exhibited. However, this shall be shown in deduction portion of the relevant Pay Bill with the detail information of the year, month and voucher number on which the overpayment was made.

3) Expenditure Heads (Capital Accounts) :-

- Deduct Recoveries on Capital Accounts may be opened after consultation with the Budget Branch of this Department, wherever necessary as a sub-head '900-Deduct Recoveries on Capital Accounts' below the relevant minor head under the various Capital major/sub-major heads where from the expenditure was initially incurred for both same and previous year and detail head shall be '70-Deduct Recoveries'. Where such recoveries on Capital accounts are not identifiable with any programme minor head, the same may be adjusted as a sub-head '900-Deduct Recoveries on Capital Accounts' under the minor head '800-Other Expenditure' under the concerned major/sub-major head and detail head shall be '70-Deduct Recoveries'.

As an exception, recoveries (sale proceeds etc.) relating to schemes of Government Trading, where expenditure of bulk purchase and distribution of certain commodities is required to be shown in Capital Section of Accounts, may be shown under the district minor head '901-Deduct Recoveries on Capital Accounts' to be opened below the concerned major head and detail head shall be '70-Deduct-Recoveries'.

For opening of a new minor head ('900-Deduct Refunds' / '911-Deduct-Recoveries of Overpayment' / '900-Deduct Recoveries on Capital Accounts' / '901-Deduct Recoveries on Capital Accounts'), which is not exhibit in the Budget Publication of that year, the procedure as mentioned in this Department No. 7010–F dated 13.09.2006 shall be observed.

This Order issues with the concurrences of the Budget Branch of this Department vide their u/o No. 3066-Group-N dated 19.03.2007 and O/o the Accountant General (A&E) West Bengal vide their u/o No. A.M.1/34 dated 07.03.2006.

Sd/ B. Bandyopadhyay
Joint Secretary to the
Government of West Bengal

No.3724/1(400)-F**Kolkata, the 10th May , 2007.**

Copy forwarded for information and necessary action to :—

1. The Accountant General (A&E), West Bengal, Treasury Bldgs., Kolkata-700 001.
2. The Pr. Accountant General (Audit), West Bengal, Treasury Bldgs., Kol.-700 001.
3. The Accountant General (Receipts. Works & Local Bodies Audit), West Bengal, C.G.O. Complex, 3rd M.S.O. Building, 5th Floor DF Block, Kolkata-700 064.
4. The Commissioner,
5. The Addl. Chief Secretary/ Pr. Secretary/ Secretary.....
6. The Director.....
7. The Collector.....
8. The District Magistrate / Judge.....
9. The Financial Advisor,.....
10. The Superintendent of Police.....
11. The Sub-Divisional Officer.....
12. The Accounts Officer, West Bengal Secretariat, Writers' Bldgs., Kolkata-700 001.
13. The Accounts Officer, West Bengal Secretariat, Bikash Bhawan, Kolkata-700 091.
14. The Pay & Accounts Officer, Kolkata Pay & Accounts Office-I
81/2/2, Phears Lane, Civil Defence Building, Kolkata-700 012.
15. The Pay & Accounts Officer, Kolkata Pay & Accounts Office-II
Johar Building, P-1, Hyde Lane, Kolkata – 700 073.
16. The Treasury Officer.....
17.Branch / Grpoup..... Finance Department

Sd/-

Sd/ B. Bandyopadhyay
Joint Secretary to the
Government of West Bengal