GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Budget – Classification of Accounts – Standardization of Object Heads – Revised Object Heads – Adoption in the State Government Accounts – Orders – Issued.

FINANCE (BUDGET-I) DEPARTMENT

G.O. MS. No.: 69 **Dated: 14.08.2019**

Read the following:-

1.) GO Ms. No. 304, Dated 03.09.1994 of Finance & Planning (FW-BG) Department.
2.) GO Ms. No. 664, Dated 27.10.2001 of Finance (Budget-I) Department.
3.) GO Ms. No. 87, Dated 31.01.2002 of Finance (TFR) Department.
4.) GO Ms. No. 75, Dated 03.04.2014 of Finance (TFR) Department.
5.) GO Ms. No. 57, Dated 07.04.2017 of Finance (Budget-I) Department.

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ORDER:

Under Article 150 of the Constitution, the accounts of the Union and State Governments shall be kept in such form as the President may on the advice of the Comptroller and Auditor General, prescribe. The word 'Form' used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

2. In pursuance of the powers vested under Article 150 of the Constitution, the President has prescribed the principles of accounting and classification, the classification structure and the loans of account upto minor head level, for classification of the various types of transactions of Government, the form in which the Treasuries, Public Works Accounts, Forest Divisions, etc., shall keep the initial and subsidiary accounts and the form in which they shall render accounts to the Accountant General. One of the important characteristics of the accounting structure is the uniformity in classification of transactions of the Union and the State Governments which enable a comprehension and comparison of the enormous size and variety of financial transactions of the Central and State Governments. The general structure of the budget is the same as the structure of the accounts.

3. Classification of transactions in Government Accounts on a function-cum-programme basis was introduced from 1st April, 1974. This functional classification was evolved with the twin objectives of reflecting Government transactions in terms of functions, programmes and schemes and securing correspondence between accounting classification and plan heads of development. The Comptroller and Auditor General of India prescribed a new List of Major heads and minor heads to come into force with effect from 1st April 1974. Andhra Pradesh Government adopted these heads, and currently updated up to the latest correction slip, leaving certain functions and programmes that were not needed by the State Government.

4. As a measure towards streamlining the primary break-up of the provisions and identify the sources granularly, Government of Andhra Pradesh has adopted, over a period of time, a seven tier Head of Account (HOA) structure. This structure is as follows:

- ***Major Head (MH)***: A main head of account for the purpose of recording and classifying the receipts and disbursements relating to the functions of the Government. This is represented by a four digit code.
- ***Sub-Major Head (SMH)***:The Major heads are sub divided in some cases into sub major heads. Sub major heads are opened under a major head to record those transactions which are of a distinct nature and are of sufficient importance to be recorded exclusively, but at the same time allied to the function of the major head. The head of account relating to each such sub division is termed as "sub major head" and this is represented by a two digit budget code.
- ***Minor Head (M.H.)***:A head subordinate to a Major Head or Sub-Major Head representing a specific programme and it is represented by a three digit code.
- ***Group Sub Head (GSH)***: GSH represents a similar group of schemes which are implemented under a separate funding pattern and is represented by a two digit code.
- ***Sub-Head (SH)***:A head subordinate to a minor head. It indicates schemes for programmes or administrative set-up in the case of non-plan expenditure. This is noted with a two digit budget code.
- ***Object Head (OH)***: Object Head is a combination of Detailed Head (DH) and Sub-Detailed Head (SDH) and forms the lowest accounting unit under which the transactions of the Government are recorded in the account and is the lowest unit for which figures are given in the Budget Estimates. On the expenditure side of the account, particularly in respect of the heads of account within the Consolidated Fund, the object heads are primarily intended for effective control over expenditure through breakup of the expenditure on a scheme, activity or organization in terms of inputs or objects. They also constitute the primary units of appropriation for the purpose of the demands for grants. DH and SDH are represented by two separate three digit codes for the purposes of budget.
- ***Sub-Detailed Head (SDH)***: Denotes break-up of detailed heads, wherever necessary, and possible. This is denoted by a three digit code, e.g. 011 Pay; 532 Lands under the respective three digit DHs 010 Salaries and 530 Major Works.

5. While, there are different interpretations of this, at Government of Andhra Pradesh the sixth and seventh tier of classification together are called as Object Head, i.e. the Detailed Head and Sub-detailed Head put together are known as Object Head.The unit of appropriation shall normally be the detailed head. Being the objects of expenditure, the name Object Head is appropriate and form the last tier of classification of the HOA. Together, they help in having an itemized control of expenditure and indicate the object or nature of expenditure on a scheme or activity or organization in terms of inputs such as 'Salaries', 'Office Expenses', 'Grants-in-Aid', 'Loans', 'Investments'.

6. Recognizing the fact that taking up of activities under a Programme of a Function may vary from state to state as also from time to time, the State Government is permitted at their own level to open through their Budget Wing new Sub-Heads and Object Heads, as may be needed to suit its own requirements. Basically, this would mean that the tiers below the Minor Head are under the control of State Government and hence Group Sub-Head at Government of Andhra Pradesh falls under the purview of state. In the existing structure of classification, the object heads as specified in thereference 2nd read above are being followed to record the various items of expenditure in the Government Accounts suggested by the Controller General of Accounts from the Financial Year 2002-03.

7. Vide reference 5th read above, Government has implemented the Comprehensive Financial Management System (CFMS) and the budget management function, including the maintenance of HOAs, is a part of this system. With this implementation, the Government is looking to address certain long-standing issues and concerns with respect to the classification of expenditure and the controls and audit mechanisms. During the reviews in the run up to the full Budget 2019-20, a strong need for granularity, classification of expenditure and understanding the items of expenditure across various programmes, schemes and organizations was identified. Towards this, a team of representatives from the Finance Department, Directorate of Treasuries and Accounts and Andhra Pradesh Centre for Financial Systems & Services were tasked to review the current list of Object Heads and propose a revised standard taking into account the revised needs of the Government.

8. In this backdrop, the team has proposed certain changes at the Object Head level as a first step. Majority of the proposed changes are included in the full Budget for the financial year 2019-20. Prior to the release of the budget to incur expenditure, it is required to define the items of expenditure allowed under each Object Head and also propose control, audit and reporting protocols. After careful examination, Government has decided to implement the revised structure of Object Heads – Detailed Head (DH) and Sub-Detailed Head (SDH) with immediate effect in the current financial year 2019-20. The revised list of Object Heads, in the Annexure I to this G.O., is hereby notified to be adopted and therefore implemented in supersession of any existing orders, memos, circulars or notes. Henceforth, the accounts will also be rendered with these units of expenditure classification.Further, as part of this standardization and streamlining process, certain DH/SDHs are decided to be withdrawn and blocked from further use. These combinations as listed in Annexure II to this G.O. are now being notified to be dropped from use and shall not be considered in

incurring expenditure or in accounts. Further, the Annexure III details the drawl procedures for each of these combinations and also outlines the types of expenditure items that shall be covered in these combinations. In addition, the broad audit parameters that are required to be followed while scrutinizing the bills at the respective Treasuries, PAO and Works PAOs, over and above the existing Audit procedures/practices in vogue, are outlined in Annexure III for the purposes of reiteration, and not as a substitution.

9. All the Departments of Secretariat, Heads of Department, PD Administrators and the officials dealing with the Budget are requested to study the Annexures carefully and take necessary action for adopting the revised Object Heads in the Government transactions with immediate effect in this F.Y. 2019-20. ***The Director of Treasuries and Accounts; the Pay and Accounts Officer; the Director of Works and Accounts; and the Chief Executive Officer, APCFSS; shall take necessary action for conducting training classes to all stakeholders on the revised Object Heads so as to acquaint them with the revised structure of classification in addition to the adherence to the Audit items reiterated in the Annexure III.***

10. The CEO, APCFSS shall make necessary changes to CFMS and enable the budget management, in addition to ensuring that the appropriate validations are built-in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SHAMSHER SINGH RAWAT
PRINCIPAL FINANCE SECRETARY TO GOVERNMENT

To
All the Secretariat Departments
All the Heads of the Departments
All the District Collectors
The Accountant General (A&E), AP
The Director, Treasuries & Accounts, Ibrahimpatnam
The Pay & Accounts Officer, Ibrahimpatnam
The Director, Works Accounts, Ibrahimpatnam
The Dy. Directors/ District Treasury Offices
The CEO, APCFSS
Copy to:
All FMUs and Officers in Finance Department
The PS to Chief Secretary
The PS' to the officers in CMO
The PS to PFS/Spl. Secretary (B&IF)
SF/SCS

//FORWARDED::BY ORDER//

SECTION OFFICER

ANNEXURE I to G.O. MS. No.: 69, Dt.: 14.08.2019

LIST OF OBJECT HEADS (REVISED)

Standard Objects of Expenditure (Detailed Heads of Account)

DH/ SDH	Description
010	**Salaries**
011	Pay
012	Allowances
013	DearnessAllowance
014	SumptuaryAllowance
015	InterimRelief
016	House RentAllowance
017	MedicalReimbursement
018	Encashment of EarnedLeave
019	Leave Travel Concession
020	**Wages**
021	Part Time Contingent Employees
022	Full Time Contingent Employees
023	Daily Wage Employees
024	Hourly Wage Employees
030	**Overtime Allowance**
031	Overtime Allowance
032	Night Duty Allowance
040	**Pensionary Charges**
041	Pensions
042	Gratuities
043	Medical Reimbursement
050	**Rewards**
051	Rewards
052	Awards
053	Trophies/Mementoes
060	**GIA Salaries**
061	GIA Pay
062	GIA Allowances
063	GIA Dearness Allowance
065	GIA Interim Relief
066	GIA House Rent Allowance
067	GIA Medical Reimbursement
068	GIA Encashment of EarnedLeave
069	GIA Leave Travel Concession
070	**Work Charged Establishment Salaries**
071	WC Pay
072	WC Allowances

DH/ SDH	Description
073	WC Dearness Allowance
075	WC Interim Relief
076	WC House Rent Allowance
077	WC Medical Reimbursement
078	WC Encashment of EarnedLeave
090	**Arrear Pensions**
091	Arrear Pension
093	Arrear DA
094	Arrear IR
100	**Arrear Salaries**
101	Arrear Pay
102	Arrear Allowance
103	Arrear DA
105	IR Arrear
106	Arrear HRA
110	**Domestic Travel Expenses**
111	Travelling Allowance
112	Bus Warrants
113	T.A./D.A. to Non-Official Members
114	Fixed Travelling Allowance
115	Conveyance Allowance
116	TA/DA to Work Charged Employees
120	**Foreign Travel Expenses**
121	Foreign Travel Expenses
122	Foreign Travel TA/DA to non-official members
130	**Office Expenses**
131	Service Postage and Telephone
133	Water and Electricity Charges
134	Hiring of Private Vehicles
135	OE –Consumables/Stationery
136	OE – Maintenance/ Minor Repairs
137	OE – Administrative Expenses
138	OE – Internet Charges
139	OE – Mobile Services/ Call Charges
DH/	**Description**

SDH	
140	**Rents, Rates and Taxes**
141	Rents, Rates and Taxes
150	**Royalty**
151	Royalty
160	**Publications**
161	Publications
162	Purchase of Books, Magazines and Periodicals
170	**Training**
171	Training/Course Fees
172	Training Expenses – Employees
173	Honorarium to Trainers/Payment to Trainers
174	Meetings/Workshops Expenses
176	Departmental Trainings
	Department Training programs to non-employees
200	**Other Administrative Expenses**
201	Conferences, Seminars
202	Functions & Events
203	Hospitality & Entertainment
204	Protocol Expenses for Dignitaries
205	Accommodation &Travel (Non-employees)
206	Investigation Expenses
207	Medical Expenses (Non-Employees)
210	**Supplies and Materials**
211	Materials and Supplies
212	Drugs and Medicines
213	Purchase of Office Hardware & Peripherals
214	Fee of Software Licenses
215	AMC Charges – Hardware
216	AMC Charges – Software
217	Purchase of Furniture &Fixtures
218	Transportation of Materials
219	Software Development
220	**Arms and Ammunition**
221	Arms and Ammunition
230	**Cost of Ration/Diet Charges**
231	Diet Charges
232	Cooking Charges
233	Ration Charges
234	Cook-cum-Helpers
240	**Petrol, Oil and Lubricants**
241	Charges towards Office Vehicles

DH/ SDH	Description
242	Charges towards Other purposes
250	**Clothing, Tentage and Store**
251	Clothing
252	Providing Uniforms
253	Stitching Charges
254	Shoes
255	Tentage Charges
256	Store Charges
260	**Advertisements, Sales and Publicity Expenses**
261	Advertisements – Print Media
262	Advertisements – Electronic Media
263	Outdoor Advertisements
264	Sponsorships/Publicity
265	Promotional Expenses
266	Trade Fairs
270	**Minor Works**
271	Minor Works
272	Maintenance
274	H.T.C.C Charges
275	Buildings
278	Emergency Repairs
280	**Professional Services**
281	Pleaders Fees
282	Payments to Home Guards
283	Payments to Anganwadi Workers
285	Sanitation Workers
286	Honorarium to V.R.A's
287	Payments to Direct Individual Professionals
288	Individual Professionals engaged – 3rd party
289	Service Based Professional Services
290	**Other Professional Services**
291	Payments to Asha Workers
292	Payments to Archakas
293	Payments to Village Volunteers
294	Payments to Ward Volunteers
295	Payments to Tribal Community Health Workers
296	Payments to Gopalmitras
297	Honorarium/Lump sum Salary to Nominated Posts/Advisors

DH/ SDH	Description
300	**Other Contractual Services**
301	Individual Contract Employees
302	Outsourcing Employees through agencies
303	TA/DA to Contract Employees
304	Contract Services through 3rd party firms
310	**Grants-in-Aid**
311	Grants-in-Aid towards Salaries
312	Other Grants-in-Aid
313	Per-capita Grants
314	Seigniorage Grants
315	TA/DA to GIA Employees
316	Payments to Beneficiaries in Calamities/ Notified Events
317	Ex-gratia Payments (Accidental Death / Compassionate Appointments)
318	Obsequies Charges
319	Grants for Creation of Capital Assets
320	**Contributions**
321	Contributions towards CPS
322	Contributions towards EHS
330	**Subsidies**
331	Subsidies to Individual Beneficiaries
332	Subsidies to Organizations
333	Incentives to Individual Beneficiaries
334	Incentives to Organizations/Industries
340	**Scholarships and Stipends**
341	Maintenance Fees (MTF)
342	Reimbursement of Tuition Fees (RTF)
343	Stipends
344	Other Scholarships
350	**Scheme/Project based Assistance**
351	EAP – Organizations
352	EAP – Beneficiaries
353	Payment to WUA - Para Workers
354	3rd Party Consultancy Works
355	Training and Exposure Visits
360	**Fees, Fines & Refunds**
361	Accreditation Fees
362	Fees paid for Services
363	Fines
364	Refunds
410	**Secret Services Expenditure**
410	Secret Services Expenditure
430	**Suspense**
431	Purchases – Dr.
432	Stock – Dr.
433	Miscellaneous P.W. Advances – Dr.
434	Workshop Suspense – Dr.
450	**Interest**
451	Interest towards OMB
452	Interest towards NABARD
453	Interest towards EAP
454	Interest towards REC/PFC
455	Interest towards NCDC
456	Other Interest Payments
500	**Other Charges**
501	Compensation (Non – R&R)
502	R&R Cash Benefits
504	Cosmetic Charges
510	**Motor Vehicles**
511	Maintenance of Office Vehicles
512	Purchase of Motor Vehicles
520	**Machinery and Equipment**
521	Purchase of Machinery & Equipment
522	Purchase of Tools & Plants
523	Repairs & Maintenance to Machinery &Equipment
530	**Major Works**
531	Major Works
532	Lands (Non R&R)
533	Buildings
534	Price Adjustment
535	R&R Works
536	Land Acquisition for R&R Works
540	**Investments**
541	Investments
560	**Repayment of Borrowings**
561	Repayment of Borrowings
630	**Inter Account Transfers**
631	Inter Account Transfers
640	**Write Off and Losses**
641	Write Off

DH/ SDH	Description
642	Losses
700	**Deduct – Recoveries**
701	Receipts and Recoveries on Capital Account
702	Receipts and Recoveries due on Tools and Plants
703	Suspense Credits
704	Purchases – Cr.
705	Stock – Cr
706	Miscellaneous P.W. Advances – Cr.
707	Workshop Suspense – Cr.
711	Karnataka Share
732	Deduct – Share recovered from Karnataka Electricity Board
733	Deduct – Royalty recovered from Karnataka Electricity Board

DH/ SDH	Description
800	**User Charges**
802	User Charges – Transport Facility
803	User Charges – Travelling Allowance
804	User Charges – Utility Payments
806	User Charges – Advertisements, Sales and Publicity Expenses
807	User Charges – Maintenance
811	User Charges – Materials & Supplies
812	User Charges – Petrol, Oil & Lubricants
814	User Charges – Purchases
815	User Charges – IT Related Purchases
816	User Charges – IT Related Services

ANNEXURE II to G.O. MS. No.: 69, Dt.: 14.08.2019

LIST OF OBJECT HEADS WITHDRAWN

DH	SDH
130 – OfficeExpenses	132 Other OfficeExpenses
270– MinorWorks	273 Work ChargedEstablishment
280 – ProfessionalServices	284 Other ProfessionalServices
500 – OtherCharges	503 Other Expenditure
530 – Major Works	534 Work ChargedEstablishment
800 – UserCharges	801 Other Expenditure
800 – UserCharges	805 Other OfficeExpenses
800 – UserCharges	808 Other Payments
All SDH 000 – Not Applicable	

ANNEXURE III to G.O. MS. No.: 69, Dt.: 14.08.2019

NOTES ON OBJECT HEADS
(Types of Expenditure and Drawl Procedure)

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
010	**Salaries**	Direct credit to the bank account of the employee.	Will include Pay, Allowances in all forms, of Regular Staff for the current month. Also includes leave encashment, Leave Travel Concession and Medical Reimbursement. This object classification will also be utilized for recording expenditure on emoluments and allowances of Heads of States and other high dignitaries including sumptuary allowance. Arrears if any shall be drawn under DH 100, as per the procedure defined in the G.O. 161, from Finance & Planning, Dt.: 27.04.1991.
011	Pay		
012	Allowances		
013	Dearness Allowance		
014	Sumptuary Allowance		
015	Interim Relief		
016	House Rent Allowance		
017	Medical Reimbursement		
018	Encashment of Earned Leave		
019	Leave Travel Concession		
020	**Wages**	Direct credit to the bank account of respective employee.	Will include Wages of Labourers appointed prior to enactment of Act.2 of 1994. Any deviation from Act.2 requires finance concurrence for payment under this HOA.
021	Part Time Contingent Employees		
022	Full Time Contingent Employees		
023	Daily Wage Employees		
024	Hourly Wage Employees		Payment as per the norms prescribed by the Govt.
030	**Overtime Allowance**	Direct credit to the bank account of respective staff.	Will include Overtime and Night Duty Allowance paid to the Staff, from the departments or services, who are specifically permitted.
031	Overtime Allowance		
032	Night Duty Allowance		
040	**Pensionary Charges**	Direct credit to the bank account of the pensioner.	Will include donations to service funds and contributory provident funds in addition to payments of pensions and gratuity in all forms to Government Servants (Service & related Family Pensions), Members of Legislature, Freedom Fighters, etc. This charges however does not include social security expenditure such as old age pensions etc.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
041	Pensions		
042	Gratuities		
043	Medical Reimbursement		
050	**Rewards**	To the credit of bank account of recipient of the award/reward.	Will cover Awards, Trophies/Mementoes and also include amount paid to Government servants only as per schemes, if any operative in Ministries/ Departments
051	Rewards		
052	Awards		
053	Trophies/Mementoes		
060	**GIA Salaries**	Direct credit to the bank account of the employee.	Will include pay, allowances in all forms, of Grants-in-Aid Personnel. This object classification will be utilized for recording salaries expenditure for those Grants-in-Aid personnel paid through HRMS payroll directly.
061	GIA Pay		
062	GIA Allowances		
063	GIA Dearness Allowance		
065	GIA Interim Relief		
066	GIA House Rent Allowance		
067	GIA Medical Reimbursement		
068	GIA Encashment of Earned Leave		
069	GIA Leave Travel Concession		
070	**Work Charged Establishment Salaries**	Direct credit to the bank account of the employee.	Will include pay, allowances in all forms, of Work Charged Establishment Personnel. This object classification will be utilized for recording salaries expenditure through HRMS payroll directly.
071	WC Pay		
072	WC Allowances		
073	WC Dearness Allowance		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
075	WC Interim Relief		
076	WC House Rent Allowance		
077	WC Medical Reimbursement		
078	WC Encashment of Earned Leave		
090	**Arrear Pensions**	Direct credit to the bank account of the pensioner.	Will include expenditure in respect of any arrears related to Regular Pensions for those drawing pensions under DH 040.
091	Arrear Pension		
093	Arrear DA		
094	Arrear IR		
100	**Arrear Salaries**	Direct credit to the bank account of the employee.	Will include expenditure related to arrears of pay, DA and IR etc. for regular staff. For example, IR Arrears will be paid under this and the regular IR will be paid under the standard IR, viz., 100-105 is for IR Arrear and 010-015 is for regular IR payment monthly along with salary.
101	Arrear Pay		
102	Arrear Allowance		
103	Arrear DA		
105	IR Arrear		
106	Arrear HRA		
110	**Domestic Travel Expenses**		
111	Travelling Allowance	Credit to the bank account of employee or travel agency.	Will cover all expenses on account of travel on duty in India including conveyance and fixed traveling allowance but excluding leave travel concessions which would be part of salaries. This will also include TA/DA to non-official members on account of travel within India. Specific items like Bus Warrants and Conveyance Allowance, where applicable, are also covered under this.
112	Bus Warrants	Credit to the bank account of APSRTC.	

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
113	T.A./D.A. to Non-Official Members	Credit to the bank account of Non-official member.	
114	Fixed Travelling Allowance	Credit to the bank account of employee.	
115	Conveyance Allowance	Credit to the bank account of employee.	
116	TA/DA to Work Charged Employees	Credit to the bank account of WC employee.	
120	**Foreign Travel Expenses**		Will cover all expenses on account of travel on duty outside India including deputation of Scientists abroad. This will also include expenditure on account of TA/DA to non-official members going on tour abroad.
121	Foreign Travel Expenses	Credit to the bank account of employee or travel agency.	
122	TA and DA to Non Official Members	Credit to the bank account of Non-official member or travel agency.	
130	**Office Expenses**		
131	Service Postage and Telephone	Credit to the bank account of Postal department/ BSNL/Service providers.	All postal service charges, Courier Charges and Telephone charges.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
133	Water and Electricity Charges	Adjust to the deposit account of respective local bodies/ Municipalities. Electricity Charges to the ERO's bank Account.	Taxes/Charges on account of Utility Payments such as Water consumption from Municipal/Local Body water connection provided to Offices and Electricity charges.
134	Hiring of Private Vehicles	Credit to the bank account of travel agency providing cars on hire basis.	Charges payable on account of hiring of private vehicles for official purposes.
135	OE - Consumables/Stationery	Credit to the bank account of Supplier/ Service Provider.	Include all stationary items and office consumables like paper, pens, file folders, cartridges, toners etc.
136	OE – Maintenance/ Minor Repairs		Includes White wash of offices, minor repairs to existing doors, windows, electrical fixtures, water pipes, drainage pipes etc.
137	OE – Administrative Expenses		Covers ordinary administrative expenses of running an office like staff welfare, office meetings etc.
138	OE – Internet Charges		Covers recurring Internet consumption charges provided to offices. Specific connections for home offices of eligible officials sanctioned are also covered.
139	OE – Mobile Services/ Call Charges		Covers recurring call charges on existing mobile phones sanctioned for official purposes.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
140	**Rents, Rates and Taxes**	Adjust to the deposit account of respective local bodies/ Municipalities. Electricity Charges to the ERO's bank Account.	Covers Rates and Taxes on account of Government properties payable to tax collecting authorities and rents in respect of offices working in private buildings. It will also include lease charges for land.
141	Rents, Rates and Taxes		
150	**Royalty**	Payments to the actual agent.	Includes all expenditure towards Royalty charges.
151	Royalty		
160	**Publications**	Credit to the bank account of Supplier/ Service Provider/agent.	Includes expenditure on printing of office codes, manuals and other documents but will exclude expenditure on printing of publicity material. Also includes discount to agents on sale of publications. Additionally, purchase of Books, Magazines, and periodicals for office use is also covered under this.
161	Publications		
162	Purchase of Books, Magazines and Periodicals		
170	**Training**		
171	Training/Course Fees	Credit of PD account of the training institution. In case of external training institute, credit to the bank account of that institution is allowed.	Covers the fee payable to training institutes/agency/body.
172	Training Expenses - Employees	Credit to the bank account of the employee.	Covers expenditure incurred by an employee on account of training, if any.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
173	Honorarium to Trainers/Payment to Trainers	Credit to the bank account of trainer.	Covers Honorarium payable to trainers including conveyance charges, if any.
174	Meetings/Workshops Expenses	Credit to the Service Provider/ Supplier.	Expenditure in connection with Meetings/ Workshops like refreshments, Venue charges, Video Conference hall charges etc. are covered.
176	Departmental Trainings	Credit to the Service Provider/ Supplier.	Expenditure in connection with departmental trainings like refreshments, Venue charges, Video Conference hall charges etc.
177	Department Training programs to non-employees	Credit to the Service Provider/ Supplier.	Expenditure in connection with departmental trainings imparted to Non-employees, like on-going training to Farmers by Agriculture department etc. are covered.
200	**Other Administrative Expenses**		
201	Conferences, Seminars	Credit to the Service Provider/ Supplier.	Expenditure in connection with conferences and seminars like working lunch, refreshments, Venue charges etc.
202	Functions & Events	Credit to the Service Provider/ Supplier.	Covers expenditure in connection with Government functions and Events like sports meet etc.
203	Hospitality & Entertainment	Credit to the Service Provider/Supplier.	Covers expenditure related to booking of hotel rooms, guest houses and entertainment charges of guests. Departmental canteen, if any, expenditure is also covered.
204	Protocol Expenses for Dignitaries	Credit to the Service Provider/ Supplier.	Covers the protocol expenses in connection with visit of dignitaries to the state.
205	Accommodation &Travel (Non-employees)	Credit to the Service Provider/ Supplier.	Covers the expenditure in connection with accommodation provided to dignitaries visiting Andhra Pradesh including Travel arrangements cost made

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
206	Investigation Expenses	Credit to the Service Provider/ Supplier or Adjustment to department PD account.	Covers any investigation charges – either done internally or externally.
207	Medical Expenses (Non-Employees)	Credit to the Service Provider/ Supplier.	Covers the medical expenses reimbursed to Non-employees, in cases where Government is liable to cover this expense.
210	**Supplies and Materials**		
211	Materials and Supplies	Credit to the Service Provider/ Supplier.	Materials and supplies not covered under any other DH.
212	Drugs and Medicines		Covers the cost of Drugs and medicines procured for supply to hospitals
213	Purchase of Office Hardware & Peripherals		Covers the procurement of all Computer hardware and also items such as TV, Fax Machine, Printer, Refrigerator etc. Also, purchase of peripherals such as key board, mouse, LCDs is included.
214	Fee of Software Licenses		Covers the one time procurement of software licenses.
215	AMC Charges – Hardware		AMC charges for maintenance of computer hardware and other devices.
216	AMC Charges – Software		AMC charges for maintenance of existing computer software.
217	Purchase of Furniture &Fixtures		Covers procurement of Furniture and Fixtures for official purposes.
218	Transportation of Materials		Will include expenditure incurred towards transportation of material to the actual site.
219	Software Development		Costs include the expenditure in connection with software development, where the Govt. will hold the product eventually. Does not include implementation/ customization of a pre-packaged solution.
220	**Arms and Ammunition**	Credit to the bank account of vendor.	Covers the cost of Arms and Ammunition of Police and other Para Military establishment
221	Arms and Ammunition		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
230	**Cost of Ration/Diet Charges**		
231	Diet Charges	Credit to the bank account of Supplier.	Diet charges to patients in hospitals and dispensaries, students in hostels and schools and prisoners in prisons.
232	Cooking Charges	Credit to the bank account of the service provider/ person engaged.	Costs include the charges payable to cooks in ICDS and other schemes
233	Ration Charges	Credit to the bank account of supplier/ employee.	Covers the expenditure on ration of police and other para military establishments.
234	Cook-cum-Helpers	Credit to the bank account of the service provider/ person engaged.	Covers the charges payable to cook cum helpers engaged by Government departments.
240	**Petrol, Oil and Lubricants**		
241	Charges towards Office Vehicles	Credit to the bank account of Supplier.	Covers the cost of petrol, oil and other Lubricants used in Government vehicles for official purposes.
242	Charges towards Other purposes		Cost of Petrol, oil and other Lubricants in respect of vehicles used for other official purposes.
250	**Clothing, Tentage and Store**	Credit to the bank account of Supplier.	Covers the cost of clothing and tentage including cost of uniforms, shoes and Stitching charges. Expenditure of trunk boxes, utensils and other such stores shall be booked under stores charges.
251	Clothing		
252	Providing Uniforms		
253	Stitching Charges		
254	Shoes & Socks		
255	Tentage Charges		
256	Store Charges		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
260	**Advertisements, Sales and Publicity Expenses**	Credit to the bank account of Supplier/ Service Provider.	Will include charges related to carrying out advertisements, commission to agents for sale and printing of publicity materials and any promotional activities related to the department programs/schemes etc.. This would also include expenditure on exhibitions, fairs and sponsorship of events and also the related publicity materials such as t-shirts
261	Advertisements – Print Media		
262	Advertisements – Electronic Media		
264	Sponsorships/Publicity		
265	Promotional Expenses		
266	Trade Fairs		
270	**Minor Works**	Credit to the bank account of Supplier/ Contractor.	Expenditure on repairs and maintenance of works, machinery and equipment and HTCC charges. HTCC charges covers cost of electricity consumption, payable separately and not part of work estimate.
271	Minor Works		
272	Maintenance		
274	H.T.C.C Charges		
275	Buildings		
278	Emergency Repairs		
280	**Professional Services**		
281	Pleaders Fees	Pleader fee should be credited to the bank account of Pleader/ Law firms.	Covers the charges payable to advocates empanelled by Govt. departments in Commission of Inquiries etc. including those engaged for specific cases. Non-empanelled will be following budget control.
282	Payments to Home Guards	Credit to the bank account of employee.	Payments shall be made against sanctioned posts only.
283	Payments to Anganwadi Workers	Credit to the bank account of employee.	Payments shall be made against sanctioned posts only.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
285	Sanitation Workers	Credit to account of employee or firm providing such service.	Payments shall be made against sanctioned posts only.
286	Honorarium to V.R.A's	Credit to the bank account of employee.	Payments shall be made against sanctioned posts only.
287	Payments to Direct Individual Professionals	Credit to the bank account of employee or the person engaged.	Remuneration payable to individual professionals/Consultants, invigilators for conducting Govt. Examinations, staff artists etc.
288	Individual Professionals engaged – 3rd party	Credit to the bank account of supplier	Covers the charges of consultants engaged through 3rd party agency
289	Service Based Professional Services	Credit to the bank account of Vendor.	Charges in connection with Service based professional service engaged. For example, engaging a consulting firm for preparation DPR, RFP, master plans, software implementation services etc.
290	**Other Professional Services**	Credit to the bank account of the staff.	Payments related to various types of staff (not regular) working with the government in different departments. Payments shall be made against sanctioned posts only.
291	Payments to Asha Workers		
292	Payments to Archakas		
293	Payments to Village Volunteers		
294	Payments to Ward Volunteers		
295	Payments to Tribal Community Health Workers		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
296	Payments to Gopalmitras		
297	Honorarium/Lump sum Salary to Nominated Posts/Advisors		
300	**Other Contractual Services**		
301	Individual Contract Employees	Credit to the bank account of contract employee	Covers the remuneration of contract employees engaged directly by Government departments. Payments shall be made against sanctioned posts only.
302	Outsourcing Employees	Credit to the bank account of the man power agency.	Covers the expenditure pertaining to the outsourcing employees engaged through outsourcing agencies. One time finance concurrence is required if the engagement is against sanctioned vacant posts. In other cases, prior Finance Concurrence is required from time to time.
303	TA/DA to Contract Employees	Credit to the bank account of contract employee	Includes the expenditure pertaining to TA/DA to contract employees
304	Contract Services through 3rd party firms	Credit to the bank account of Service Provider	Payments to firms engaged for specific services like sanitation, security service, house- keeping etc.
310	**Grants-in-Aid**		
311	Grants-in-Aid towards Salaries	Credit to the PD account of institution.	Grant in Aid expenditure towards salaries adjusted to Grant in Aid institutions like APSWREIS, Universities, APVVP etc.
312	Other Grants-in-Aid	Direct credit to the bank account of payee or Credit to the PD account of institution.	All other grants released to local bodies and other Public Sector Undertakings, corporations, Universities etc.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
313	Per-capita Grants	Credit to the PD account	Expenditure pertaining to Per-capita grants to local bodies
314	Seigniorage Grants	Credit to the PD account.	Covers the expenditure pertaining to Seigniorage grants to local bodies
315	TA/DA to GIA Employees	Credit to the bank account of employee/ travel agency.	Covers the TA and DA of Grant in Aid employees.
316	Payments to Beneficiaries in Calamities/ Notified Events	Credit to the bank account of individuals.	Covers the expenditure incurred towards the payments made to beneficiaries in Natural Calamities and notified events.
317	Ex-gratia Payments (Accidental Death / Compassionate Appointments)	Credit to the bank account of individual.	Expenditure pertaining to the ex-gratia payable in accidental deaths and the compensation payable to the family of deceased employee in lieu of compassionate appointment.
318	Obsequies Charges	Credit to the bank account of individuals.	Covers the obsequies charges payable to the families of deceased employees and pensioners.
319	Grants for Creation of Capital Assets	Credit to the bank account of contractor.	Includes the expenditure in connection of creation of capital assets out of the funds released as grants.
320	**Contributions**		
321	Contributions towards CPS	Credit to the PD account of DTA.	Expenditure pertaining to Government contribution towards CPS.
322	Contributions towards EHS	Credit to the PD account of DTA.	Expenditure pertaining to Government contribution towards EHS.
330	**Subsidies**		Will include subsidies like Rice, fertilizer, power etc. and Incentives.
331	Subsidies to Individual Beneficiaries	Credit to bank account of beneficiaries	

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
332	Subsidies to Organizations	Credit to the PD account of organization. In case of Non-Govt. organizations, credit to the bank account is allowed.	
333	Incentives to Individual Beneficiaries	Credit to bank account of beneficiaries	
334	Incentives to Organizations/Industries	Credit to the PD account of organization. In case of Non- Govt organizations, credit to the bank account is allowed.	
340	**Scholarships and Stipends**		
341	Maintenance Fees (MTF)	Direct credit to the bank account of student	Will include the expenditure towards mess fee in respect of the students eligible for scholarships. It includes incentives for sending children to the schools.
342	Reimbursement of Tuition Fees (RTF)	Credit to the bank account of institution	Will cover the expenditure towards Reimbursement of Tuition Fee in respect of the students eligible for scholarships
343	Stipends	Direct credit to the bank accounts of individuals.	Expenditure towards stipends such as the stipend paid to Junior Doctors in Health department.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
344	Other Scholarships	Credit to the bank account of individuals.	Will include scholarships like Prathibha scholarships.
350	**Scheme/Project based Assistance**	Credit as per the sanction orders/scheme arrangements	
351	EAP – Organizations		Covers payments to the Organizations that are the implementation agencies or the beneficiaries of the EAP schemes
352	EAP – Beneficiaries		Covers payments to the individuals that are beneficiaries of the EAP schemes
353	Payment to WUA - Para Workers		Covers payments to the water user associations para workers with respect to the scheme implementation activities
354	3rd Party Consultancy Works		Covers payments to the 3rd party consultancy firms for preparation of DPRs, Designs etc.
355	Training and Exposure Visits		Covers payments related to conduct of training and carrying out exposure visits to various places as per the requirements of the schemes.
360	**Fees, Fines & Refunds**	Payable to identified parties as per sanction orders	Will include expenditure on accreditation fee, fee paid for services, fines related charges and refunds related charges.
361	Accreditation Fees		
362	Fees paid for Services		
363	Fines		
364	Refunds		
410	**Secret Services Expenditure**	Credit to the bank account of Concerned Officer.	Covers the expenditure pertaining to secret services of police personnel
410	Secret Services Expenditure		
430	**Suspense**	Credit as per the sanction orders.	Covers the transactions that are pertaining to Suspense accounting
431	Purchases – Dr.		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
432	Stock – Dr.		
433	Miscellaneous P.W. Advances – Dr.		
434	Workshop Suspense – Dr.		
450	**Interest**	Credit to respective agency.	Interest payable on different loans and advances and interest payable on account of delayed payments as per rules or court orders.
451	Interest towards OMB		
452	Interest towards NABARD		
453	Interest towards EAP		
454	Interest towards REC/PFC		
455	Interest towards NCDC		
456	Other Interest Payments		
500	**Other Charges**		
501	Compensation (Non – R&R)	Credit to the bank account of the individuals.	Covers expenditure related to Non-R&R cases that are specifically sanctioned based on specific events/circumstances.
502	R&R Cash Benefits	Credit to the bank account of the individuals.	Covers expenditure related to R&R benefits that are paid in cash basis.
504	Cosmetic Charges	Credit to the bank account of student.	Covers cosmetic charges payable to students staying in hostels/residential schools including hair cutting charges.
510	**Motor Vehicles**		
511	Maintenance of Office Vehicles	Credit to the bank account of Service provider.	Covers the expenditure incurred towards maintenance of Government vehicles used for both office and functional activities.

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
512	Purchase of Motor Vehicles	Credit to the bank account of Supplier.	Covers the expenditure towards purchase of new Motor Vehicles for official purposes.
520	**Machinery and Equipment**	Credit to the bank account of supplier/ Service provider.	Will include machinery equipment, apparatus etc., other than those required for the running of an office and special tools and plants acquired for specific works.
521	Purchase of Machinery & Equipment		
522	Purchase of Tools & Plants		
523	Repairs & Maintenance to Machinery &Equipment		
530	**Major Works**		Will be classified with reference to financial limits as per classification of major works PWD Code. This will also include cost acquisition of lands and buildings.
531	Major Works	Credit to the bank account of Contractor.	
532	Lands (Non R&R)	Credit to the bank account of individuals.	
533	Buildings	Credit to the bank account of party identified.	
534	Price Adjustment	Credit to the bank account of contractor.	

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
535	R&R Works	Credit to the bank account of contractor.	
536	Land Acquisition for R&R Works	Credit to the bank account of individual.	
540	**Investments**		Covers the expenditure towards investments made by the Government.
541	Investments	Credit to the recipient bank account	
560	**Repayment of Borrowings**	Credit to the party to whom the repayment is made.	Covers to the expenditure towards repayment of borrowings from external and internal sources.
561	Repayment of Borrowings		
630	**Inter Account Transfers**	Adjustments.	Covers transactions related to inter account transfers as operated by AG
631	Inter Account Transfers		
640	**Write Off and Losses**	Adjustment to Government account.	Includes write off of irrecoverable loans, losses will include trading losses.
641	Write Off		
642	Losses		
700	**Deduct – Recoveries**	Credit as per the sanction orders.	Covers transactions related to recoveries and receipts on capital account and other sources.
701	Receipts and Recoveries on Capital Account		

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
702	Receipts and Recoveries due on Tools and Plants		
703	Suspense Credits		
704	Purchases – Cr.		
705	Stock – Cr		
706	Miscellaneous P.W. Advances – Cr.		
707	Workshop Suspense – Cr.		
711	Karnataka Share		
732	Deduct – Share recovered from Karnataka Electricity Board		
733	Deduct – Royalty recovered from Karnataka Electricity Board		
800	**User Charges**		Will include expenditure incurred out of utility payments towards transportation, Travelling Allowance, Utility payments, Advertisements, sales and publicity, Maintenance of office, Procurement of materials and Supplies, cost of Petrol, Oil and other Lubricants, I.T related purchases and services.
802	User Charges – Transport Facility	Credit to the bank account of travel agency.	
803	User Charges – Travelling Allowance	Credit to the bank account of employee or travel agency.	

DH/ SDH	Description	Drawl Procedure	Nature of expenditure allowed
804	User Charges – Utility Payments	Credit to the bank account of Supplier.	
806	User Charges – Advertisements, Sales and Publicity Expenses	Credit to the bank account of Supplier.	
807	User Charges – Maintenance	Credit to the bank account of Supplier.	
811	User Charges – Materials & Supplies	Credit to the bank account of Supplier.	
812	User Charges – Petrol, Oil & Lubricants	Credit to the bank account of Supplier.	
814	User Charges – Purchases	Credit to the bank account of Supplier.	
815	User Charges – IT Related Purchases	Credit to the bank account of Supplier.	
816	User Charges – IT Related Services	Credit to the bank account of Supplier.	

AUDIT POINTS THAT ARE REITERATED:

- All physical APTC forms are withdrawn and are replaced with online Bill forms and therefore reference to the APTC forms is no longer needed and all Treasuries/PAOs/Works PAOs should not insist on manual forms and/or uploading of scanned forms.
- Over a period in time it is observed that the reconciliation between the payees in the sanction proceedings vs. online bill forms is not

occurring. These are leading to wrong payments, recoveries and accounting issues. All such bills are required to be rejected and sent back to the DDO/Maker for required action.

- In certain cases it is observed that the sanctioned amount and the bill amount are varying as a result of no proper checking at the time of scrutiny. This is required to be ensured accurately as part of the bill scrutiny.
- Invoice number and Sanction Order numbers being noted in the online bills are not tallying with the attachments and the physical sanction orders. Therefore, there is a possibility of double payments. Hence, the bill scrutiny process should ensure the correctness of this data.
- While the update of relevant codes is a periodic activity, the interim changes that are being communicated via the circulars issued by the office of PFS should be adhered to as the changes/modifications/updates or additions to the relevant codes.
- In respect of HR bills, the flyleafs and SLO registers shall be duly maintained until specific orders withdrawing the same are issued and all claims should be verified against the same and due validations by the respective Treasuries/PAO are uploaded in the system. Also, it is hereby instructed that these activities should be performed online and there shall be no physical requirement for the document submission or travel to the Treasuries/PAO by the DDO office personnel.
- In cases of bills under the DH/SDH combinations, where the requirement as stated in the table above is watch the sanctioned posts, the bill scrutiny should invariably check the finance concurrence to the number of posts; sanctioned duration and the validation for continuation of such posts.
- All the staff should be moving to HRMS for purposes of claiming salaries, wages, payments or honoraria. Wherever, such item is defined as No Budget Control for the sanctioned posts, it would mean that the bill scrutiny authorities should ensure that they are entered into HRMS for the purposes of watching the sanctioned posts, number, pay scale (if any), salary amount and the continuation sanction. If this data is not entered in HRMS and validated, the same shall not be considered for payment.
- Adjustment to PD accounts should happen only when there is a specific authorization via a BRO or a sanction proceeding in case of allowed CBRO items.
- All bills including PD bills will include an online certificate of Non-Drawl. No paper or scanned certificate is required.
- Advance Stamp Receipt has been withdrawn vide the G.O. Dt. Of Finance (TFR) Department and therefore there should not be a need for the same and/or any scanned copies are not required.
- PD expenditure bills scrutiny should ensure that the purpose, sub-type and disbursement tracking is carried correctly.