



केंद्रीय विद्यालय संगठन/ Kendriya Vidyalaya Sangathan
18, संस्थानिक क्षेत्र/ 18, Institutional Area
शहीद जीत सिंह मार्ग/ Shaheed Jeet Singh Marg
नई दिल्ली-16/ New Delhi - 16

F.No.110239/51/Cir./2014/KVS (Budget)

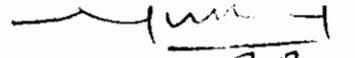
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Dated: 11.05.2014

The following orders issued by Government of India are uploaded on the KVS Website for information and necessary action.

1. A copy of O.M.No. A-27012/1/2014-Estt.(Allowance) dated 28th April,2014 regarding clarification on increase in certain allowances by further 25% as a result of enhancement of DA w.e.f. 1.1.2014.
2. A letter No.CR-27/Instrn./JCIT (TDS)/TVM/2013-14 dated 10.3.2014 regarding clarification on recovery of income tax from contractual teachers.
3. G.I., Dept. of Per. & Trg. O.M.No.F.no.18/26/2011-Estt. (Pay-I), dated 6.2.2014 regarding recovery of wrongful/excess payments made to Government servants.

Copies of the aforesaid orders may now be got downloaded from the KVS Website for office record.


(S.Muthusivam)
Asstt.Commissioner(Fin.)
Tel. No. 011-26523070

Distribution:

1. The Deputy.Commissioner, KVS, all ROs.
2. The Finance Officer, KVS, all ROs.
3. All Officers/Section at KVS (HQ.).
4. Principal, KV, Kathmandu, Moscow/Tehran.
5. The General Secretary, All Recognized Associations.
6. The Director, ZIET Gwalior, Mumbai, Mysore, Chandigarh & Bhubaneswar.
7. The Deputy. Commissioner, (EDP), KVS (HQ.) with the request to upload the above circulars on the KVS Web site.
8. RTI Cell KVS (HQ.)
9. Guard file.

No.A-27012/1/2014-Estt. (Allowance)
Government of India
Ministry of Personnel, Public Grievances and Pension
Department of Personnel & Training

Block-IV, Old JNU Campus
New Delhi, 28th April, 2014.

OFFICE MEMORANDUM

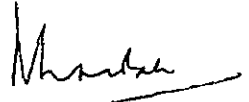
Subject: Clarification on increase in certain allowances by further 25% as a result of enhancement of Dearness Allowances w.e.f. 1.1.2014 –

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The undersigned is directed to refer to para 1(j) of this Department's O.M. No.12011/03/2008-Estt (Allowance) dated 2.9.2008. This provides that the limits of Children Education Allowance would be automatically raised by 25% every time the Dearness Allowance on the revised pay structure goes up by 50%. References are being received from various quarters with regard to the amount of Children Education Allowance admissible consequent upon enhancement of Dearness Allowance payable to Central Government employees @ 100% w.e.f. 1st January, 2014 announced vide Ministry of Finance, Department of Expenditure O.M. No.1/1/2014-E-II (B) dated 27th March, 2014.

2. In accordance with the above, the following shall be the revised limits:
 - a) The annual ceiling limit for reimbursement of Children Education Allowance shall be Rs.18,000/- per child. Accordingly, the quarterly claim could be more than Rs.4500/- in one quarter. The Hostel Subsidy shall be Rs.4500/- per month per child;
 - b) The rates of Special Allowance for Child Care to women with disabilities stands revised to Rs.1500/- per month; and
 - c) The annual ceiling for reimbursement of Children Education Allowance for disabled children of Government employees shall be treated as revised to Rs.36,000/- per annum per child and the rates of Hostel Subsidy for disabled children of Government employees shall be treated as revised to Rs.9000/- per child per month.

3. These revisions are applicable with effect from 1st January, 2014
4. These revisions shall be subject to other terms and conditions mentioned in this Department's O.M. No.12011/03/2008-Estt (Allowance) dated 2.9.2008, O.M. No.12011/04/2008 dated 11.9.2008 and 12011/07(i)/2011-Estt.(AL) dated 21.2.2012.



(Mukul Ratra)
Director
Tel:26164314

To

1. All Ministries/Departments of the Government of India.
2. Office of the Comptroller & Auditor General of India/Controller General of Accounts, Ministry of Finance.
3. Secretaries to Union Public Service Commission/Supreme Court of India/Lok Sabha Sectt./Rajya Sabha Sectt./Cabinet Sectt./Central Vigilance Commission/President's Sectt./Vice-President's Sectt./Prime Minister's Office/Planning Commission/Central Information Commission.
4. All state Governments and Union Territories.
5. Governors of all States/Lt. Governors of Union Territories.
6. Secretary, National Council (Staff Side), 13-C, Feroz Shah Road, New Delhi.
7. All Members of the Staff Side of the National Council of JCM/ Departmental Council.
8. All Officers/Sections of the Department of Personnel & Training/Department of Pension & Pensions Welfare.
9. Ministry of Finance, Deptt. Of Expenditure {E.II(B) Branch}.
10. Official Language Wing (Legislative Deptt.), Bhagwan Das Road, New Delhi.
11. Railway Board, New Delhi.



OFFICE OF THE JOINT COMMISSIONER OF INCOME TAX (TDS)
3RD FLOOR, AAYAKAR BHAVAN, KAUDIAR PO, TRIVANDRUM – 695 003.
Phone Nos.0471 2566649/2566650/2566640

No.CR-27/Instrn./JCIT(TDS)/TVM/2013-14

Dated: 10.03.2014.

To

The Principal
Kendriya Vidyalaya
Pallipuram
Trivandrum – 695 316.

Sir,

**Sub:- Clarification regarding recovery of income tax from
Contractual teachers – Reg.**

**Ref:- Your letter F.No.ITAX/2013-14/KVPPM dated 20.02.2014 addressed
to ACIT (Exemption), Trivandrum.**

Please refer to the above.

2. It is mentioned in your letter cited that, your Vidyalaya has been engaging teachers purely on contractual basis against regular vacancies as per Kendriya Vidyalaya Sangathan guidelines and they are paid consolidated remuneration. In this connection, the rules regarding deduction of tax at source is clarified as under.

3. You are responsible to deduct tax under the head "Salaries" u/s.192 of the Income Tax Act, 1961, since income under the head "Salaries" covers all remuneration due / payable to a person in respect of services rendered by him under an express or implied contract of employment and also the teachers appointed on contractual basis works under the direct control and supervision of the Principal (Employer) and thereby employer-employee relationship with a pre-requisite for deduction of tax u/s.192 exists.

4. In view of the above, you are requested to deduct tax at source from contractual employees also u/s.912 of the Income Tax Act as in the case of other regular employees.

Yours faithfully,

(M.EYAS AHMED)

Joint Commissioner of Income Tax (TDS)
Trivandrum.

Recovery of wrongful / excess payments made to Government servants

The undersigned is directed to say that the issue of recovery of wrongful / excess payments made to Government servants has been examined in consultation with the Department of Expenditure and the Department of Legal Affairs in the light of the recent judgment of the Hon'ble Supreme Court in *Chandi Prasad Uniyal and others v. State of Uttarakhand and others* [2012 AIR SCW 4742, (2012) 8 SCC 417], decided on 17th August, 2012. The Hon'ble Court has observed as under:—

15. We are not convinced that this Court in various judgments referred to hereinbefore has laid down any proposition of law that only if the State or its officials establish that there was misrepresentation or fraud on the part of the recipients of the excess pay, then only the amount paid could be recovered. On the other hand, most of the cases referred to hereinbefore turned on the peculiar facts and circumstances of those cases either because the recipients had retired or on the verge of retirement or were occupying lower posts in the administrative hierarchy.

16. We are concerned with the excess payment of public money which is often described as “tax payers money” which belongs neither to the officers who have effected overpayment nor that of the recipients. We fail to see why the concept of fraud or misrepresentation is being brought in such situations. Question to be asked is, whether excess money has been paid or not may be due to a bona fide mistake. Possibly, effecting excess payment of public money by Government officers may be due to various reasons like negligence, carelessness, collusion, favouritism, etc. because money in such situation does not belong to the payer or the payee. Situations may also arise where both the payer and the payee are at fault, then the mistake is mutual. Payments are being effected in many situations without any authority of law and payments have been received by the recipients also without any authority of law. Any amount paid / received without authority of law can always be recovered barring few exceptions of extreme hardships but not as a matter of right. In such situations law implies an obligation on the payee to repay the money, otherwise it would amount to unjust enrichment.

2. Hon'ble Supreme Court also distinguished the cases like *Shyam Babu Verma v. UoI* [1994 SCR (1) 700, 1994 SCC (2) 52], *Syed Abdul Qadir and Others v. State of Bihar and Others* [(2009) 3 SCC 475], *Sahib Ram v. State of Haryana* [1995 Supp. (1) SCC 18] etc., where it had not allowed recovery of excess payment in view of the peculiar facts and circumstances of those cases so as to avoid extreme hardship to the concerned employees, for example, where the employees concerned were mostly junior employees, or they had retired or were on verge of retirement, the employees were not at fault, and recovery which was ordered after a gap of many years would have caused extreme hardship.

3. In view of the law declared by Courts and recently reiterated by the Hon'ble Supreme Court in the above cited case, *Chandi Prasad Uniyal and Others v. State of Uttarakhand and others* [2012 AIR SCW 4742, (2012) 8 SCC 417], the Ministries / Departments are advised to deal with the issue of wrongful / excess payments as follows:—

- (i) In all cases where the excess payments on account of wrong pay fixation, grant of scale without due approvals, promotions without following the procedure, or in excess of entitlements etc. come to notice, immediate corrective action must be taken.
- (ii) In a case like this where the authorities decide to rectify an incorrect order, a show-cause notice may be issued to the concerned employee informing him of the decision to rectify the order which has resulted in the overpayment, and intention to recover such excess payments. Reasons for the decision should be clearly conveyed to enable the employee to represent against the same. Speaking orders may thereafter be passed after consideration of the representations, if any, made by the employee.
- (iii) Whenever any excess payment has been made on account of fraud, misrepresentation, collusion, favouritism, negligence or, carelessness, etc., roles of those responsible for overpayments in such cases, and the employees who benefited from such actions should be identified, and departmental / criminal action should be considered in appropriate cases.
- (iv) Recovery should be made in all cases of overpayment barring few exceptions of extreme hardships. No waiver of recovery may be allowed without the approval of Department of Expenditure.
- (v) While ordering recovery, all the circumstances of the case should be taken into account. In appropriate cases, the concerned employee may be allowed to refund the money in suitable instalments with the approval of Secretary in the Ministry, in consultation with the FA.
- (vi) Wherever the relevant rules provide for payment of interest on amounts retained by the employee beyond the stipulated period etc., as in the case of TA, interest would continue to be recovered from the employee as heretofore.