



**Pakistan Institute  
of Public Finance Accountants**

# **Model Solutions**

**Service Rules (Theory)**

**Summer Exam-2023**

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## **Summer Exam-2023**

### **Solutions – Service Rules Theory**

- Q.1. a**
- 1) The maximum period up to which a civil servant may be granted leave preparatory to retirement shall be three hundred and sixty-five days.
  - 2) Such leave may be taken, subject to availability, either on full pay, or partly on full pay and partly on half pay, or entirely on half pay, at the discretion of the civil servant.
  - 3) An officer of BPS-21 or BPS-22 who, on or after the 19<sup>th</sup> day of February, 1991, opts to retire voluntarily after he has completed twenty-five years of service qualifying for pension may be granted leave preparatory to retirement equal to entire leave at his credit in his leave account on full pay or till the date on which he completes the sixtieth years of his age, whichever is earlier; provided that such officer shall not be entitled to conversion of leave preparatory to retirement on full pay under rule 6 into leave on half pay.
- Q.1. b**
- 1) Leave ex-Pakistan may be granted on full pay to a civil servant who applies for such leave or who proceeds abroad during leave, or takes leave while posted abroad, or is otherwise on duty abroad, and makes specific request to that effect.
  - 2) The leave pay to be drawn abroad shall be restricted to a maximum of three thousand rupees per month.
  - 3) The leave pay shall be payable in Sterling if such leave is spent in Asia other than Pakistan and India.
  - 4) Such leave pay shall be payable for the actual period of leave spent abroad subject to a maximum of one hundred and twenty days at a time.
  - 5) The civil servants appointed after the 17<sup>th</sup> May, 1958, shall draw their leave salary in rupees in Pakistan irrespective of the country where they spend their leave. Leave ex-Pakistan will be regulated and be subject to the same limits and conditions as prescribed in rules 5, 6 and 9.
- Q.1. c**
- 1) A female civil servant, on the death of her husband, may be granted special leave on full pay, when applied for a period not exceeding one hundred and thirty days.
  - 2) Such leave shall not be debited to her leave account.
  - 3) Such leave shall commence from the date of death of her husband and for this purpose she will have to produce death certificate issued by the competent authority either along with her application for special leave or, if that is not possible, the said certificate may be furnished to the leave sanctioning authority separately.

**Total Marks 15**

**Q.2. Board of Trustees.**—(1) There shall be set up a board to be known as the Board of Trustees of the Federal Employees Benevolent and Insurance Funds which shall consist of the following namely :—

- (a) Secretary to the Federal Government in the Establishment Division, who shall be the Chairman of the Board;
- (b) an officer not below the rank of Joint Secretary concerned with the welfare of the employees of the Federal Government appointed by the Federal Government, by notification in the official Gazette, to be a member of the Board;
- (c) five persons from amongst the employees whom the Federal Government may, by notification in the official Gazette, appoint to be the members of the Board;
- (d) \* The Managing Director of the Board, who shall be the ex-officio member of the Board.



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7. **Powers of the Board.**—The Board shall have power,—

- (a) to settle claims for benevolent grants and sums assured under this Act and all matters connected with such claims;
- (b) to sanction grant from the Benevolent Fund to the employees or their families in accordance with the provisions of this Act and the rules ;
- (c) to do or cause to be done all acts and things necessary for the proper administration and management of the moneys or properties in the Benevolent Fund and the Insurance Fund;
- (d) to sanction expenditure connected with the administration and management of the Benevolent Fund and the Insurance Fund;
- (e) to make arrangement for the insurance of the life of the employees to give effect to the provisions of this Act;
- (f) to invest moneys held in the Benevolent Fund in Government securities and units of Investment Corporation of Pakistan or National Investment Trust, in the construction of buildings for purposes of raising rent income, and in other profitable ventures the plans whereof having been previously approved by the Federal Government;
- (g) to set up regional boards and invest them with the administrative and financial powers to deal with such matters as may be assigned to them by the Board;
- (h) to appoint or employ such persons as it consider necessary for the efficient performance of its operations on such terms and conditions as it may, subject to rules, determine ;
- (i) To do or cause to be done all things ancillary or incidental to any of the aforesaid powers or to the purposes of the Benevolent Fund and the Insurance Fund.

**Total Marks    10**

**Q.3. (TA Manual Page-63 to 64 Para 9.2 to 9.8)**

#### **Financial Assistance by Government in case of deaths of Government Servants at the Station of Duty**

- 9.2 (i) *Cases in which the dead body of the deceased Federal non-gazetted Government servant is buried locally.*—The actual cost of the local burial may be reimbursed by the Government to the extent specifically applied for by the bereaved family, subject to a maximum of Rs. \*10000 in each case.
- (ii) *Cases in which the dead body of the deceased Federal Government servant is transported to home-town.*—
- (a) *If the dead body is transported by rail.*—Actual cost of transportation of the dead body of deceased from his last station of duty to his home-town shall be met by Government.
- (b) *If the dead body is transported by road.*—Actual cost of such transportation shall met by Government, subject to the maximum of Rs.20 per kilometer. The distance shall be calculated from the residence of the deceased in his last station of duty to his home-town.
- (c) *Transportation of the dead body by air.*—Where transportation of the dead body by rail or road would involve a trip exceeding 24 hours actual cost of transportation by air would be met by the Government. In additionally the family members may be allowed one single economy class fare to accompany the dead body. For this purpose – family ‘means wife and children residing with or wholly dependent upon the deceased. The air fare claimed on this account will be in lieu of the family’s normal entitlement for T.A. as admissible on retirement. In case the deceased employee was a bachelor two attendants may be allowed to accompany the dead body.



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- 9.3 The expenses on the local burial or the cost of transportation of dead bodies of Government servants, who die at the station of their duty, may be met by the Government to the extent indicated below.
- 9.4 Financial Assistance for burial/transportation of dead bodies should in all cases be afforded on the application of the family of the deceased Government servant and only to the extent applied for, subject to the maximum limits indicated above.
- 9.5 The expenditure involved shall be met from within the sanctioned budget grant of the administrative Ministry/Division/Department/Office concerned.
- 9.6 The expenditure incurred may be reimbursed to a person or body (not necessarily family member) who incurs it. But application for reimbursement of the expenditure shall be made by a member of the family except where there is no member or when the expenditure happens to be incurred by an administrative authority as a result of combat *e.g.* during actual action by a Police or Customs or Central Excise staff and the like. The office of the deceased shall satisfy itself about such claim.
- 9.7 In the case of death of the wife of a government servant(only one wife), her dead body shall also be allowed to be transported to the home town of the government servant concerned at government expense in addition to the facility of an attendant.
- \*9.8 In cases where death occurs in an accident or is un-natural of a family member of a government servant as defined in SR.2(8), his/her dead body shall also be transported to the home town of the government servant concerned at government expense.

**Total Marks 15**

**Q.4. (DDO Hand Book Para 2.47, 2.16 & 2.17 Chap-II, Page-41)**

**BUDGETARYPROCEDURE:**

- 2.46** The budget is an essential instrument of financial control. The scrutiny of all expenditure proposed by the Ministries/Divisions through the Financial Adviser is undertaken by the Finance Division as a pre-budget exercise. The budget proposals should, therefore, be carefully scrutinized by the Financial Adviser before agreeing to budget provision. Once provision for expenditure has been made in the budget and the budget has become effective the Ministries/Divisions have authority to sanction expenditure from within the sanctioned budget grant and subject to the financial powers delegated to them. To enable them to issue expenditure sanction without further consultation with Financial Adviser, in cases within their financial competence, the Ministries/Divisions should ensure that item-wise details are shown both in Part I and Part II Estimates. The budget procedure to be followed is as under:—
- (i) Budgeting being a continuous process, the preparation of the budget should begin well ahead of the year to which it relates. The proposals for establishment and other items of expenditure should be cleared with the Financial Adviser as and when the proposals are ready.
  - (ii) Part-I of the budget and Part-II Estimates and new items statements are to be finally scrutinized by the Financial Advisor. He will issue to the Budget Wing of the Finance Division and the Accountant General, Pakistan Revenues, copies of the budget orders in respect of Part I Estimates and verified copies of new items Statements in respect of Part II Estimates. The admitted Part-I & Part-II estimates, should be compiled together in the 'Demands' by the Finance and Accounts Officer, and sent through the Financial Adviser to the Budget Wing of the Finance Division.
  - (iii) Estimates of revenue receipts and capital receipts should in the first instance be coordinated and scrutinized by the Finance and Accounts Officer and after verification and approval by the Financial Adviser sent to the Budget Wing of the Finance Division.



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- (iv) Lump sum provision should not be proposed except in the most exceptional circumstances which should be recorded. Where such a provision has been made expenditure there from should be sanctioned only with the prior concurrence of the Financial Adviser. In case a lump sum provision for temporary posts the Financial Adviser can exercise his power to the extent available to him as Joint Secretary of the Finance Division. Cases beyond those powers have to be submitted to the Additional Finance Secretary (Expenditure)/Finance Secretary for concurrence.
- 3(v) As a general policy no allocation shall be provided in the ADP for new/unapproved development schemes except in the most exceptional circumstances which shall invariably be recorded both in the Budget as well as in the ADP Books. Releases against such provisions shall, however, be made only after approval of such new schemes by the competent authority and with the prior approval of the Financial Adviser's Organization concerned.
- 4(vi) Similarly no sector wise lump sum allocation shall be made in the ADP as a general policy, except in most exceptional circumstances which shall invariably be recorded. In respect of such lump sum provisions, the sponsoring Ministries/Divisions/Departments concerned shall invariably furnish a list of approved Schemes indicating bifurcation of the lump sum allocation against each scheme to F As/Planning Division and other Organization concerned. Releases against this provision will be made with the prior approval of Financial Adviser.
- 5(vii) All releases against the allocation provided in the ADP for individual schemes as have already been approved formally by the competent authority or have been given anticipatory approval by the Chairman, ECNEC, will also be made with the prior approval of FA's Organization concerned.
- (viii) Demands for Supplementary Grants shall not be made, except in extraordinary circumstances, for which full justification shall be furnished to the Financial Adviser/Finance Division with reasons why the additional expenditure could not be foreseen at the time of submitting of proposals for budget provision. No expenditure shall be incurred without the prior concurrence of the Financial Adviser/ Finance Division. Foreign Exchange budget shall be prepared in accordance with the instructions issued by the External Finance Wing from time to time.

#### **DEMOCRATIC BUDGETING:**

2.1 Modern management philosophy tends strongly towards democratic concept and practices. People understand how and why budget decisions were made even though they may have been adversely affected.

2.2 It is highly desirable that the budgetary process be democratized for two reasons:

it is the heart of administrative management

(ii) there is a tendency among finance officers to be authoritarian. As to the first, if one believes in the new philosophy of democratic motivation, he must also apply it to budgeting. Traditional concepts of management that a manager was helpless unless he had unlimited power to hire fire and transfer people at will, is now yielding ground to the human relations. Organization effectiveness can be obtained only by treating each of the specialists as an integral member of the management team. Budgeting can never attain its maximum possibilities until it is regarded as a tool of management rather than the scourge of God. Moreover, it must be treated as a tool for the remote Head supervisor as well as for the Minister for Finance.



## Summer Exam-2023 Solutions – Service Rules Theory

### Q.5. (Estacode Sl.No.126, Chapter-III)

Sl. No. 26

#### Explanation of the Term “deputation”

Deputation in Pakistan.-C.S.R\*. 77: An officer is said to be on deputation when he is detached on special temporary duty for the performance of which there is no permanently or temporarily sanctioned appointment.

According to the practice in vogue, a government servant begins to be regarded as a “deputationist” when he is appointed or transferred, through the process of selection, to a post in a department or service altogether different from the one to which he permanently belongs, he continues to be placed in this category so long as he holds the new post in an officiating or a temporary capacity but cease to be regarded as such either on confirmation in the new post or on reversion to his substantive post.

Sl. No. 27 \*

#### Deputation of Government Servants – Period of Deputation

Maximum Period of Deputation.-In continuation of Establishment Division’s circular D.O. letter No. 4/I/ 84-R.I (A) dated 20-11-1986 (Annex), conveying the directives of the Prime Minister requiring the period of appointment to be clearly specified in each case of contract, secondment or deputation, the following policy is laid down for deputation of government servants :

- (i) The normal period of deputation for all categories of government servants would be three years. This would be extendable by two years with the prior approval of the competent authority.
- (ii) \*\* All cases of initial deputation of government servants holding posts in BPS 17 and above would be referred to the Establishment Division for approval of the competent authority. The initial deputation in the case of government servants holding posts in BPS 16 and below would be approved by the Secretary of the administrative Ministry concerned/Head of the Department not below BPS 21.
- (iii) The competent authority to grant extension in deputation beyond the initial period of 3 years, would be as below:-  
Government servants Secretary of the Admn. in BPS 17 to 19. Ministry concerned Cases of government servants in BPS 20 and above would be referred to the Establishment Division.
- (iv) On completion of the maximum period of five years, both the borrowing and the lending organizations should ensure immediate repatriation of the deputationist.

**Total Marks 10**

- Q.6. a**
- (1) Persons initially appointed on the recommendations of the selection authority through an earlier open advertisement shall rank senior to those appointed through a subsequent open advertisement.
  - (2) If two or more persons are recommended in open advertisement by the selection authority, their inter se seniority shall be determined in order of merit assigned by the selection authority.
  - (3) If only one candidate is recommended in open advertisement by the selection authority, he shall count his seniority from:-
    - (a) The date of recommendation by the selection authority, if he was already holding the same post on *ad-hoc* basis.
    - (b) The date of his joining the post after being recommended by the selection authority if he was not already holding the same post.
- 05**



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- Q.6.** Seniority in a service, cadre or post to which a civil servant is promoted shall take effect from the date of regular promotion to that service, cadre or posts:- 05  
**b**

Provided that—

- (a) Civil servants selected for promotion to higher posts on an earlier date shall be senior to those selected for such promotion on a later date;
- (b) Civil servants selected for promotion to higher posts in one batch shall on their promotion to the higher post, retain their *inter se* seniority as in the lower post; and
- (c) Civil servants eligible for promotion who could not be considered for promotion in the original reference in circumstances beyond their control or whose case was deferred while their juniors were promoted to the higher post, shall, on promotion, without supersession, take their seniority with the original batch.

- Q.6.** Seniority in service, cadre or post to which a civil servant is appointed by transfer shall take effect from the date of regular appointment to the service, cadre or post; 05  
**c**

Provided that—

- (a) Persons belonging to the same service, cadre or post selected for appointment by transfer to a service, cadre or post in one batch shall, on their appointment, take *inter se* seniority in the order of their date of regular appointment in their previous service, cadre or post; and
- (b) Persons belonging to different services, cadre or posts selected for appointment by transfer in one batch shall take their *inter se* seniority in the order of the date of their regular appointment to the post which they were holding before such appointment and, where such date is the same, the person older in age shall rank senior.

**Total Marks 15**

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