

GOVERNMENT OF INDIA
MINISTRY OF FINANCE, D/O EXPENDITURE
O/O CONTROLLER GENERAL OF ACCOUNTS
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No.Q-1800 1/8/2021-IAD-CGA(E-7858)/2375-79 Dated: 19.04.2021

OFFICE MEMORANDUM

Subject: Reimbursement of fraudulent LTC claims-Para No 4.7 of C&AG report No. 3 of 2020-regarding.

C&AG had conducted audit of some Government Offices and made audit Para 4.7 "Reimbursement of fraudulent LTC claim" of C&AG Report No. 3 of 2020. C&AG made the following observations after air ticket submitted by employees were cross checked by audit with concerned Airlines:-

- The employees had changed the original amount mentioned in original air tickets, to higher amount.
- The name of unauthorised travel agents through which tickets were booked was found to be deleted.
- In some cases, air tickets were booked through authorised mode, but actual amount paid to airlines was found to be altered.

C&AG has also stated that the air ticket had sufficient indications that these tickets were forged viz. absence of mode of payment, absence of name of booking agencies, amount of service tax not tallied with base fare shown on the ticket, absence of breakup air fare on the tickets, mention of word "Under LTC 80 Fare" in the ticket of private air lines etc. but the officials responsible for passing and paying the bills, reimbursed the amount without applying due diligence.

In this connection attention is drawn to instructions issued by Ministry of PPG&P, Government of India wherein some relaxation has been provided to travel by air to visit North Eastern Region, J&K and Andman & Nicobar from time to time on LTC which inter alia are as under :-

In terms of Office Memorandum No.31011/2/2003-Estt.(A-IV) issued on 18.06.2010 by Ministry of Personnel, Public Grievances and Pensions, Government employees were permitted to visit Jammu & Kashmir (J&K) against conversion of Home Town Leave Travel Concession. This OM also allowed non-entitled employees to travel by air from Delhi/Amritsar to any place in J&K by any airline, subject to their entitlement being limited to LTC-80 fare of Air India. Further, OM No. 19024/1/2209-E.IV dated 16 September 2010, allowed the Government employees to avail the services of private airlines for travel to J&K but stipulated that the ticket were to be

purchased either directly from airlines or through authorised agents only i.e. M/s Balmer Lawrie & Company, M/s Ashoka Travels & Tour Limited and IRCTC. Further, in terms of OM No. 31011/3/2014-Estt.(A-IV) dated 26 September 2014, the non-entitled employees were also allowed to travel by air by Air India to (i) Port Blair from Chennai/Kolkata/Bhubaneswar and (ii) any place in North Eastern Region (NER) from Kolkata/Guwahati.


All tickets are to be purchased directly from the airlines (booking counters, website of airlines) or by utilizing the service of authorized travel agents viz. M/s Balmer Lawrie & Company, M/s Ashoka Travel & Tour and IRCTC while undertaking LTC journey. Booking of tickets through other agencies is not permitted and no request for relaxation of rules for booking the tickets through such agencies shall be considered by PPGP. In this regard, clarifications issued by PPG&P vide OM No. 31011/4/2014-Estt. (A.IV) dated 19.06.2014. Relaxation to travel by air to visit NER, J&K and A&N under Central Services(LTC) Rules 1988 was also extended from 26.09.2018 to 25.09.2020 and further extended from 26.09.2020 to 25.09.2022 vides OM No. 31011/3/2018-Estt.(A-IV) dated 20.09.2021 and 08.10.2020 respectively.

Efforts should be made by the Government servants to book air tickets at the cheapest fare possible. All the Ministries/Departments are advised to bring it to the notice of all their employees that any misuse of LTC will be viewed seriously and the employees will be liable for appropriate action under the rules. In order to keep a check on any kind of misuse of LTC, Ministries/Departments are advised to randomly get some of the air tickets submitted by the official verified from the airlines concerned with regard to the actual cost of air travel vis-à-vis the cost indicated on the air tickets submitted by the officials.

C&AG has advised to get the LTC reimbursement cases against the scheme of Government of India examined through Internal Audit Wings and necessary recoveries and action against the employees who had adopted fraudulent practice for reimbursement of LTC claim be initiated.

In view of the above, all Pr.CCAs/CCAs/CA(I/Cs) are, therefore, requested to issue necessary directions to their Internal Audit Wings to examine the LTC claims paid during 2010-11 onwards along-with their regular audit and compliance report to be submitted to this office by 30.09.2021.

This issues with the approval of the Controller General of Accounts.


(Dr. Richa Pandey)

Asstt. Controller General of Accounts

To,

All Pr.CCAs/CCAs/CA(I/Cs) in Civil Ministries/Departments

Copy to :

1. Pr. Director, O/o Pr. Director of Audit with reference to DO letter No.Infra-II/1(14)/Reco-sugg on DP-FS/2020-21/236 dated 21.12.2020.
2. Sh.Ranjit Kumar Jha, US, Ministry of Finance, Department of Expenditure with reference to OM No. A-11019/3/2021-Ad.I dated 08.03.2021
3. Sh. Manoj Kumar, SO (EG) Ministry of Finance, D/o Expenditure with reference to OM No. H-12019/06/2021-EG dated 21.01.2021.
4. Sr.AO(CDN Section) with reference to OM No. M-59014/04/2020-CDN-CGA/1170 dated 16.03.2021.
5. Sr.AO (ITD) request to upload on CGA website.