

# THE PUNJAB TREASURY RULES

## VOLUME I

### SECTION I INTRODUCTION

1. (i) These rules may be called the Punjab Treasury Rules, 1985
- (ii) They shall come into force at once.
- (2) Where the Government is of opinion that it is necessary or expedient so to do, it may by order, for reasons to be recorded in writing relax any of the provisions of these rules with respect to any class or category of persons.

### SECTION II- DEFINITIONS

3. In these rules, unless the context otherwise requires:-
  - (a) "Accountant General" means the "Accountant General, Punjab";
  - (b) "Bank" means any office or branch of the Banking Department of the Reserve Bank of India, any branch of the State Bank of India, acting as the agent of the Reserve Bank of India Act, 1934 (Central Act No. 2 of 1934) and any branch of a Subsidiary Bank, as defined in section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 (Central Act No. 38 of 1959), which is authorised to transact government business as an agent of the State Bank of India or any other agency appointed by the Reserve Bank of India;
  - (c) "Comptroller and Auditor General" means the Comptroller and Auditor General of India;
  - (d) "Constitution" means the Constitution of India;
  - (e) "Collector" means the Chief Officer of the revenue administration of a district and includes any other officer for the time being authorised by Government to discharge the duties of the Collector for the purpose of these rules;
  - (f) "Competent Authority" means the Government in the Department of Finance or any other authority to whom the relevant powers may be delegated by the Government;
  - (g) "Consolidated Fund of the State" means the fund into which all revenue received by the Government of the State, loans raised by the Government by the issue of treasury bills, loans or ways and means advances and money received by the Government in repayment of loans are credited, and from which the expenditure of the State, when authorised by the Legislature, is met;
  - (h) "Contingency Fund of the State" means the fund, in the nature of an imprest into which shall be paid from time to time such sums as may be determined by law to enable the Governor of Punjab to make advances out of such fund for the purpose the meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature by law;
  - (i) "Currency Office" means the Delhi Branch of the Issue Department of the Reserve Bank of India;
  - (j) "Currency Officer" means an officer of the Reserve Bank of India in charge of the currency office;
  - (k) "Currency Chest" means a chest of the Issue Department of the Reserve Bank of India;
  - (l) "Form" means a form appended to these rules;
  - (m) "Government" means the Government of the State of Punjab;
  - (n) "Head of District or District Officer" means Collector or the Deputy Commissioner;
  - (o) "Indian Audit & Accounts Department" means the officers and establishment, being in India and subordinate to the Comptroller and Auditor

General of India that are employed upon the audit or upon the keeping and audit of the accounts of the Central Government and of the State Government or upon one or other of these duties;

(p) "Public Account of the State" means the account into which all public moneys other than those which form a part of the Consolidated Fund of the State received by or on behalf of the State, are credited and from which disbursements are made in accordance with these rules;

Note:- All moneys received by or deposited with any officer employed in connection with the affairs of the State in his capacity as such, other than revenues or public moneys raised or received by the Government of the State, should also be paid into the "Public Account of the State";

(q) "Reserve Bank" means the reserve Bank of India;

(r) "State" means the State of Punjab

(s) "Treasury" means any District treasury of the State Government and includes a sub-treasury.

### **SECTION III LOCATION OF MONEYS STANDING IN THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT OF THE STATE.**

4. (1) Subject to the provisions of sub-rule(2) of rule 8 and rule 10, moneys standing in the Consolidated

Funds of the State, the Contingency Fund of the State and the Public Account of State shall either be held in the treasury or in the Bank. Moneys deposited in the Bank shall be held in the books of the Bank on behalf of the Government.

(2) The deposits in the Bank of the moneys referred to in sub-rule (1) shall be governed by the terms of an agreement reached between the Governor of the State and Bank under section 21-A of the Reserve Bank of India Act, 1934(Central Act No.2 of 1934).

Note: For Form of agreement, see Appendix 'A' to Volume II of these rules

### **SECTION IV-GENERAL SYSTEM OF CONTROL OVER TREASURY**

#### **(i) DISTRICT TREASURIES**

5. (1) Unless the Government in the Department of Finance after consultation with the Accountant General, otherwise directs in any special case, there shall be a treasury in every district. If moneys standing in the Consolidated Fund of the State, the Contingency Fund of the State, and the Public Accounts of the State are, in any district, not deposited in the bank but are deposited in the treasury of the district concerned, such treasury shall be divided into two departments; a department of accounts under the charge of Superintendent, and Department of cash, stamps and opium under the charge of District Treasurer. The two Departments should as far as possible be located in different rooms.

(2) Subject as hereinafter provided in these rules, the general procedure and conduct of business in a treasury of the district shall be regulated by the provisions contained in Part II of these rules and such other instructions as may be issued by the Government from time to time in consultation with the Accountant General.

(3) Each treasury shall be under the general charge of a Treasury Officer with the overall supervision of Department of Finance. The Treasury Officer shall be responsible for the proper observance of the procedure specified by or under these rules and for the punctual submission of all returns required by the Government, the Accountant General and the Reserve Bank.

Note 1:- The Treasury Officer will be in charge of the Treasury and Sub Treasury under him. A report indicating the Cash balance taken over by the Treasury Officer shall be submitted by him to the Accountant General and to the Reserve Bank of India under advice to the Secretary to government in the Department of Finance.

Note 2: -It shall be the duty of the Treasury Officer to satisfy him -self that the register of valuables and other records are kept up to date according to rules.

Note 3: The sub treasuries, which are under the charge of Assistant Treasury Officers, shall function under the control of Treasury Officers. The Sub-Treasuries, which are under the charge of Tehsildars or Naib Tehsildars, shall regulate their functions as per instructions of the Treasury Officer and the Department of Finance.

(4) It shall be the duty of the Treasury Officer to verify, certify and send a report to the Accountant General and the Department of Finance about the monthly cash balance in the treasury in such manner and on such form as may be specified by the Department of Finance after consultation with the Accountant General. It shall be the duty of the Treasury Officer to conduct the above verification in person once in six months.

(5) When a new Treasury Officer is appointed, he shall report immediately his appointment and also send a certificate to the Accountant General in Form P.T.R.9 about the amount of the cash balance, opium, stamps, permanent advance etc. This certificate shall be submitted by the Treasury Officer after observing the method of verification as specified in Part-II of these rules.

(6) No responsibility for the proper management and working of treasuries shall devolve upon the officers of the Audit & Accounts Department.

(7) The Treasury Officer shall report immediately to the Accountant General and the Department of Finance any serious irregularity in the treasury, accounts defalcation, loss in public money, departmental revenue of receipt, stamps, opium, stores of other property discovered in treasury even when such loss has been made good by person or persons responsible for it.

#### **(ii) SUB TREASURIES**

6. If the requirements of the public business necessitate the establishment of one or more sub-treasuries under a district treasury, the arrangements for the administration thereof and for the proper conduct of business therein shall be such as may be specified by the Government after consultation with the Accountant General. The daily accounts of receipts and payments of moneys at a

sub-treasury shall be included in the accounts of the treasury

#### **(iii) OFFICE OF THE ACCOUNTANT GENERAL**

7. The Accountant General may, with the consent of and subject to such conditions and limitations, as may be specified by the Comptroller and Auditor General of India perform all or any of the prescribed part of the duties of a treasury in respect of claims against the Government that may fall due for disbursement and moneys that may be tendered for credit to the Consolidated Fund of the State, the Contingency Fund of the State and Public Accounts of the State at the headquarters of the Government.

### **SECTION V-PAYMENT OF REVENUE OR PUBLIC MONEYS RAISED OR RECEIVED BY THE STATE GOVERNMENT INTO THE CONSOLIDATED FUND,**

## **AND OTHER PUBLIC MONEYS INTO THE PUBLIC ACCOUNT**

8(1) Save as hereinafter provided in this section, all moneys received by or tendered to any Government employee on account of the revenue of the Government or Public moneys raised or received by the Government shall, without undue delay be deposited in full into the treasury or into the Bank as the case may be and shall be included in the "Consolidated Fund of the State". Money received as aforesaid shall not be appropriated to meet departmental expenditure nor otherwise kept apart from the Consolidated Fund of the State. No department of the Government may require that any moneys received by it on account of the revenues of the State be kept out of the Consolidated Fund of the State.

Note: - The Government employee when not posted at, or not touring through, the headquarters of treasuries are permitted to credit into the treasury, such Government income as they may receive in the course of their normal duties once a week, or earlier if the amount in hand exceeds Rs.100/- (Rupees one hundred), on the understanding that proper steps are taken by the Heads of Offices concerned for the safe custody of all such income until deposited into the treasury and subject to the further condition that a security of Rs.150/- (Rupee one hundred fifty) is furnished by the official responsible for crediting the amount into the treasury.

The above principle shall apply to those offices which are situated at a distance of more than 8 kilometres from the treasury headquarters. In other cases, the general rule that all cash receipts should be deposited into the treasury or bank immediately after receipt, shall apply.

(2) Notwithstanding anything contained in sub-rule (1) of this rule direct appropriation of departmental receipts for departmental expenditure is authorised in the case of: -

- (a) moneys received on account of the service of summons, diet money of witnesses and similar purpose in Civil Revenue and Criminal Cases;
- (b) deposits received at a civil court and utilised by the Court to meet claims for refund of such deposits;
- (c) fees received by Government employees appointed as Notaries Public under Notaries Act, 1952 (Central Act No.53 of 1952) and utilised to defray legal expenses incurred by them in the discharge of their duties as such Notaries Public;
- (d) permission by Department of Public Works to use under departmental regulations the cash receipts temporarily for currency works expenditure or in very exceptional cases, for disbursement of pay and travelling allowance charges, where this course has been authorised by the Accountant General to prevent any abnormal delay in payment.
- (e) cash received by the Department of Forest and utilised in meeting immediate local expenditure;
- (f) cash found on the persons of prisoners at the time of their admission to jail and used for repayment by Jail Superintendents under departmental regulations of similar sums due to other prisoners on their release;
- (g) moneys received from students on account of lost library books and utilised for the purchase of other books for the library;
- (h) replacement of apparatus damaged by students under training out of their caution money;
- (i) receipt, realised under section 12 of the Cattle Trespass Act, 1871 (Central Act of 1871) and utilised for payment and refunds due to owners of cattle under section 17 of that Act;
- (j) receipts on account of the market value of green fodder given to bullocks out of the farm produce of the Government educational institutions;
- (k) land revenue assignments paid by Lambardars to assignees direct from the collection of land revenue when such payment is to be made under the provisions of rules 52 and 55 of the

Land revenue Rules;

(l) remittances received from local bodies and other institutions entitled to purchase stationery against cash payments, which are to be returned to them by the State

Stationery Office as being too late for supplies being made within a financial year.

(m) Stationery and Printing Department, Publication Branch, to permit the refund of moneys deposited in advance by indentors and advertisers for supply of publications and advertisements in the Gazette, respectively out of the sale proceeds of the publications and the Gazette;

Provided that the authority hereby given to appropriate departmental receipts for departmental expenditure shall not be construed as authority to keep the departmental receipts and expenses defrayed there from outside the account of the payment into and the withdrawals from the Consolidated Fund of the State.

9. All moneys received by or deposited with a Government employee in his official capacity, other than revenues of public moneys raised or received by the Government, shall be deposited into the Public Accounts of the State.

10. A Government employee may not, except with the special permission of the Government, deposit in a bank moneys withdrawn from the Consolidated Fund of the State, Contingency Fund of the State and Public Accounts of the State, under the provisions of Section VII of these rules.

(2) Provided that with the permission of the Governor, his private or Military Secretary may open an account in the bank for the deposits of funds under the personal control of the Governor.

Note:- Accounts permitted under this rule shall be opened with an office of the Reserve Bank of India or

with a branch of the State Bank of India according to the convenience of the Officer opening the account. Where there is no office of the Reserve Bank of India or branch of the State Bank of India, an account may be opened with the Post Office Saving Bank or with the previous approval of the Government with any other Bank.

11. The procedure to be adopted by Government employees treasuries or other authorised collecting agencies for receiving moneys on behalf of the State, for granting receipts of such moneys and for depositing them into the Consolidated Fund of the State or Public Account of the State at the treasury shall be regulated by the provisions contained in Part-II.

#### **SECTION VI- CUSTODY OF MONEYS RELATING TO OR STANDING IN THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT**

12. (1) The procedure for the safe custody of Government moneys with the Government employees or in a treasury shall be regulated by the provisions contained in Part-III of these rules and such shall be subject to such directions as may be issued by the Government.

(2) The responsibility for the safe custody of Government moneys deposited in the Bank shall be that of the bank concerned.

#### **SECTION VII-WITHDRAWAL OF MONEYS FROM THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT**

13. In this section “ withdrawal” with its cognate expressions, refers to the withdrawal of funds from the Consolidated Fund of the State, the Contingency Fund of the State and the Public Accounts of the State, for disbursement on behalf of the Government other than disbursements in the United Kingdom.

14. Save as expressly provided by or under these rules or unless the Government in the Department of Finance after consultation with the Accountant General, Punjab otherwise directs in any case, moneys may not be withdrawn from the Consolidated Fund of the State,

Contingency Fund of the State and the Public Account of the State, without the written permission of the Treasury Officer or any officer authorised by the Department of Finance.

15. The Accountant General, may permit withdrawal for any purpose.

16.(1) Subject as hereinafter provided in this section a Treasury Officer may permit withdrawal for all or any of the following purposes, namely:-

- (i) To pay sums due from the Government to the drawing officer;
  - (ii) To provide the drawing officer with funds to meet claims likely to be presented against the Government in the immediate future by-
    - (1) Other Government employees, or
    - (2) Private parties;
  - (iii) to enable the drawing officer to supply funds to another Government employee to meet similar claims;
  - (iv) To pay direct from the treasury or from the Bank sums due from the Government to a private party;
  - (v) In the case of a Government Officer or authority empowered to make investments of moneys standing in the Consolidated Fund, Contingency Fund and the Public Account of the State, for the purpose of such investments.
  - (vi) To pay sums on account of loans and advances, grants-in-aids, contributions, etc.
  - (vii) To pay sums to drawing officer on account of permanent Advance sanctioned to his office.
- (2) Unless expressly authorised by the Accountant General, a Treasury Officer shall not permit withdrawal for any purpose other than those specified in sub-rule(1)

17. Except as provided in rules 25 and 26, a Treasury Officer shall not permit withdrawal for any purpose, unless the claim for withdrawal complies with the provisions contained in Part V as to the person by whom and the form in which the claim shall be preferred and checks to which the claim shall be submitted by the Treasury Officer before directing payment thereof.

18. A Treasury Officer shall have no general authority to make payments on demands presented at the treasury, his authority being strictly limited to the making of payments authorised by or under these rules. If a demand of any kind is presented at a treasury for payment, which is not authorised by or under these rules, or is not covered by a special order received from the Accountant General, the Treasury Officer shall decline payment for want of authority. A Treasury Officer shall have no authority to act under an order of the Government sanctioning a payment, unless the order is an express order to him to make the payment, and unless such special order is, in the absence of an urgency, sent through the Accountant General

19. A Treasury Officer shall not honour a claim, which he considers to be disputable. He shall require the claimant to refer it to the Accountant General, the head of the Department or other responsible officer concerned, as the case may be.

20.(1) Except as provided in Part V, a payment shall only be made in the District in which a claim arises.

(2) In case of doubt as to the District in which a particular claim has arisen the decision of the Government shall be final.

21.(1) No withdrawal shall be permitted on a claim for the first on any series of payments in a district of pay or allowances to a Government employees other than a person newly appointed

to Government service unless the claim is supported by a last pay certificate in such form as may be specified by the Comptroller and Auditor-General.

Note: - For rules regulating the preparation of last pay certificates, its form and other instructions relating thereto, from time to time issued by Comptroller and Auditor General of India have been reproduced see Appendix B to Volume II of these rules.

(2) In the case of Government employees transferred to another audit circle or within the same audit circle (i) from one Department to another or (ii) from one Public Works Division to another, the last pay certificate shall contain all the necessary information specified in Appendix 'B' referred to above so that the classification of charge may be correctly noted by the drawing officer in the bill of the new office.

(3) In the case of reversion of Government employee from foreign service, the copy of the last pay certificate issued by the foreign employer should be attached with the first pay bill presented at the treasury.

22. (1) In the case of compensatory allowance bills of the Members of the Punjab Vidhan Sabha, the production of a last pay certificate under rule 21 may be dispensed with, provided a certificate duly countersigned by the Secretary, Punjab Vidhan Sabha is recorded by the Members concerned to the effect that no payment has already been obtained by him on that account.

(2) Withdrawal for a claim for travelling allowance in respect of a journey, by a retiring government employee and the members of his family from his last place of duty to a place where he wishes to reside, may be permitted by a treasury officer even without surrendering the last pay certificate.

23. The Treasury Officer shall be responsible to the Accountant General for acceptance of the validity of a claim against which he has permitted withdrawal, as also for the evidence that the payee has actually received the sum withdrawn.

24. The Treasury Officer shall obtain sufficient information as to the nature of every payment he is making and shall not accept a voucher which does not formally present that information unless there are valid reasons, which he shall record in writing for omitting to require it.

25. A Treasury Officer may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to him for payment, and shall intimate to the drawing officer any such correction which he makes. He shall also report to the Accountant General and the Government such arithmetical inaccuracy as is suspected of involving frauds, etc.

26. A Collector may in circumstances of urgency, by an order, in writing, authorise and require the Treasury Officer to make a payment, not being a payment of pension, without complying with the provisions of these rules. In any such case, the Collector shall at once forward a copy of his orders and a statement of the circumstances requiring it, and the Treasury Officer shall at once report the payment to the Accountant General and the Government.

Note: - The need for exercising the special power under this rule shall not arise at all in normal conditions. The powers shall be used only in real cases of urgency, e.g. floods, earthquake and the like, and withdrawal of moneys under this rule should, as far as possible, exclude all personal claims of Government employees.

**SECTION VIII- TRANSFER OF MONEYS STANDING IN THE CONSOLIDATED FUND,  
THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT**

27. The transfer of Government moneys from one treasury to another and between the currency chest balance and treasury balance of a treasury and between a treasury and the Bank shall be governed by such instructions as may be issued in this behalf by the Government after consultation with the Reserve Bank. The transfer of moneys from or to a small Coin Depot to or from a Treasury under the control of the Government of the State shall be governed by instructions issued by the Central Government.

Note: For instructions issued under this rule by Government after consultation with the Reserve Bank see Part-XI of these rules

#### **SECTION IX – RESPONSIBILITY FOR MONEYS WITHDRAWN**

28. If a Treasury Officer receives intimation from the Accountant General or Department of Finance that moneys have been incorrectly withdrawn and that a certain sum should be recovered from a drawing officer, he shall effect the recovery without delay and without regard to any correspondence undertaken or contemplated with reference to the retrenchment order; and the drawing officer shall without delay repay the sum in such manner as the Accountant General may direct.

Note: - For other instructions on the subject, see Punjab Treasury Rules 228.

29. (a) Subject as hereinafter provided in this rule, the procedure to be observed by a Government employee in regard to the disposal of moneys withdrawn from the Consolidated Fund of the State, Contingency Fund of the State and the Public Account of the State, for expenditure shall be regulated by the provisions contained in Part-IV.

(b) A Government employee supplied with funds for expenditure shall be responsible for such funds until an account of the same has been rendered to the satisfaction of the Accountant General. The Government employees concerned shall also be responsible for seeing that payments are made to persons entitled to receive them.

(c) If any doubt arises as to the identity of the Government employee by whom an account of such funds shall be rendered, it shall be decided by the Government in the Department of Finance in consultation with the Accountant General, if necessary.

Note: - See also section III, Chapter I of Part V of these rules.

#### **SECTION X- INTER GOVERNMENT TRANSACTIONS**

30. (1) Save as otherwise provided hereafter in this section, no transaction of the Government with another State Government shall be adjusted against the balance of the State, except in accordance with such directions as may be given by the Comptroller and Auditor General of India with the approval of the President of India to regulate the procedure for the accounting of transactions between different State Governments..

(2) Moneys presented within the jurisdiction of another Government for credit to the Consolidated Fund of the State, Contingency Fund of the State and the Public Account of the State, or a payment made by another Government as a withdrawal affecting the balance of that Government shall not be credited or debited to the account of that Government except under express authority of the Accountant General or any other Accounting Officer authorised in this behalf by the Comptroller and Auditor General of India.

(3) All adjustments against the balance of the State by debit or credit to another Government shall be made through the Central Accounts Section of the Bank.

(4) The accounts between different State Governments will partake of the nature of suspense account requiring periodical clearance by adjustments through the Central Accounts Office of the Reserve Bank. This suspense account will be termed "Inter State Suspense Account". Suitable sub-heads will be provided under this head to accommodate transactions on behalf of different State Governments.

31. Where such a course is authorised in consequence of a delegation of functions made under clause(1) of article 258 of the Constitution of India, the Treasury Officer may receive or authorise the Bank to receive moneys tendered on behalf of the Central Government and may make or authorise the Bank to make disbursements on behalf of the Central Government in accordance with such procedure as may be specified in the rules made by or under the authority of the President of India. Such receipts and disbursements on behalf of the Central Government shall be initially adjusted against the balances of the State Government. The Accountant General, on receipt of intimation from the treasury, shall make the requisite adjustment in respect of such transactions by cash settlement with the Principal Accounts Officers of the Ministries/Departments of Government of India.

Note1:- Officers in charge of the treasuries and the sub-treasuries in Punjab have been authorised by Central Government to undertake the functions of receiving and disbursing and authorising the Bank to receive and disburse moneys of the Central Government. The Central Government has further directed that in respect of these transactions, the treasury and sub-treasury Officers shall act in accordance with the rules made under clause (X) of article 283 of the Constitution of India.

Note2: The Punjab Government has agreed to the payment of leave salary of gazetted Government employees and pensions of all Government employees belonging to the Central and other state Government being made at any treasury in the Punjab. The Central Government and other State Governments have also agreed to similar payments being made to employees of the Punjab Government at treasuries within their respective jurisdiction. Transactions arising in any treasury in the State relating to payment of pensions including pensions to freedom fighters and pensions in lieu of resumed Lands and Jagirs etc. will be taken by the treasuries directly against the balances of the Central Government in the Central Section of the accounts and accounted for by the Accountant General under final heads.

Note3: - In order that the transactions pertaining to the Central Government may be correctly recorded against the balance of the Central Government, all challans, bills, cheques, vouchers, etc., which serve as evidence for payments into or withdrawals from the Public Account of the State or on the authority of which adjustments in the initial accounts are made against the balance of the Central Government by treasuries and the Bank shall be printed on blue paper.

Provided that in the case of any particular kind of document aforesaid, the Government may, after consultation with the Comptroller and Auditor General, suspend or waive the operation of this rule. This is subject to the condition that whenever forms other than those of blue colour are used, such forms must invariably be so prominently marked as to indicate clearly that they pertain to transactions of the Central Government.

32.(1) The Treasury Officer may, subject to any general or specific direction of the Government in this behalf, receive or authorise the Bank to receive moneys tendered on behalf of another State Government in India and may, if so required by the Accountant General, make or authorize payment of any claim against that State Government. The necessary credits or debits in respect of such receipts and payments against the balance of the State Government concerned shall be made by the Accountant General through the Central Accounts Section of the Bank, but until such adjustments are made, the credit and debit shall be entered in the Consolidated Fund of the State, the Contingency Fund of the State, and the Public Account of the State.

(2) Moneys paid or received in the office of the Accountant General on behalf of another State Government or book entries made in his office effecting the accounts of another State Government shall be adjusted by the Accountant General through the Central Accounts Section of the Bank against the balance of the State Government concerned.

(3) The Accountant General shall arrange with the Central Accounts Office of the Reserve

Bank to have the requisite adjustment made monthly in the course of the next month by advising the necessary transfers to the Central Accounts Office of the Reserve Bank

33. The provisions of the preceding rule may be extended with or without modification to payments made or received in the State on behalf of the Railways, Post and Telegraph or Defence. Transactions appearing at the State treasury on behalf of Railways, Post and Telegraph or Defence will be settled by cash except that these transactions will be taken under the minor head-Cash Settlement Suspense Account,

#### **SECTION XI-RECEIPTS AND DISBURSEMENTS OF THE STATE IN THE UNITED KINGDOM**

34. Until other provision is made by the Government in this behalf, , moneys received in the United Kingdom on account of the revenue of the State may be paid into, and funds required for disbursement of, or on behalf of, the State in that country, may be withdrawn from the balances of the Central Government in that country, in accordance with such procedure as may be prescribed by or under the authority of the President of India for the transactions of the Central Government in the United Kingdom. These transactions shall be adjusted in India at the earliest opportunity, against the balances of the Consolidated Fund, the Contingency Fund and the Public Account of the State, according to such directions as may be given in this behalf by the Comptroller and Auditor General with the approval of the President of India.

#### **SECTION XII- SUPPLEMENTAL**

35. The Accountant General, in exercise of any of his functions under these rules shall be subject to the general control of the Comptroller and Auditor General of India.

36. Nothing in these rules and nothing prescribed under these rules, shall have effect so as to impede or prejudice the exercise by the Comptroller and Auditor General of the powers vested in him by or under the Constitution of India to make rules or to give directions regulating the submission to the Indian Audit and Accounts Department of the accounts kept in treasuries or in departmental offices, and to be accompanied by such vouchers for their support as the Comptroller and Auditor General may require for purposes of audit or for the purpose of keeping the accounts for which he is responsible.

37. Nothing contained in or in the application of these rules shall have effect so as to impose upon the Bank in connection with the business of the Government any responsibility not imposed upon the Bank by the terms of its agreement referred to in rule 4.

38. (1) Where under the provisions of these rules the detailed procedure with respect to any matter is required to be specified or regulated by departmental regulations and where no rule or order has been made by the Governor as to the authority by which the regulations shall be made, such regulations to be observed by particular departments shall be made by the Government, or with the approval of the Government, by such departmental authorities as may be authorized by the Government to act in this behalf.

(2) Nothing contained in this rule shall affect the validity of any order, instruction or direction contained in any authorised departmental regulation in force on the date of promulgation of these rules, except in so far as such order, instruction or direction is inconsistent with or re-pugnant to any distinct provision contained in these rules.

39. The Treasury Rules (Punjab) and Subsidiary Treasury Rules issued there under, as contained in the Punjab Financial Hand Book No. I , revised edition 1963, are hereby repealed. Provided that anything done or any action taken under the rules hereby repealed shall be deemed to have been done or, taken under the corresponding provisions of these rules.

**PART-II**  
**SECTION I- GENERAL ORGANISATION**  
**MANAGEMENT**

40. The responsibility for the proper management and working of the treasury rests entirely with the Treasury Officer acting under the orders of Department of Finance( in Treasury and Accounts Branch). During the short absence of the Treasury Officer on casual leave or duty outside the headquarters, the Assistant Treasury Officer or Superintendent of the Treasury would hold charge of the Treasury as a temporary measure, but this will in no way relieve the Treasury Officer from his responsibility.

**RESPONSIBILITY OF THE COLLECTOR**

41. The Collector who is responsible for the over all supervision shall be bound to satisfy himself by periodical examination at lease once year for cash, opium, stock notes, stamps, securities, bills and money order forms that the:-

(i) Actual stock of cash, stamps opium and securities is kept under joint lock and key, and corresponds with the book balance, that the treasurer does not hold a sum larger than is necessary for the convenient transaction of the Government business, and that this sum, together with the value of the stamps and opium in his sole custody, is not larger than the security given by him.

- (ii) Stock of bills, cheques, drafts and similar forms which are intended for use in monetary transactions are carefully kept under lock and key by the District Treasury Officer/Treasury Officer and periodically tallied with the nominal balance of such forms on the stock books; and
- (iii) Treasury balances are verified once a month by the officer-in-charge of the sub-treasury besides verifying the balance himself during his tours.

Note(1): - The rules of inspection as laid down in these rules will be duly applied while conducting inspection.

Note(2) The word "Stamps" used in this rule and other rules includes "Match Excise Banderoles".

42.(1) Any defalcation or loss of public money, stamps, opium or other property of the Government deposited in a treasury or Sub-treasury shall at once be reported by the officer concerned to his immediate superior officer as well as to the Accountant General, even when such loss has been made good by the person responsible for it; and when the matter has been fully enquired into, a further and complete report shall be submitted of the nature and extent of the loss, showing the error or the neglect of rules, by which such loss occurred, and the prospects of effecting the recovery. The submission of such reports shall not debar the local authority from taking any further action, which may be deemed necessary.

(2) In the event of a deficit being discovered in the balance of the accounts, Government will not admit of any claim to money found in the Treasurer's custody, until its own claim are fully satisfied. Instructions for regulating the enforcement of responsibility for loss and defalcation of stamps are contained in Appendix C to these rules.

43. When an irregularity is noticed it shall be got investigated by the Department of Finance (in the Treasury and Accounts) at the appropriate level instead of merely relying on the explanation or report of the subordinate.

Note: - All the irregularities charged by the Accountant General and or the Reserve Bank of India against the treasury and sub-treasury subordinate to it should be entered in the register of irregularities in Form PTR I. Action taken should be indicated against the relevant entry.

44. No Indian Administrative Service or Punjab Civil Service Officer shall be placed in-charge of the treasury when posted to a treasury for the purpose of training. However, he shall sign such documents and registers as require signatures, and he shall do so on behalf of and subject to the supervision of the regular treasury officer, who has been shown in returns as the Officers-in-charge of the treasury and who shall continue to sign payment orders and retain the keys of the double locks and the strong room.

Note: - A certificate in the following form shall be issued by the Treasury Officer to an officer posted at the Treasury for training; -

Certified that .....has duly attended to and satisfactorily completed his treasury training at. ....from.....to.....

"Treasury Officer"

45.(1) The Treasury Officer shall be personally responsible for the-

- (i) due accounting of all moneys received and disbursed and for the safe custody of cash, notes, stamps, opium, securities and other Government property (for stamps and opium jointly with the Treasurer);
- (ii) observance of all treasury rules relating to receipt, custody and payment of moneys and preparation and punctual submission of accounts and strict attention to the duties of the treasury work;
- (iii) conduct of subordinate Treasury officials and through observance of all rules for his guidance in every branch of his duties; and

- (iv) sums of moneys disbursed by him in a public capacity without authority
- (2) It shall be the duty of the Treasury Officer to-

- (i) attend to all objections and orders communicated to him or to the Sub-Treasury Officers through him by the Accountant General by letter, audit memoranda or periodical objection statements; and to return the objection statements or audit memoranda within a fortnight or send letters explaining the cause of delay;
  - (ii) report any failure on the part of Sub-Treasury Officers in relation to treasury work to the Department of Finance;
  - (iii) send under his signatures or with his approval, replies to important communications addressed to him or Assistant Treasury Officers through him by the Accountant General;
  - (iv) see that implicit obedience is given to the instructions issued from the audit office and to send immediate notice to the Accountant General of any embezzlement in the treasury and to supplement such notice by a detailed report, as soon as possible, after personal enquiry;
  - (v) see that the treasurer furnishes sufficient security to protect Government against any loss due to the negligence or fraud of such Treasurer;
- Note: For security Form, see sub rule (2) of rule 48; and
- (vi) get verified in April each year the financial status of persons who have stood surety for the treasurer.

#### **RELATION WITH THE ACCOUNTANT GENERAL**

46. The Accountant General may direct his communications regarding treasury accounts and procedure to the Treasury Officer.

#### **RELATION WITH THE CURRENCY OFFICER**

47. The Currency Officer shall ordinarily direct his communications to the District Treasury Officer. All communications to the Currency Officer shall be issued under the signatures of the Collector or with his approval. The Currency Officer shall bring to the notice of the Collector cases in which the District Treasury Officer appears to have to be negligent in his duties.

#### **TREASURER**

48. (1) it shall be the duty of the Treasurer to-
- (i) receive and test all notes or coins brought to the treasury;
  - (ii) to make authorised payments and to account for all receipts and payments;
  - (iii) keep an account of stamps and opium under his charge (either solely or jointly with the Treasury Officers); and
  - (iv) retain promissory notes or Post Office Saving Certificates lodged as security permanently or until it is certain that there is no necessity for keeping the same any longer.
- (2) It is the duty of the Treasury Officer to see that the Treasurer furnishes sufficient security to protect Government against loss due to his negligence or fraud.
- (3) The Treasurer's security bond shall be drawn in one or the other of the following forms:-
- (i) if Government promissory notes or Post Office National Saving Certificates exclusively

are pledged as security, in Form P.T.R.2.

(ii) if landed or immovable property alone is pledged as security, in Form P.T.R.3; and

(iii) if security taken consists partly of Government paper and partly of immovable property in both Forms P.T.R.2 and P.T.R.3.

Note:- A Form of deed for mortgage(Form P.T.R.4) accompanies Form 3 for use in connection therewith.

(iv) The promissory notes or Post Office National Savings Certificates lodged as security may be retained permanently or until it is certain that there is no necessity for keeping the same any longer.

Note:- It shall be duty of Treasury Officer to get

verified in April each year the financial status of persons who have stood surety for the treasurer concerned.

#### **ACCOUNTANT**

49. The Accountant shall be responsible under the orders of treasury officer to-

(i) keep record of cash and book transactions of the district and subordinate treasuries;

(ii) compile accounts and returns strictly in accordance with the directions and orders in force;

(iii) see that the rules and orders are observed in respect of all transactions of the treasury;

(iv) bring all cases of irregularity to the notice of the Treasury Officer; and

(v) inspect the account record of sub treasuries and to check percentage of the initial accounts.

#### **SECTION II- TREASURY ACCOUNTS TREASURER'S RECORDS**

50. The Treasurer shall maintain a simple cash book (without subordinate registers), in which each receipt and payment shall be posted at the time and on the date on which they actually occur and in the order of occurrence. The Treasurer shall sign and immediately return to the Accountant (after the necessary entry in his accounts) all receipts for money received. He shall stamp all payment vouchers "Paid" and retain them for delivery to the Accounts Department when the books are compared.

Note: - 1. -When a payment is made by transfer' that is, by entry of the amount, in the accounts as received under some head of receipt, no payment of cash takes place, so the voucher shall neither be stamped 'paid' by treasurer nor will find place in his Cash Book. It should however, be stamped by accountant as "paid by transfer to the credit of -----(Revenue head concerned)"

Note 2\_Cheques received in payment of value of service stamps should be entered in the Treasurer's cashbook on both sides.

Note 3-Receipt stamps affixed to bills and voucher should be punched through without destroying the signature after the bills have been paid at the Treasury or Sub-Treasury.

(2) The Treasurer shall also maintain stock registers for stamps match excise banderols and opium in the custody of Treasury Officer, vide Article 31 of the Account Code Volume II.

(3) When stamps of opium have been sold the total sale shall be entered before the cash book is closed by the Treasurer and memorandum shall be prepared and forwarded to the Accountant so that the necessary entry may be made in the accounts.

51. All accounts kept by the Treasurer or his subordinate office whether at the Treasuries or at the Sub-treasuries should be kept in Punjabi characters and English figures.

## **ACCOUNTANT'S BOOKS**

### **(i) INTRODUCTORY**

52. The rules regulating, -

- (i) the form in which the initial or subsidiary accounts are to be kept;
- (ii) the form in which the accounts compiled from these initial and subsidiary accounts, are to be submitted to the Accountant General; and
- (iii) the rendering of accounts to the Accountant General on specified dates; have been issued by the Comptroller and Auditor-General of India and are contained in Account Code, Volume II. The forms referred to in item(i) above can, however, be modified in matters of detail by the Government in consultation with the Accountant General. Changes of a local nature can likewise be authorised by the Accountant General in respect of the forms referred to in item (ii) above.

### **(ii) CLASSIFICATIONS OF TRANSACTION IN TREASURY**

53. All transactions of receipt and payment occurring at a Treasury should be classified in the Treasury Accounts in accordance with the provisions of Chapter II of Account, Code Volume-II.

54(1) The form and procedure with regard to the initial accounts kept in the Treasury and the methods and principles in accordance with which the accounts are kept shall be governed by the directions contained in the Account Code, Volume II. It is the duty of the Treasury Officer to satisfy himself that

those directions are strictly observed, that the accounts are correct in all respects and that the

record of receipts and payments are so clear, explicit and self contained as to be produce -able, if necessary, as satisfactory and convincing evidence of facts.

Note 1(a)- A complete record of cash transactions and book transfers relating to the district treasury and those of sub-treasuries within its jurisdiction, shall be kept in the Accountant's Cash Book. Every item received or paid as well as all adjustments by transfer shall be entered in the cash book or in some register subsidiary to the cashbook in accordance with the directions contained in the Account Code, Volume II. The daily total from each subsidiary register shall pass into the cash book.

b) Any erasures or over writings in the Cash Book and other registers of initial record or in any account or schedule shall not be allowed by the Treasury Officer and he shall verify and initial every correction in them.

(c) The Cash Book and other registers subsidiary thereto shall be maintained by the Accountant in accordance with the provisions of Articles 32 to 41 of Account Code, Volume-II.

Note 2- In the case of receipts remitted by the postal money order and adjusted by book transfer under rule 109 entries in the subsidiary register concerned may be made daily in lump under each detailed head of account provided that they are entered in sufficient detail in the departmental registers and that daily returns are submitted to the treasury.

Note 3- A remittance of treasure, as soon as it is despatched from or paid out of a treasury, shall be charged off in the cash book, the words "Local Cash Remittances" or "Foreign Cash Remittance" being the first words of the entry. This rule shall not apply to Currency Remittances, i.e. remittances from Currency Officer or from another Currency chest.

(b) Similarly, immediately on the arrival of a remittance credit for the whole invoiced amount shall be given, in the cash book the same heading being employed, the place whence the remittance is received also being noted therein.

Note 4- Fractions of the paisa shall not to be entered in the treasury accounts, and they should neither be received nor paid.

Note 5 (a)- The superintendent , Treasury shall maintain a record of challans received for credit of money in payment for stamps, and the Treasury Officers shall compare this record with the register of receipts and issues of stamps maintained by the treasurer on the day following the date to which the accounts relate.

(b) A running account shall be maintained and checked as the various items are recorded in the registers referred to above.

### (iii) **INCORPORATION OF SUB-TREASURY ACCOUNTS**

55. The transactions taking place at a sub-treasury shall be reported to and incorporated in the accounts of the District Treasury in the manner specified in Articles 47 to 49 of the Account code, Volume II. These transactions shall not pass into the Treasurer's Cash Book

Note 1- If any item in the sub-treasury daily sheet cannot be classified for want of particulars, or owing to omission, they shall be taken tentatively to the Head of Account to which they seem to belong, and on receipt of the required information, transferred, if necessary, to the proper head.

Note 2(a)- Vouchers passed by the District Treasury Officer for payment at a Sub-treasury shall be incorporated in the Accounts of the District Treasury under the signature of the

Accountant; all other vouchers shall be incorporated under the signature of the Treasury Officer.

(b) If a Treasury Officer owing to the volume of Sub-treasury transaction finds it difficult to scrutinise each and every sub-treasury voucher, he may, at his discretion, leave over the work to the Accountant, as percentage check not less than twenty percent being effected by him. All vouchers checked by the Treasury Officer himself must be initialed by him as a token of the fact that he has exercised the check.

**(iv) CLOSING OF ACCOUNTS FOR THE DAY**

56. (1) Subject to the directions contained in this behalf in the Account Code, Volume II, the process of closing accounts for the day shall be as follows:-

(a) The daily total of each subsidiary register shall be entered in the appropriate part of the cash book which will then be totalled, and the balance sheet will be drawn up strictly in accordance with the directions contained in Articles 50 to 52 of the Account Code, Volume II. To the account balance thus brought out, the additions and deductions indicated at foot of the cashbook form will be applied so as to bring out the cash balance at the district treasury.

(b) Meantime, the Treasurer shall also sum up both sides of his cash Book and draw up his balance memorandum in the form of Treasurer's daily balance sheet( Form P.T.R.5).

(c) If the results shown in the two balance sheets agree, the Treasury Officer shall sign the two cash books and the two balance sheets. He shall first satisfy himself of the correctness and good order of all these documents and shall give special attention to the reconciliation of the account balance of the district with that actually in the headquarters treasury the latter excludes the balance in sub-treasuries or under remittance within the district, which the former includes.

(d) The following is memorandum of some of the more important parts of the verifications. The Treasury Officer should;-

(i) compare each entry of payment in a register with the payment order( vide Rule 192) ticking off each voucher as it is passed. This will not be necessary if the Treasury Officer adopts the alternative plan of having the account entry presented to him for initials at the same time that he signs the order of payment;

(ii) examine at least two of the totallings on each side, marking the totals as "Exd";

(iii) see that the totals are correctly carried from the register to cash book, initialing the totals as he thus compares them;

Note:- This must be done, in the case of receipt registers, even when the total for the day is blank, but it is not necessary to initial blank payment registers. If the number of blank receipts registers is great, such registers as are only rarely required for entry may be bound in a single volume and kept under the Treasury Officers' own lock. When the volume is required for entry, he shall give out the register for the purpose, and he shall receive it back at the time of signing the daily accounts, carefully seeing in doing so that all new entries in it are correctly carried to the cash book and initialing them accordingly. It is obviously necessary to guard against fraud or mistake of omitting to bring all entries from these registers upon the cash book; and this precaution is not complete if the Treasury Officer examines only those registers from which an entry is made upon the cash book.

(iv) verify the totals of the cash book or get it done by some principal subordinate officer, other than the Accountant, who should initial it as correct;

(v) see twice every week that all vouchers are properly arranged.

(2) Before signing the Treasurer's daily balance sheet, the Treasury Officer shall roughly verify the balance in the sole charge of the Treasurer, as shown in that sheet, and satisfy himself about the following points;-

(i) that no more uncurrent coins are left in charge of the Treasurer.

- (ii) that no more small silver and copper, bronze and nickel coin is so left than is actually required for current use;
- (iii) that the whole balance in sole charge of the treasurer never exceeds his current requirements;
- (iv) that the record of challans maintained by the Accountant(vide Rule 54) tallies with the Treasurer's Cash Book.

(3) The Treasury Officer shall always be careful to sign the Treasurer's balance sheet in the evening of the day itself to which it refers, but the signature and comparison of the Accountant's book need not be made till the following morning unless the office is to be closed for two or more days. The Accountant's balance sheet must not be signed, until it has been carefully agreed with the Treasurer's.

Note 1-Ordinarily, the Treasurer's balance sheet shall be compared and agreed with that of the Accountant before closing the treasury for the day and it is only when pressure of work renders this impossible that the comparison may be postponed till the following morning. When this is necessitated, the certificates over the Treasury Officer's signature at the foot of the Treasurer's balance sheet shall be altered in the manuscript by cancelling the words "agreed with the Accountant's daily balance sheet" and before the form is signed by the Treasury Officer which must be done before closing of the day. An additional certificate shall then be added and signed by the Treasury Officer in the following morning, viz;" agreed with the Accountant's daily balance sheet". For the 31st March and first few days of April it will be necessary for the Accountant to prepare a separate rough balance sheet on each of these days for comparison with that of the treasurer as the completion of the Accountant's balance sheet for the 31st March has to await the receipt of sub-treasury accounts(see rule 58).

Note 2- In the Accountant's balance sheet there is not one figure which the Treasury Officer has not ample means of verifying the opening entries agree with closing ones of the preceding day; the receipt and charge are taken from the cash book; the amounts shown as sub-treasury balance can be ascertained in a few moments from the daily sheet of sub treasuries and any charge made since the previous day in the amount under remittance within the district must be supported by an entry in the sub-treasury sheets, or in the Treasurer's Cash Book. The balance in the district treasury is shown in the Treasurer's balance sheet; and in that part of it which is under joint locks no change can be made without the active intervention of the Treasury Officer himself.

Note 3-Under Note 2 to Rule 440 the daily account of the Bank carrying on the business of a Government treasury may with the concurrence of the Accountant General be submitted to the Treasury Officer on the morning of the day following that to which it refers. In such cases the signature and comparison of the Accountant's book may be made in the evening instead of the morning of the day on which the Bank's account is received provided that pressure of work renders it necessary to postpone it.

57. On closing the accounts of the day , the daily account sheet (account) shall be written up for despatch to the Treasury the same evening. The account shall be supported by following documents:-

- (1) Vouchers for all cash and transfer payments.
- (2) A list of Revenue Deposit receipts in Form A & T. No. 184.
- (3) Original challans received from the Naib Nazir with his remittances of surplus balance of Sheriff's Petty Accounts.
- (4) Challans for recovery of overpayments.
- (5) Challans for contributions towards, LIC Postal Life Insurance , and
- (6) Challans for deductions on account of General Provident Fund, other Deposit Accounts, contributions towards leave salary and pension contributions, House Building Advances and refunds, Loans to Bodies and such other challans as may be desired from time to time.

## **CLOSING OF ACCOUNTS FOR THE MONTH**

58. (1) The accounts of the Treasury and Sub-treasury, Sub-ordinate to it shall be formally closed on the last working day of the month. All receipts and payments, taking place at the Sub-treasury in a month shall be reported to and incorporated in the accounts of the District Treasury for that month.

(2) The last working day of the month for a banking Treasury or Sub-treasury is the last working day of the bank conducting its cash business.

59. When despatching the daily account for the last working day of each month, the Assistant Treasury Officer shall take special care to see that the following statements are sent with it:-

- (1) Cash balance report with connection returns.
- (2) Plus and minus memoranda of Personal Deposit Accounts and Municipal Funds.
- (3) Statement of lapsed Revenue Deposit.
- (4) Statement of sale of stamps.
- (5) Any other statement prescribed by competent authority.

The Assistant Treasury Officers are personally responsible for the correctness and punctual submission of these returns.

60. (1) In closing the accounts of the District treasury for the month, the month's totals of the subsidiary registers will be carried into the cash account in the case of receipts, and into the list of payments in the case of payments, the cash account being closed in accordance with the directions contained in the Account Code, Volume-II. The cash must be verified by actual counting and the cash balance report made out in accordance with the procedure prescribed in Rules 46, 47, 146, 147, 148, and 561.

(2) The monthly cash account shall be subjected to a very careful check by the Treasury Officer, when it is laid before him. He shall satisfy himself that the opening and closing balance of this account are not merely deductions from accounts but are statements of facts certified to have been verified by actual enumeration of coin and notes. The Treasury Officers shall also check each entry in the cash account and list of payments with the corresponding totals in the cash book and see that the totals of all the registers are correctly carried into the Cash Book.

Note 1:- If, at any time, the Treasury Officer shall be unable to compare all, at least he may compare some; notably, he should compare the entries in the plus and minus memorandum of deposits, stamps, etc., with entry in the account, e.g., the plus and minus memorandum shows a reduction in the stock of judicial stamps to the value of five thousand rupees; if the credit in the account be less the difference must be traced and satisfactorily accounted for.

Note:- 2- Any amount found surplus in treasury balances shall under Article 54 of Account Code, Volume-II be brought to account in the State Account under the head "065-Other Administrative Services C-Other Services-Other receipts". Surpluses found in the Currency Chests are credited to the Reserve Bank.

Note:- 3- Special attention is invited to the rules in chapter I, III and V of these Rules defining the duties of District Officers in regard to the verification and certification of the monthly cash balance and to the signing of the monthly cash accounts.

### **(vi) RETURNS TO THE ACCOUNTANT GENERAL.**

61. The Cash Account, the list, schedules of payment and other returns prepared in the forms and manner specified in Chapter IV of Account Code, Volume-II, shall be submitted to the Accountant-General punctually on the dates laid down therein ( See also Article 93 *ibid*) with to the punctual transmission of the accounts and returns. The Government shall view with

severe displeasure any avoidable delay on the part of the District Officer concerned or the Treasury Officer in the despatch of the prescribed accounts and returns complete schedules and vouchers , also the cash balance report and the cash account with schedules and papers complete.

\* Note:1 The first list of payment with connected vouchers and a Memorandum in Form TA 48 shall be sent to the Accountant General (A&E) Punjab between the 13th to 15th of the month. In case the 15th of the month is a gazetted holiday the accounts shall be submitted on the preceding working day. The cash account and the second list of Payments with supporting Schedules and the connected vouchers together with the Memorandum in Form TA 48 shall be submitted by the District Treasury Officer to the Accountant General(A&E) on the 7th day of the following month. In case the 7th day of the following month is a gazetted holiday, the accounts shall be submitted on the preceding working day. The delay shall be recorded by the Accountant General (A&E) Punjab in the Treasury Irregularity Statement and shall be specifically brought to the notice of the Government in the annual review of the working of treasuries. Great importance is to be attached to the punctual submission of accounts, as the delays on the part of Treasuries unnecessary delays work of the Accounts Office."

**\* (F.D. Notification No.4/3/89-1FCD/1610 dated 4th March,19991)**

Note-2 The returns due for dispatch on a holiday may be sent on the next working day.

Note:-3 For the periodical and occasional Returns to be submitted to the Accountant General, See Appendix D to these rules and see also Article 120 of Account Code , Volume-II.

Note:-4 All the periodical returns which the treasury/sub-treasury is required to submit shall be entered in the register in Form P.T.R. 6. The Treasury Officer or the Assistant Treasury Officer shall be responsible for their punctual submission.

**(vii) ERASURES OVER WRITINGS AND CORRECTIONS**

62. (1) The Treasury figures shall never be altered after they have been communicated to the Accountant General, but if after submission it is discovered that an error has been made, the error shall be pointed out, in order that he may correct, not the accounts of the treasury, but the accounts which he draws upon their basis . A note shall be made in the original account of the communication of the error to the Accountant General.

(2) Requisitions for correction of account shall invariably state how the error arose and how it came to light and how far the treasury was responsible for the original error. A complete record of requisitions sent to Audit Office shall be kept in a register in form **PTR7.**

(3) All the requisitions for corrections issued from the treasury irrespective of the head of account shall be numbered in annual series and must be entered in the register before despatch to Audit Office. As and when acceptance slip is received a note thereof shall be given against the entry concerned under proper authentication and it shall be pasted in the office copy of the requisition after correcting the Treasury accounts. The Treasury Officer shall review the register in the first week of each month, record his review note in the register and take effective steps for early acceptance of pending requisitions

**(viii) INSTRUCTIONS FOR THE TREASURY STAFF**

63. (1) Treasury Clerk shall be forbidden to undertake the encashment of bills or vouchers on behalf of payees.

(2) Treasuries shall be forbidden to make payments through Treasury Clerks or Office Servants sent to them by the Clerk.

(3) It is most important that the Treasury Staff shall identify the messengers presenting bills at the Treasury for payment. To facilitate this identification, the drawing officers shall see that, as far as possible, the same man is sent to the Treasury to receive payment and when a change is made, the new messenger shall, on first appearance be accompanied by some one who can identify him.

Note(1) A copy of these rules shall be hung up at a conspicuous place in the Treasury in order that they may be made known as widely as possible.

Note(2) The photos of messengers authorised to deliver or receive bills shall be kept in a guard file duly indexed. As and when authorisation in favour of a messenger becomes inoperative it shall be cancelled . No Drawing and Disbursing Officer can authorise more than two messengers at a time.

64. Vouchers pertaining to each schedule relating to the cash account or the list of payments shall be numbered consecutively in a separate monthly series and kept under lock and key in the order of payment till they are despatched . The vouchers pertaining to each schedule shall be numbered consecutively in a monthly series as they are entered therein and attached to it arranged in their numerical order. Before despatch of the lists of payments and schedules the Treasury Officer shall , by inspection, satisfy himself that the required vouchers are attached. The Treasury Officer shall at reasonable intervals during the month take up a schedule and see that all its vouchers are present and in proper order. Since no payment can be made without a voucher, there can be no excuse for the absence of any unless it be that for a special remittance.

### **SECTION III-TREASURY INSPECTION GENERAL RULES**

65. The Inspection of Treasuries and Sub-Treasuries shall be done by Department of Finance, Accountant General, Commissioner, Collector or General Assistant to the Deputy Commissioner, Sub-Divisional Officer (c), Treasury Officer and Superintendent Treasury ( in case of Sub-Treasury only). The fact of inspection shall be recorded in the Minute Book (except by Superintendent Treasury), and the detailed inspection note shall be issued separately.

Note:- A register for watching the disposal of Audit/Inspection Notes recorded by the Inspection staff of the Accountant General and Department of Finance shall be maintained in Form PTR 3. It shall be reviewed in the first week of each month and a note of review be recorded by the Treasury Officer, who shall also take effective steps for early settlement of pending paras/sub-paras.

66. The Inspection staff and other, authorised officers of the Department of Finance Treasury and Accounts Branch shall undertake inspection of Treasuries and Sub-Treasuries.

### **INSPECTION BY DEPUTY COMMISSIONERS AND THE ADDITIONAL DEPUTY COMMISSIONERS AND DIVISIONAL COMMISSIONERS**

67(1)(i) The Deputy Commissioner or the Additional Deputy commissioner shall inspect the District Treasury and Sub-Treasury concerned once in a year on regular basis and at least on one more occasion without notice.

(ii) The Deputy Commissioner or the Additional deputy Commissioner may also if he so feels, inspect a sub-Treasury at any time.

(iii) The Divisional Commissioner may if he so feels, inspect a Treasury or Sub-Treasury at any time.

(iv) (a) A copy of the inspection carried out under 'sub-clauses(i) to (iii) by the Divisional Commissioner or Deputy Commissioner or Additional Deputy Commissioner, shall be sent to the District Treasury Officer and Treasury Officer concerned of the Department of Finance(

Treasury and Accounts Branch) and to the Currency Officer, Reserve Bank of India, if the Treasury or Sub-treasury has the currency chest.

(b) The District Treasury Officer shall take necessary action to remove the defects pointed out in the inspection note and intimate the action taken thereon to the Divisional Commissioner, concerned or Deputy Commissioner, Department of Finance( Treasury and Accounts Branch) and to the Currency Officer, Reserve Bank of India (If the treasury or sub-treasury has the currency chest).

(2) Every Sub Divisional Officer (Civil) shall inspect the Sub-Treasury concerned every year atleast once on a regular basis and atleast on one more occasion without notice.

In respect of inspection of the sub-treasury as aforesaid and as provided in clauses (i) (iii) of sub-rule(I), a copy of the inspection report shall be sent to the Department of Finance ( Treasury and Accounts Branch) District Treasury Officer or the Treasury Officer concerned for taking appropriate necessary action thereon.

(3) The inspection as provided in sub-rule(1) shall be carried out by doing and ensuring the following things in particular, namely:-

(i) the strong room shall be inspected and cash balance verified;

(ii) it shall be ensured that the,-

(a) arrangements connected with the strong room for storage; and custody of treasure, stamps, opium and locks and keys and other valuables are perfect and complete;

(b) cash, draft, forms and cheque forms as handled in accordance with the rules;

(c) arrangements for the examination of money received and the claims to be paid, are satisfactory;

(d) treasurer has given adequate security and in addition, he has also furnished a surety bond in the proper form; and

(e) the District Treasury Officer exercises a proper and adequate check over the working of the treasury.

(4) A general review of the various records, registers, books of reference etc. shall also be undertaken to see whether the detailed orders of competent authorities issued since the last inspection relating to such matters as custody of padlocks and keys, remittances, stamps and opium and maintenance of accounts are readily available for reference and have been properly maintained.

(5) The points specified in sub-rules(3) and (4) are not exhaustive and the Divisional Commissioners or the Deputy Commissioners or the Additional Deputy Commissioners or the sub-Divisional Officers (Civil), shall have full discretion to add other items according to local needs. Neither the specification of these points nor the inspections carried out by an officer of the Indian Audit Department shall, in any way, diminish the personal responsibility of the Divisional Commissioners, the Deputy Commissioners, the Additional Deputy Commissioners or the Sub-Divisional Officers(Civil) for the efficient working of the concerned treasury. As the inspection shall be made systematically and thoroughly as far as possible, it is open to the inspecting officer to extend his personal scrutiny to points not mentioned in this rule, which in his opinion, require such scrutiny.

(6) The following items shall be checked by the Inspecting Officers on their surprise visit to the treasuries and Sub-treasuries:-

(a) Cypher Code, etc. the Cypher Code, Treasury Agencies, Private Check Signal Book, and Secret Memorandum issued by Reserve Bank are kept in personal custody of the District Treasury Officer or the Assistant Sub-Treasury Officer, as the case may be.

(i) Currency,- All notes of one hundred rupees denomination or above shall be personally checked by the Inspecting Officer in accordance with the procedure laid down in rule 146 and out of the other notes, he shall check atleast one other item according to the procedure laid down in the aforesaid rule. He shall specially see that labels in Form PTR- 22 duly signed by the

person by whom they have been counted or examined as per note below rule 138 of the Punjab Treasury Rules are affixed to the bundles of notes.

(ii) Out of coins he shall check atleast two items in accordance with the procedure laid down in rule 146. He shall also see that the slips in Form PTR 21 duly signed by the person who has counted and examined the bags personally, are placed inside the bags containing the coins as per rule 138 *ibid*.

(b) Stamps,- He shall physically check atleast two items from each kind of register of stamps.

(c) Valuables,- At least twenty-five percent of the valuables of the Treasury at the Headquarters shall be checked. The checking at sub-treasuries shall, however, be cent per cent.

(d) Opium,-Register of opium shall be checked cent per cent.

(e) Padlock,- Two items in the padlock Register shall be checked.

(f) General,- (i) All the items checked as per clauses (a) to (e) above shall be initialled by the Inspecting Officer in token of check; and

(ii) the Inspection Officer shall also satisfy himself on the following points:-

(1) Whether the lightening and fire fight-ing arrangements are satisfactory ?

(2) Whether the Strong Room Fitness Certificate has been granted by the Executive Engineer, P.W.D. (Buildings and Roads Branch) or not ?

(3) Whether the storage of notes, coins and stamps in the bags and receptacles are satisfactory and protect them from injury by dampness insects etc.

(4) Are counterpart Registers of Stamps, etc. kept by the treasury or sub-treasury ? If so, whether the entries in the original registers are made by the District Treasury Officer or any other official on his behalf other than the Treasurer or Sub-Treasurer ?

7. The Inspecting Officers should pay their attention to the comprehensive questionnaire forming Appendix 'E' to these rules for their guidance."

## 68. **DELETED**

### INSPECTION BY ACCOUNTANT GENERAL'S OFFICE

69. (1) The inspection of treasuries by a Gazetted Officer of the Indian Audit Department of the Accountant General shall ordinarily be conducted once a year unless special circumstances in any case justify more frequent inspections, the treasuries shall be inspected from time to time during the course of a year but, as far as possible, a treasury shall not be inspected during the first and the last five days of a month in order to enable it to compile the accounts for the month and the primary object of such inspection shall be to assist the revenue authorities, and not to relieve them of their responsibilities in the matter of frequent check and supervision.

(2) The Audit Inspection is not a local audit of treasury accounts and shall not, therefore, extend to the detailed examination of each and every item of receipt and disbursement. It is not required to verify by actual count the balance of cash, stamps and opium. All that is intended is to check generally that the—

(i) rules prescribed by the competent authorities, in the matter of financial transactions are duly observed;

(ii) procedure observed at treasuries meets all requirements of audit;

(iii) accounts are properly maintained; and

(iv) order in force regarding the custody and handling of treasure, etc., are observed.

(3) The procedure for the preparation and disposal of the inspection reports of the Commissioners as laid down in rule 67 shall be observed mutatis mutandis in the case of inspection reports of the Accountant General.

(4) The first reply to the Inspection Reports issued by Audit Department shall be given within two months from the date of issue of Inspection Reports.

Note:- A questionnaire for the guidance of inspecting officer is given in Appendix E to these rules.

#### INSPECTION BY TREASURY OFFICER

70. (1) The Treasury Officer shall conduct detailed inspection of each sub-treasuries under the district treasury once a year. He may pay surprise visits to the sub-treasuries, if the occasion so demands.

(2) A copy of the inspection note indicating the results of inspection shall invariably be sent to the Head of Department Incharge of Treasuries.

#### INSPECTION BY OFFICERS OF DEPARTMENT OF FINANCE

71. The inspection staff and other officers of the Department of Finance (Treasuries and Accounts Branch) shall be regulated in such a way that each treasury is inspected once a year and each sub-treasury once in two years. A copy of the inspection note shall be supplied to the Accountant General.

#### INSPECTION BY ASSISTANT SUPERINTENDENT TREASURY

72. (1) Assistant Superintendent of the District Treasury shall conduct detailed inspection of each sub-treasury under the district treasury once a year; his inspection being so arranged that inspection by Treasury Officer and the inspection by him falls in different halves of the financial year. The dates of inspection shall not be before the 10th and after the 20th of the month .

(2) The following procedure shall generally be observed by the Assistant Superintendent of the District Treasury during his inspection in addition to any other points which the Assistant Superintendent Treasury or Treasury Officer considers necessary on account of local circumstances etc.

#### MISCELLANEOUS

73. It is the discretion of the Treasury Officer subject to the direction of the Secretary to Government, Punjab, Department of Finance to order more frequent inspection and if any inspection discloses an unsatisfactory condition it shall be repeated after a short interval. When extra inspection required by the Treasury Officer an intimation of the same be sent to the Secretary to Government, Punjab, Department of Finance.

74. The annotated copy of the inspection note shall be sent by the Sub-Treasury Officer/Assistant Treasury Office to the Treasury Officer within thirty days of the receipt of the inspection note. The Treasury Officer shall forward it with his comments to the Secretary to Government, Punjab, Department of Finance within 15 days of receipt of annotated copy from Assistant/Sub-Treasury Officer.

**TREASURER'S DEPARTMENT**

(i) Cash- All notes of the denomination of one hundred rupees and above, shall be checked cent per cent personally and notes of lower denominations shall be test-checked. Currency transactions in the Currency Book shall also be verified from the entries shown in the Siaha ( details for one month to be taken from District Treasury)

(ii) Stamps-Surprise check of Single Lock Balances and physical verification of two items for each category of stamps in Double Lock shall be carried out.

(iii) Opium and valuables.- these shall be checked cent per cent.

(iv) Double Lock and Single Lock Register-Plus and minus memoranda of stamps showing the figures of monthly receipt as per indents/invoices, etc., and their sale for the entire half-year, to be brought from district treasury, shall be checked with these registers.

(v) Entries of sale of stamps for six months to be selected by the Treasury Officer shall be compared with the sub-treasury accounts and receipt registers in order to see that corresponding credits are forthcoming.

(vi) Entries of issued stamps from Double Lock to the Single Lock Registers shall be compared for six months.

(vii) Other points, e.g. glaring defects in strong room building, etc. shall be seen in general and brought out in the inspection note.

**ACCOUNTANT'S DEPARTMENT**

(viii) Entries of payments shown in Pension Payment Orders shall be verified for one month from Pension Payment Registers. In case of payment of pension by Money Order, payees receipts shall be verified cent per cent for all the six months.

(ix) Cash book shall be tallied with subsidiary registers for one week.

(x) Repayments of revenue deposits for one month shall be verified with reference to original deposits appearing in the receipt register.

(xi) Issue of cheques shall be verified with reference to the entries of letter of credit in the Register of Tahsildari Accounts, for one month.

(xii) Payment of Revenue Treasury Receipts shall be verified from the original advice received in the sub-treasury for one month.

(xiii) Other records, e.g. registers of interest on Government securities, Post Office payments, Personal Ledger Accounts, etc. etc., should be reviewed generally to see that they are maintained according to rules and the instructions on the subject.

75. Assistant Superintendent Treasury shall not.-

(i) issue order to the Sub-treasury Officer or to the Assistant Treasury Officer and a copy of the Assistant Superintendent, Treasury's inspection note is given to the Sub-treasury Officer/Assistant Treasury Officer; it is for the District Treasury Officer to issue orders upon it, if necessary.

76. Assistant Superintendent Treasury will not record his inspection note in the book used by other inspecting officers and shall record the same in a separate book.

**INSPECTION BY ACCOUNTANT GENERAL'S OFFICE**

77. The inspection of sub-treasuries by a Gazetted Government Officer of the Audit Department of the Accountant General shall ordinarily be conducted once in five years, unless special circumstances in any case justify more frequent inspections

Note:- The inspecting officers shall direct their attention to the comprehensive questionnaire

specified in Appendix E to these rules.

### **TRANSFER OF CHARGE OF TREASURIES**

78. whenever a change in the executive charge of the treasury takes place, the report of handling over and taking over the charge shall be made immediately to the Accountant General, Punjab except when there is a change as temporary measure during the short absence of the Treasury Officer on casual leave, etc. as provided in rule 40.

### **TRANSFER OF CHARGE OF SUB-TREASURIES**

79. When the Sub-Treasury Officer leaves his head- quarters for a longer period than one day, the cash shall be formally inspected and the key cosigned to the most responsible official available, and after comparison, both officials shall sign the day-book, the cash book and the Assistant Treasurer's balance-sheet. The same formality shall take place on the Sub-Treasury Officer's return. Where a Naib Tehsildar is incharge of a Sub-Treasury, he shall contrive to be as little absent from headquarters, as possible, and only at times when business is slack.

80. Whenever the charge of sub-treasury is transferred, the balance of money, stamps and opium shall be formally made over by the relieved officer to the relieving officer and a certificate in Form P.T.R.9 submitted for the information of the Treasury Officer.

Note:- This rule does not apply to cases referred to in rule 79, as in those cases the Sub-Treasury Officer remains responsible for his charge during his absence from headquarter.

### **SECTION IV-MISCELLANEOUS PROVISIONS**

Deposit of cash and valuables of other Departments of Government:-

81. No funds of other departments may be received in the treasury for safe custody and kept out of account or be received at all except under ordinary rules(See Rule 127).

82. (i) The Collector may for special reasons, direct the cash chests belonging to other Departments of Government, Local Bodies and Co-operative Banks and Societies to be lodged in the treasury for safe custody. When the cash chests are so lodged, the fact shall be reported for the information of the Accountant General and the Government. A register shall be kept in the treasury in which the receipt and return of the chest shall be duly acknowledged. The key or keys of the chests shall not be kept in the treasury nor shall the amount of such chest be brought into the accounts of the treasury

(2) The Accountant General may report to the Government any case in which the permission/direction by the Collector under sub-rule(1) has been given improperly.

Note:- The Nazir's chest and the police chest may be kept in the treasury; but it is not necessary that these should be under double lock. These may be kept in the outer room of the treasury. The cash chests of other district officers containing un-disbursed pay of their establishment may also be put in the treasury in the same way. But money so lodged must be kept separate from the general treasury balance in a sealed bag or box, without being brought upon the accounts. This arrangement is an executive one, and it is not necessary to report it to the Accountant General, but a register in the form given below shall be maintained by the Treasury Officer, for each Department of the Government using the outer rooms of the treasury for the safe custody of its chest.

Note 2:- The register of receipts and returns of cash chests of Departments referred to in this rule, kept for safe custody in the .....Treasury outer room (to be in the custody of the Treasury Official when the chest has been returned to the depositor and to be in the custody of the depositor when the chest is lodged in the Treasury , shall be in the following form:-

To be filled in the Departmental office. \_\_\_\_\_ To be filled in the Treasury.

Date	on	Name	of	Signature		Signature	Date of	Acknow
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which the return of the chest is desired.	the messenger authorised to receive the chest.	of the person authorising the messenger to receive the chest.		of the messenger receiving the chest from the treasury.	deposit.	ledgement of treasury official.
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Note :3- General permission has been accorded to Co-operative Societies for depositing their cash boxes in the nearest treasury subject to the following conditions, namely:-

- (i) that it must be established that the society cannot otherwise, except at unreasonable cost, arrange for the custody of its funds and papers either with the state Bank of India or one of the nationalised banks, or with an approved banker or in some other safe manner;
- (ii) that the society is required to use a strong box of moderate dimensions with a good Lock, sealed with a proper seal, and does not harass the Treasury staff by too frequent applications to open the treasury;
- (iii) that the cash box is deposited in double lock unless the Co-operative Bank specifically asks in writing that it shall be kept in single lock;
- (iv) that the Government shall not be liable for any loss of any kind whether the cash box is kept in double or single lock;
- (v) that only those societies will be given the privilege in regard to which the Registrar of Co-operative Societies makes a recommendation;
- (vi) that the Collector shall have the discretion to decline to receive the cash box, if he considers that the available accommodation in the treasury building is inadequate.

Note:4- The local Bodies and Co-operative Banks and the Co-operative Societies will be charged for the services rendered to them by the Government under this rule, at the rates specified in Note 2 below rule 84.

Note:5- The Treasury Officer shall also maintain a list of all the chests or strong boxes permitted by the Collector to be lodged in the Treasury in the Form given below:-

**List of Chests permitted to be lodged in the Treasury.**

Serial No	Name of the Department to which the chest or strong box belongs	Order with date of the Collector directing to lodge the chest or strong box in the Treasury	Initials of Treasury Officer	Orders of the Collector regarding the return of the chest to the Departmental Officer.
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83. (1) Bullion, jewellery, and other valuables, such as promissory notes, security deposit, etc. coming into the hands of a Government employee in his official capacity may be received in the treasury for safe custody at the discretion of the District Magistrate or Chief Judicial Magistrate or Judicial Magistrate in the case of district treasury and of the Sub-treasury, the value of such articles shall not be brought into account of the treasuries. The Treasury

Officer shall once a month examine the condition of boxes of bullion, etc. and record the result of the examination in the register referred to in clause(ii)of sub-rule(2).The deposit of duplicate keys in the treasury is regulated by the provisions of sub-rule(3);

(2) The treasury office shall deal with the bullion, jewellery and other valuables received in the treasury under sub-rule(1)as under:-

(i) When bullion, jewellery and other valuables, including current money is an exhibit in a criminal case, connected with any case, executive, or judicial, are placed in the treasury for safe custody under orders of the District Magistrate, Chief Judicial Magistrate or

Sub-Divisional Officer or Judicial Magistrate, as the case may be, they shall be made up in a sealed packet, and presented with a memorandum from the District Magistrate, Chief Judicial Magistrate, or Sub-Divisional Officer or Judicial Magistrate, as the case may be containing a list of property and a statement of its actual or estimated value.

(ii) The Treasury Officer, after satisfying himself that the packet is in order and the seal is intact, shall note the receipt in the register of valuables in the following Form and will return the memorandum to the District Magistrate, Chief Judicial Magistrate, or Sub-Divisional Officer or Judicial Magistrate as the case may be , endorsed with a receipt for sealed packet, numbered and said to contain the property detailed on the reverse:-

Dated initials of \_\_\_\_\_ Dated initials of \_\_\_\_\_

No. of packet	Case concerned	Circumstances and conditions of receipts	List and description of property said to be contained in the packet with value actual or estimated.	Treasury Officer	Treasury	Note of final disposal with receipt of person to whom delivered	
						Treasury Officer	Treasury.

**N.B.-** Each entry must be initialed by both the Treasury Officer and the Treasurer.

(iii) The packets shall then be kept in the same way as cash under double lock and shall not be returned without the orders of District Magistrate, Chief Judicial Magistrate, Sub-Divisional Officer or Judicial Magistrate, as the case may be. The delivery of the packets or valuables may be had from the treasury on the authority of the court, concerned either by the official who had deposited the same in the treasury or by an official of the court itself, duly authorised , after showing order of the court for their release from the treasury.

(iv) The Treasury Officer shall maintain two registers one in the form shown in clause(ii) for bullion, jewellery and other valuables connected with cases which are not required to be taken out frequently and the other in Form P.T.R. 10 for similar articles connected with cases required to be taken out frequently. For depositing receipts of recognised banks rendered as security and received for safe custody at the treasury,(vide rule 131) the register shall be in Form P.T.R.11.

(3) The confidential deed box belonging to a municipality may be received at a treasury for safe custody.

(4) The duplicate keys of the iron safes and chests kept in Government offices for the custody of cash and other valuables shall be received in sealed covers in the treasury or withdrawn there from without the sanction of the authorities mentioned in this rule,^(vide notes below rules 126 and 96) see, however, rule 82.

(5) Treasurers security bonds shall be kept in the treasury chamber in a separate box, the key of which shall remain with the Treasury Officer.

84. (1) Government promissory notes belonging to a Municipal Corporation, Municipal Committee, Notified Area Committee, Zila Parishad, Panchayat Samiti or Gram Panchayat shall, if they are not likely to be returned within twelvemonths, be sent for safe custody to the Treasury Officer of the nearest Government treasury.

(2) In the case of valuables belonging to the Committee (including Notified Area Committee, or Zila Parishad or other local body shall if there is a branch of the Bank situated within the City, the Municipality or the Notified Area Committee, Zila Parishad or other local body concerned or at the headquarters of the district, be kept in that bank and if there is no such bank, be kept in the Government treasury in a strong box to be deposited in the double lock rooms and the keys of such strong box may remain with such person as the Committee or Zila Parishad or other local body may direct;

Provided that securities endorsed in favour of any person acting as a banker or any bank other than the Reserve Bank or State Bank of India, and fixed deposit receipts of such persons or banks, other than the Reserve Bank or the State Bank of India, shall be deposited in the Government treasury.

Note I:- The provisions of this rule apply also to all institutions other than the Department of Government.

Note:-2 The local bodies will be charged for the services rendered to them by the Government under this rule or under sub rule(3) of rule 83 at the following rates:-

- |  |                            |
|--|----------------------------|
| (i) Packets or boxes up to one Kilogram in weight,                                   | <u>Rs.50 per quarter.</u>  |
| (ii) Packets and boxes weighting more than one Kilogram but not more than 5 kilogram | <u>Rs. 100 per quarter</u> |
| (iii) Packet and boxes weighing more than 5 Kilogram                                 | <u>Rs. 150 per quarter</u> |

85. (1) Title deeds, Government securities, all deeds of other documents purporting to convey a title or claim to any valuable security and all valuables not required for the immediate use of the Ward of the Court or his estate, shall be deposited in the treasury in a strong box, the key of which shall remain with the Deputy Commissioner or the Manager of the Estate.

(2) A register in Form No.44 prescribed in the Court of Wards Account Code shall be kept within the box and in this register shall be entered every document or valuable article contained therein except securities filed by servants or contractor.

(3) Whenever a document or valuable article is removed, the fact shall be noted in columns 7 and 8 of the register referred in sub-rule (2) and the entry initialled by the Deputy Commissioner. The date of return of such document or article shall also be noted in the remarks column of the register, the same number being retained for each document.

(4) On transfer of the Deputy commissioner or the Manager, if he is in charge of the key of the box, a certificate stating the documents and articles handed over by him to his successor shall be entered in the register referred to in sub-rule(2), over the signatures of both the relieved and the relieving officer.

Note:- The security bonds of Government employees employed in the treasuries shall be kept in a locked box in the double lock strong room of the district treasury. The Treasury Officer shall be responsible for the safe custody of the bonds and shall keep the key of the box in his personal custody.

86. Notice shall be posted up conspicuously in the office, indicating the hour at which the treasury is closed for receipts and payments of money, which should be, at least an hour before the end of the day's work, in order to give time for closing and agreeing the accounts.

Provided that if order of any local competent authority requires that the treasury on any day shall be kept open till a named hour, the accounts cannot of course, be closed till after that time

but shall then be closed and agreed in the usual manner before any one leaves office.

(2) All Banking and Non-Banking treasuries and other treasuries in Punjab shall remain open for public transactions from 10.00 A.M. to 1.30 P.M. On working days from 10.00 A.M. to 12.00 Noon on 10th and last working day of the month. Except on public holidays treasuries shall remain open during horse fairs for at least three hours daily;

Provided that-

(i) the credit challans for deposit of money shall, be passed throughout the day; and

(ii) Stamps, etc. shall be issued in the treasuries up to 3.00P.M. against the receipted challans of Bank or the treasury.

(3) The treasuries shall be closed for public business only on those days which are notified by Government as public holidays for observance in public offices.

87. Notwithstanding anything contained in rule 86-

(i) the Deputy Commissioner of a district may order the opening of a treasury on a public holiday for the purpose of transferring the charge of the treasury or for making payment to the military or postal departments in cases of emergency.

(ii) (a) to meet the requirements of the Defence Services in the event of emergency, the Station Commander shall make a written request to the collector concerned intimating him which treasury is to be kept open up to four consecutive days from a given date for transacting military official business only. The Station Commander shall forward a report of his action to Army Headquarters and to intermediate formations and also to the Secretary to Government of Punjab in the Department of Finance.

(b) On receipt of such request, the Collector shall arrange for the treasury to be kept open on the specified date or where Government treasury work is done by the State Bank of India request the Agent of the State Bank of India to keep the branch open for transacting military official business. The Collector shall inform the Government in the Department of Finance the action taken.

88. (1) The Treasury Officer shall personally see that the notices which he is required to exhibit, understanding orders or other instructions received from time to time, such as those regarding the encashment of notes, the supply of small silver coins, nickel and copper, etc. are exhibited conspicuously in places which the public enters freely and that no favouritism is shown in the conveniences which the treasury can offer.

Note:-Notices regarding financial matters which may in any way, commit the Government with the public other than those issued by the Revenue or other departments with which the currency officer is not concerned shall not be exhibited in any treasury unless its form is previously approved by the Currency Officer.

(2) The instructions in regard to procedure to be observed in receiving money into and giving out of double lock( see rule 144) shall be pasted on a board and hung up in a conspicuous place in the treasury chamber for the guidance of the officer-in-charge.

Note:- All the complaints received against the treasury staff shall be entered in the prescribed register which shall remain in the custody of the treasury Officer or Assistant Treasury Officer. These should be properly attended to and their disposal noted in the register.

#### **ADMITTANCE INTO TREASURY**

89. No person unconnected with the treasury shall on any pretence be allowed admission either into the Accountant's room or Treasurer's room beyond the bar or the counter.

90. No one except the Treasury Officer shall be admitted into the treasury after the work of the office has closed for the day without a written order from the treasury Officer. The police guard to whom the charge is formally given at the close of every day shall be responsible for seeing that this rule is observed fully,

Note:- A copy of this rule(with a Punjabi translation) shall be hung up within view of the guard,

and the Treasury Officer shall be responsible for seeing that this is done.

#### **FORMS OF TREASURY ACCOUNTS AND CHEQUE BOOKS**

91. (1) The annual indent for treasury Account and other forms shall be prepared in the prescribed printed form and submitted to the Controller of Printing and Stationery, Punjab through the Head of Department of Treasury Organisation on the 1st November, each year by the Treasury Officer for supplies required for his district for the ensuing financial year.

(2) For obtaining cheque books and receipt books for issue to Departmental Officers the special form of indent shall be used and filled up in accordance with the instructions printed at the foot of that form and shall be forwarded to the Head of Department of Treasury Organisation in case of State Cheque or Receipt Books and to the Accountant General, Punjab in respect of Central Cheque or Receipt Books, in January each year, so that no delay may occur in issuing the forms, Supplementary indents, which not only increase work but add to the cost of packing and conveyance, shall be avoided as much as possible and should be submitted only in case of real urgency, when the necessity for them should be fully explained. Cheque Books or Receipt Books shall be counted. Similarly they shall be examined again when issued to disbursing officers and care shall be taken to see that these are acknowledged by the later promptly.

Note:1- This rule also applies to departmental Receipt Books, Form P.T.R. 12, is required for issue to officers of the Department of Public Works.

Note:2- A statement shall be sent quarterly by the Treasury Officer to each Divisional Officer of the Department of Public Works giving the numbers and dates of all Public Works Cheque Books and Receipt Books issued on requisitions received from him and from each of his Sub-Divisional Officers.

#### **CONFIDENTIAL PAMPHLETS ETC**

92. Memoranda of Treasury frauds and other pamphlets or books of a confidential nature, shall be kept in the custody of the Deputy Commissioner or treasury Officer, and no members of the establishment on any account shall be allowed access to them.

#### **CORRECTIONS TO RULES**

93. An extra copy of each list of corrections to the Punjab Treasury Rules, Financial Rules, etc., supplies to treasuries, should be kept in a separate file.

Note:- A register of reference books shall be maintained by each Treasury Officer and Assistant Treasury Officer in Form PTR 13. A separate page shall be set apart for each kind of reference book. The stock shall be verified in April each year.

#### **CORRESPONDENCE WITH ACCOUNTANT GENERAL**

94. Official post card should not be used in correspondence with the Accountant General's Office, and all letters and dockets should be written on half margin, on either fullscap size paper or on the forms specially supplied for the purpose. The letters and docket form supplied for the other Department should not be used as the files of the Account Office require to be kept in proper order.

#### **DESTRUCTION OF TREASURY RECORDS**

95. The periods after which treasury records shall be destroyed are given in the statement appearing in Part-II of Appendix to these rules.

Note: 1- The period will reckon from the termination of the complete years to which the records pertain.

Note:2- A register for keeping details of records destroyed shall be maintained in Form PTR 14. The records due for destruction shall be sorted in April each year the waste paper arising therefrom shall be disposed of as waste paper in accordance with the instructions issued by the Government from time to time.

### **PART –III**

**PAYMENT OF REVENUES OR PUBLIC MONEYS RAISED OR RECEIVED BY THE STATE GOVERNMENT INTO THE CONSOLIDATED FUND, AND OTHER PUBLIC MONEYS INTO THE PUBLIC ACCOUNT.**

**SECTION I- DEPOSIT OF MONEYS OTHER THAN REVENUES OR PUBLIC MONEYS RAISED OR RECEIVED BY THE GOVERNMENT OF THE STATE INTO THE PUBLIC ACCOUNT.**

**(i) GENERAL RULES FOR HANDLING CASH AND RECORDING OF TRANSACTIONS CONNECTED THERE WITH.**

96. (1) A person may tender moneys in payment of dues to Government either(a) to the concerned departmental officers by cheque, bank draft, postal order, or money order, or in cash if the amount does not exceed one hundred rupees in each case or such higher amount as he may be authorised to receive, or (b) at the treasury or the bank.

Note:- The Stamps would be sold at the counter of the Treasury against cash payment irrespective of the cost of stamps.

(2) Every Government employee shall be personally responsible for the money which passes through his hands and for the prompt record of receipts and payments in the relevant account as well as for the correctness of the account in every respect. The private cash or accounts of members of the office or department shall not be mixed up with the public or accounts.

Note: 1- All transactions involving the giving or taking of stores, other properties, rights, privileges, and concessions which have money value shall be brought to account in some suitable form as soon as they occur.

Note:2- The procedure laid down in Part-IV shall be followed in the custody of cash.

The procedure to be followed in the case of bullion, jewellery and other valuables coming into hands of Government employees in their official capacity has been given in rule 83.

97. (1) all moneys received by or deposited with a Government employee in his capacity as such , other than revenues or public moneys raised or received by the Government of the State, shall be paid into the Public Account of the State.

(2) Moneys relating to the following classes of funds come within the purview of rule (1):-

- (i) Pupils Funds maintained in Educational Institutions;
- (ii) Security deposits of jail contractors, wardens and other members of the staff employed in jails, when received in cash are credited into the treasury as "Revenue Deposits";
- (iii) Charitable Endowment Funds.
- (iv) Security deposits made by the borrowers of books from the libraries in the Department of Education are deposited in the "Personal Deposit Account"; and
- (v) Tenants' Welfare Fund of Government Farms of the Department of Agriculture.

(3) The following rules shall be carefully observed in dealing with moneys relating to the Pupils' Funds, mentioned in clause (i) of sub-rule(2):-

(i) All Fees realised from the students in the Government Educational Institutions for extra curricular activities, e.g. , games, riding, boating clothing, etc., as also expenditure from shall be accounted for under the minor head " Deposits of Educational Institutions" under the Sector K-Deposits and Advances-Sub sector, or B-Deposits not bearing interest -843-Civil deposits. Each category of the Educational Institutions, viz., Medical, Agriculture, Industries and Education, etc., shall be treated as a sub-head under the minor head "Deposits of Educational Institution in the treasury accounts and the name of each institution shall be inserted as a detailed head under the respective sub-head.

(ii) No reference to the Accountant General, Punjab, shall be necessary for the opening of an account in respect of such funds in the treasury. There shall be only one deposit account in the

name of each institution at the treasury, in which deposits relating to the various students' funds maintained in that institution shall be credited in lump sum. The detailed accounts of these institutions under each students' fund shall be kept separately by the institution concerned.

(iii) The withdrawals for incurring expenditure shall be made by means of cheques. The accounts of pupils' funds shall be audited by the Examiner, Local Fund Accounts, in the same manner as in the case of personal deposits.

(iv) All Government Educational Institutions shall keep the accounts of the pupils' funds in the nearest treasury( see also notes 1 and 2 below);

Provided that the following deposits with Government Educational Institutions are not governed by the rules mentioned above:-

(a) registration and re-registration fee charged from the students for payment to the University.

(b) Cheques received from the University towards scholarships, etc., for payments to the students; and

(c) cheques or R.T.Rs. received from the Government of India for payment of scholarship money in the form of cheques to scheduled caste and scheduled tribes students.

Such deposits, if and when received, shall be immediately credited into a current account to be opened with a branch of the State Bank of India in the name of the head of the institution concerned who will be personally responsible for the proper maintenance of these accounts and for the disbursement of money to the rightful persons without undue delay . Such accounts shall be subject to audit by the Examiner Local Fund Accounts, Punjab.

**Note:1-** The security deposits caution money of students shall be deposited under a new Personal Ledger Account in addition to the one mentioned in rule for each educational institution, as the latter is intended merely to accommodate transactions relating to fees realised from students on account of the extra-curricular activities, e.g. games riding, etc., and not to security deposits/caution money. The Personal Ledger Account may be opened directly in the name of the drawing officer of the institution concerned without reference to the Department of Finance or to the Accountant General, Punjab in relaxation of the provision concerned in rule 444. The audit of these accounts shall be conducted by the Examiner, Local Fund Accounts, Punjab.

**Note:2-** In the case of middle, lower middle and primary schools, the account should be opened in the name of the respective drawing and disbursing officer of the institution concerned instead of the head of such institution.

## **SECTION II-PAYMENT OF REVENUES OR PUBLIC MONEYS RAISED OR RECEIVED BY THE STATE GOVERNMENT INTO THE CONSOLIDATED FUND. GRANT OF RECEIPT TO THE PAYER**

98. (1) Where money is received on behalf of the Government the head of an office must give the payer a receipt in Form PTR 15 duly signed by him. Before signing the receipt and initialing its counterfoil he shall satisfy himself that the amount has been properly entered in the cash book. If the circumstances so justify, he may, at his discretion, authorise any other officer subordinate to him, whether gazetted or non gazetted, to sign such receipts for him.

(2) All moneys received under sub-rule(1) shall be brought to account at once in the form of Account prescribed therefor by rules issued by the competent authority and no money shall be received except under the rules prescribed for receipt of money.

(3) Receipts of the department of Public Works, in Form PTR 12 shall be issued only by the Divisional Officers, Sub-Divisional Officers, Ziladars or other Government employees specially authorised by the Government. Receipt books shall be obtained from the treasury of the district within which their respective headquarters are situated.

**Note:-** For the custody and disposal of receipt books see Part-I of the Departmental Financial Rules relating to the Department of Public Works

(4) All receipts (given at the treasury) must be written in figures and in words in the original and such other copies of challans in Form PTR 16 prescribed in rule 107, as are required to be given to the tenderers of moneys and signed in full over the 'Cash Received/Received Payment' stamp. Other copies of the challan may, however, be initialed against the amount already indicated therein over the 'Cash Received/Received Payment' stamp.

(5) Where money is realised not in cash, but by recovery from payment made on a bill setting forth, full particulars of the deduction, receipt may be granted only if specially desired by the payer, the fact of the recovery having been made by deduction from the bill being clearly recorded on the receipt.

### **RECEIPT & PAYMENT OF GOVT. MONEY INTO PUBLIC ACCOUNT FORM AND CUSTODY OF RECEIPT BOOKS**

99. All receipt books including blank books shall be kept under lock and key in the personal custody of the Officer authorised to sign the receipt on behalf of the Government.

100. Before a receipt book is brought into use, the number of forms contained therein shall be counted and the result recorded in a conspicuous place in the book over the signatures of the Government Officer, in charge, of the book. Counterfoils of used receipt books shall be kept in his personal custody.

### **ISSUE OF DUPLICATE OR COPIES OF RECEIPTS**

101. No Government officer shall issue duplicates or copies of receipts granted for money received on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specific day a certain sum on a certain account, was received from a certain person.

**Explanation:-** This prohibition shall extend only to the issue of duplicates on the allegation that the originals have been lost and shall not apply to cases, in which, by existing rules, duplicates have to be prepared and tendered with originals.

**Note:-** Treasury Officer shall remember that ignorance of the proper classification would not justify them in declining to receive money presented to them for credit to the Government. If they entertain any doubt respecting the correct classification of any item, the best course for them will be to show it distinctly and with sufficient information (under the head unclassified suspense, if necessary), to indicate its precise nature in the Cash Book and Cash Account

### **PROCEDURE FOR PAYING MONEY INTO THE TREASURY**

102. Payments of money into the Treasury or the Bank may ordinarily be made only in cash, but cheques, bank pay orders and bank credit challans accepted under the provisions of rules 103 and 104 will be received for credit in the Public Account.

**Note:-** The conditions under which small coin and coin which is not legal tender, including foreign coins, may be received at the treasury are regulated by the rules embodied in Part XIV.

103. (1) The Cheques on local Banks crossed by the drawer shall be accepted in payment of Government dues or in settlement of other transactions with the Government at places where the cash business of the Treasury is conducted by Bank. Until, however, a cheque has been cleared, the Government shall not admit that the payment has been received and, consequently, final receipt shall not be granted when a cheque is tendered. A receipt for the actual cheque only may be given in the first instance, but if the person making payment in this manner so desired, a formal payment receipt shall be sent to his address after the cheque has been cleared. The collection charge of the bank, if any, will be recovered by or under instructions of the bank from

the party presenting the cheque.

(2) The preliminary acknowledgement of the receipt for the actual cheque referred to in sub-rule(ii) shall be given in the following form:-

" Received cheque No. \_\_\_\_\_, for Rs. \_\_\_\_\_  
drawn on account of \_\_\_\_\_ as per challan No. \_\_\_\_\_."

Note:1- The Reserve Bank and the State Bank of India reserve to them-selves the right of refuse to accept cheques, collection of which in their opinion cannot reasonably be undertaken and which they would not accept on behalf of their own constituents.

Note:2- In the event of the cheque being dishonoured by Bank on presentation, the fact shall be reported at one to the tenderer with a demand for payment in cash and the dishonoured cheques shall be returned to tenderer on surrendering the preliminary acknowledgement of the receipt for the actual cheque or any token previously granted but the Government shall not accept any liability for loss or damage which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

Note:3- When Government dues, which are payable by certain fixed dates are paid by cheque, the person desiring to make such payments in this manner without risk shall take suitable precautions to ensure that his cheques reaches the treasury or the receiving officer at the latest on the working day preceding the date on which the payment is to be made. The cheque received on the last day of payment of Government dues may be refused at the discretion of the officer to whom they are tendered and those received later will not be accepted.

Note:4- The term "Local Banks" as used in this rule means banks including the Reserve Bank and the State Bank of India located at the station in which a Bank treasury is situated.

Note:5- Demand drafts shall not be distinguished from cheques for the purposes of these rules, and provided a cheque tendered in payment of Government dues is accepted under the provisions of this rule and is honoured on presentation, payment shall be deemed to have been made:-

(i) If the cheque is handed over to the Government's banker or to a Government Officer authorised to receive money on behalf of the Government on the date on which it is handed over; or

(ii) If it is sent by post in pursuance of an instruction to make payment by post, on the date on which the cover containing it is put in the post; provided that where a cheque is marked as not payable before a certain date the payment shall not be deemed to have been made until the date on which it becomes payable.

Note:6- The provisions of clause(ii) of Note 5 above apply mutatis mutandis to payments made to Government by postal money order or by any other recognised mode of remitting money by post.

104. (1) Whenever under the provisions of sub-rule (2) of rule 8 moneys received on account of the state Revenues instead of being paid into Treasury or the Bank, are utilised to meet departmental payment, the gross receipts and the payments made therefrom shall be entered as receipts and expenditure in any record that may be kept of the payments into and withdrawals from the Public Account and accounted for to the Accountant General. If the receipts are in excess of payments made, the excess shall be remitted to the Treasury or the Bank, as the case may be, and save where it is otherwise provided in these rules, the officer making such remittance shall note on the memorandum or challan prescribed under rule 107, the full amount of cash actually received by them, and contra, the expenses disbursed therefrom, and not merely the net receipts.

(2) When a departmental officer remits a cheque to the treasury or the Bank in adjustment of departmental receipts temporarily appropriated for departmental payments the particulars of the cheques shall be noted on the challan or remittance note.

105. An officer remitting a cheque to the treasury or to the bank or transfer credit in the Public Account shall endorse the words "Received Payment by transfer credit to (a)- on the document." The officer who endorses a cheque in blank shall be held primarily responsible for the loss if, by any chance, such a cheque is paid in cash.

(a) The head of account to which the amount of cheque is creditable should be inserted here.

106. Cash shall not be received by Treasury Officers from officers of the government for supplies of service postage stamps.

Note:- For procedure regulating the supplies of service postage stamps, see rule 315.

#### **MEMORANDUM OR CHALLAN**

107. (1) Subject as otherwise provided in these rules, or, unless the Government in relation to any particular class of transactions direct otherwise, any person paying money into a treasury or the Bank on Government account shall present with it a memorandum ( or challan) in Form PTR 16 (in triplicate) duly marked as 'Original', 'duplicate' and 'triplicate' filled in ink or written legibly and clearly with ball point pen showing distinctly the nature of payment, the person or Government Officer on whose account it is made and all the information necessary for the preparation of the receipt to be given in exchange for the proper account classification of the credit and where necessary for its allocation between Governments and Departments concerned, etc. As far as possible, separate challan shall be used for moneys creditable to different heads of accounts. All receipts shall be written both in figures and in words in the original and such other copies of challans in the aforesaid Form PTR 16 as are required to be given to the tenderers of moneys, and signed in full ink or ball point pen over the 'cash received/received payment' stamp. Other copies of the challan may, however, be initialled against the amount already indicated therein over the 'Cash received /Received Payment' Stamp.

(2) Out of the Challan forms presented in triplicate under sub-rule(1), the original copy shall be returned to the depositor duly signed as receipt, the second copy sent to the department concerned and the third copy retained in the Treasury record;

Provided that the challan forms for credit of amount under the provisions of the Punjab Passengers and Goods Taxation Act, 1952, for the purchase of passenger tax stamps shall be presented in quadruplicate marked as "original", "duplicate", "triplicate" and "quadruplicate" out of which two challan forms marked "original" and "duplicate" shall be returned to the depositor by the treasury or the Bank, as the case may be, and the triplicate copy sent to the Department concerned and the quadruplicate copy kept as record in the Treasury or the Bank, as the case may be.

**Note:1-** Recovery challan of Dakhilas presented by the Revenue Authorities in triplicate shall be accepted even if the same are filled in with copying pencil instead of ink.

**Note:2-** Printed forms shall be supplied by the treasury, which may, with advantage, be bilingual.

Note:3- Duplicate challans are not required when remittances are made to a treasury for obtaining Reserve Bank drafts or cash orders, or when such remittances are accompanied by remittance or Pass Books in which the Treasury Officer or the Bank is required to acknowledge receipt of the remittance.

Note:4- When money is paid by a private person into a treasury located in the place in which the office of the departmental officer concerned with the payment is located, the challan will before presentation to the treasury be signed by the departmental officer to whose account the money is to be credited.

Note:5- fees tendered by candidates for examination, may be received at the treasury. A single receipt only is to be given, that is, a duplicate may on no account be issued. However, in case of loss of original receipt a credit certificates may be issued.

Note:6- In the case of Government Examination, when the fees from the several candidates in a school are remitted into the treasury in a lump sum, a single collective receipt for the whole amount shall be issued.

Note:7- The fee payable in advance to the Criminal Investigation Bureau at Phillaur, in all Civil cases in which the parties or any of them apply for expert opinion in the matter of deciphering finger impression and other work of a similar character, may be received at the treasury for credit to the Head "Police".

Note:8- In every case of recovery of over payments made in cash, a challan shall be presented in triplicate containing, full particulars of the number and date of encashment of the voucher and also the head of account under which the amount was originally drawn, one copy of challan being forwarded by the treasury to the Accountant General in support of the credits incorporated in the monthly schedule of receipts of the department concerned.

Note:9- Where a remittance is accompanied by a Remittance Book maintained in a State Government office, only one copy of that challan would be submitted alongwith it. The acknowledgement would be given in the Remittance Book by the Treasury or the Bank. The challan is required for use in the Treasury.

108. In every case of recovery made, in cash, in respect of General Provident Fund, loans and advances granted to Government employees, loans granted to Local Bodies, Contributions on account of Leave Salary and pension of Government employees on foreign service, challans shall be presented in triplicate containing full particulars. In case of loans and advances granted, reference to the sanction granting the loan and advances and Number and date of encashment of the Voucher for withdrawal shall be shown. One copy of the challan shall be forwarded by the treasury to the Accountant General in support of the credits incorporated in the concerned monthly schedules.

109. (1) The Government may, by general or special order, permit revenue collected at outlying stations to be remitted to treasuries by means of money orders. The money order commission in such cases shall be charged to contingencies of the department concerned.

(2) Under sub-rule (1) the following special orders have been issued by the government in this behalf:-

(1) In the case of Government Institutions situated at places which are not the headquarters of treasuries the Director of Public Instructions may authorize the Heads of Institutions to remit all fees, etc., by money orders to the nearest treasury for credit to the Government account.

(2) In the case of Agricultural Farms situated beyond a radius of eight kilometers from a treasury, the Director of Agriculture is authorised to permit the remittance of money by money orders to the nearest treasury.

(3) In the case of outlying courts situated at places which are not the headquarters of treasuries, the Presiding Officers have been authorised to remit Government money by money orders to the nearest treasury for credit to the Government account.

(4) Department of Agriculture and Forest (Forest), the forest revenue collected at outlying stations may be remitted to treasuries by means of money orders.

(5) In case where expenditure on account of traveling allowance, etc., of a Government employees deputed from an outlying station to credit Government money into a treasury where it exceeds the charge on account of money order commission on the same amount of money, Heads of Departments are authorised to permit remittance of such money by money orders to the nearest treasury and to charge the commission to contingencies. Necessary particulars and full classification of the government money so remitted shall be recorded on the money orders

coupons by Departmental Officers.

(6) In the Department of Animal Husbandry and Fisheries (Fisheries), Fisheries Officers have been authorised to remit their collections made at outlying stations by means of money orders to the nearest treasury for credit to the Public account of the State.

Note:1- The remitter of money order shall fill in the necessary entries in ink, on a money order form, adding his signatures at the foot.

Note:2- On the "acknowledgement" portion of the form shall be entered the designation and address of the collecting officers of the department to which the remitter belongs and the amount of the money order.

Note:3- All money orders shall be addressed to the officer-in-charge of the nearest treasury by designation(not name) for credit to the government account.

Note:4- All the entries made in the form shall be legible and may be in English or in the official language of the district. The form may be filled up either by the remitter himself or by some one on his behalf.

(3) The following procedure shall be adopted at the receiving treasury, when Government money is remitted by money orders under sub-rule(2):-

Payment on account of money orders will not be made in cash; the transactions shall be adjusted by book transfer on receipt, in the prescribed form, signed by the post-master for the total value of the money orders payable to the treasury on each day. The acknowledgement with the coupons of the money orders shall then be forwarded by the treasury to the collecting officers of the department concerned and also on advice of all the remittance received by money orders on each day, on which such transactions may occur. In such cases no duplicate challan shall be tendered at the treasury, but the money received from the post office shall be credited without any challan.

(4) the provisions of sub-rule(3) shall apply mutatis mutandis to money orders in ordinary form issued in favour of the District Officer in payment of revenues under his management;

Provided that ordinary money orders in favour of other Government employees in their official capacity shall be paid in cash unless a written requisition has been sent to the Post Office by the treasury officer to pay them by book transfer.

(5) All money orders in favour of any local body entitled to bank at the treasury shall also be paid by book transfer.

## **SPECIAL INSTRUCTIONS FOR PARTICULAR DEPARTMENTS OR PARTICULAR CLASSES OF RECEIPTS, DEPARTMENT OF PUBLIC WORKS**

### **GENERAL**

110. (1) An officer of the Department of Public Works, who has frequently to make remittances, shall keep a book in Form PTR 17 in which he will enter all his remittances to the treasury. This book shall accompany the cash and the challan to be receipted by the treasury. At the end of the month, a consolidated receipt for the whole of the remittances made during that period shall be prepared by the officer and sent with the remittances book to the Treasury Officer who, after verifying the entries by comparison with the schedule of receipts, shall sign the said book and the receipt and return them to that officer.

(2) The consolidated receipt shall be signed by the Treasury Officer, however, small its amount may be.

(3) There shall be only one Remittance Book in a Division for each treasury, which shall remain with the Executive Engineer in charge of the Division. All money remitted by Public Works Sub-Divisional Officers to a treasury shall be accompanied by challans in duplicate, one copy being returned to the tenderer, duly signed as receipt, and the other retained in the treasury for record. The Executive Engineer on receipt of the receipted challan, with the Sub-Divisional Officer's Cash Book in support of the payments made into the treasury shall

enter the amount in his Remittance Book and forward it to the Treasury Officer with the original challans. The Treasury Officer shall enforce the challans and Remittance Book and the consolidated receipt for the amount paid into the treasury during the month both by the Executive Engineer and the officers under his control.

(4) As it is necessary that Executive Engineer shall know, as soon as possible, what payments have been made into treasuries by Civil Officers on account of the Department of Public Works, each Executive Engineer in the district shall be furnished with a memorandum of the monthly receipt in the treasury on his account belonging to his division. The memorandum shall give the following particulars; (a) date of payment into the treasury; (b) by whom paid, i.e. whether by the Deputy Commissioner or Tehsildar; or any other officer; (c) nature of item; (d) name of person from whom received; (e) authority under which recovered; and (f) the amount.

(5) The recoveries shall be credited in the manner laid down in the rules issued by the Comptroller and the Auditor-General from time to time.

Note:- For receipts on account of recoveries of rents of buildings-see rule 225.

(6) Moneys received by officers of the Department shall be paid as soon as possible into the nearest treasury for credit as Public Works Remittances.

If a Divisional Officer or Sub-Divisional Officer makes use of cash receipts temporarily for current expenditure under the provisions of rule 8 he shall, before the end of the month, send to the Treasury Officer a cheque for the amount thus utilized, drawn and endorsed in the manner laid down in rule 111.

Note:- This rule does not apply to receipts realised by short payment on bills or other vouchers.

111. If a Public Works Officer sends a cheque as a remittance to the treasury, the cheque shall be drawn in his own favour and endorsed by himself with the words "Received Payment by transfer credit to the Department of Public Works."

112. Remittances made to the Bank of cheques paid in as Public Works Receipts shall be entered in the remittance book but in the place for the treasury receipt shall be entered "By Bank Cheque" and the book need not be sent with the remittance, provided that the cheques are always endorsed as specified in the preceding rule.

Fee for water-rate(Collection paid at Sub-Treasuries).

113. (1) In their Arzirsals, Lambardars show the gross amounts due to Government, but they present at the treasury only the net amount together with a receipt for the fees claimable. The Treasury Officer shall give a receipt in full for the gross amount which shall be credited to the Department of Public Works( Irrigation Branch) and charge the amount of the fees, as paid to that Department supporting the entry in the daily Siaha by the Lambardari receipt.

(2) The Lambardari receipts shall be passed on by the Treasury Officers to the Executive Engineers concerned who shall check them to see that the amounts paid to the Lambardars are not excess of those due to them and also detail them in the register maintained for the purpose. At the close of the month a consolidated receipt shall be prepared by the Executive Engineer and forwarded to the Deputy Commissioner concerned. The Deputy Commissioner shall transmit these consolidated receipts to the Accountant General in support of the debit in the treasury account.

**DEPARTMENT OF AGRICULTURE AND FORESTS (FOREST)**

114. A Treasury Officer shall receive Forest Revenue:-

- (1) when paid in by a Forest Officer;
- (2) when the challans is countersigned by a Forest Department or
- (3) (1) when the Treasury Officer is specially authorised to receive it..

(2) on receiving the Forest Revenue under sub-rule(1), the Treasury Officer shall forward a copy of the Challan direct to the Divisional Forest Officer so that the revenue may be brought to account in the books of the latter;

Provided that the earnest money deposits tendered by contractors or purchasers of forest produce shall be paid by them direct into a treasury where these will be credited to Revenue Deposits and not as Forest Remittances. Refunds of these deposits will be regulated by rules governing deposits.

115. (1) Remittances by Forest Officer may be in cash or by cheque or partly in cash and partly by cheque. The amount paid in cash and the amount remitted by cheque shall be shown separately in the challan or remittance note.

(2) If a Forest Officer makes use of his cash receipts temporarily for current expenditure under the provisions of rule 8, he shall before the end of the month, send to the Treasury Officer a cheque for the amount thus utilised, drawn in his own favour and endorsed by himself with the words " Received payment by transfer credit to the Department of Agriculture and Forests(Forest)".

116. (1) A consolidated receipt in 'Form T.A.12' for the Forest Remittances received and credited during the month (vide Article 58 of Account Code, Volume II) shall be furnished by the Treasury Officer on the 1st of the ensuing month to each of the officers dealing with the treasury.

(2) A simple schedule of Forest Remittances showing separately the cash received into the treasury from each Forest Officer and acknowledged in the consolidated treasury receipt shall be prepared every month for submission to the Accountant General.

#### **LAND REVENUE**

117. Five per cent commission allowed to Lambardars on the collection of land Revenue is received directly and retained by Lalmbardars without passing through treasury account.

#### **SUBSCRIPTION TO PROVIDENT FUND AND OTHER FUNDS**

118. (1) Subscriptions to a General Provident Fund of the Government can be received from such Government employees as are either required or permitted by the rules of the Provident Fund to subscribe to it, the recoveries being made ordinarily by deduction from the pay-bills of the Government employee concerned though, for his convenience, it has been provided in rule 226 that the responsibility for making necessary deductions regularly & correctly devolves upon the drawers of the bills.

(2) The subscriber himself is responsible for seeing that proper deduction is made from his pay-bills, though, for his convenience, it has been provided in rule 226 that the responsibility for making necessary deductions regularly and correctly devolves upon the drawers of the bills.

119. (1) Subscription to the Funds specified below may be received at a treasury only under special instructions of the authorities of the Fund received through the Accountant-General:-

- (a) Superior Services (India) Family Pension Funds Rules;
- (b) General Family Pension Fund.

(2) In the case of subscribers drawing their pay or pensions from the Government, the subscriptions shall be recoverable from their pay or pension bills, except that in the case of the General Family Pension Fund, such subscriptions may, at the option of the subscriber, be paid in

cash either to the authorities of the Fund concerned or at a treasury.

### **SECTION III... PROCEDURE AT TREASURIES IN RECEIVING MONEYS AND GRANTING RECEIPTS.**

#### **(1) CHECKS TO BE APPLIED AT THE TREASURIES**

120. The memorandum or challan with which money is tendered shall be handed over first to the Superintendent, who, if it is in order in all respects, will initial it. Next, the person making the payment shall present it with the cash to the Treasurer who shall count and test the money, enter the amount in his own cash book and sign the challan which will again be taken to the Accountant for entry in his cash book, and for preparation of a formal receipt for his own or the Treasury Officer's signatures. Only such a formal receipt on original memorandum or challan shall be the proper acquittance.

Note:- Receipts for sums below Rs.1000/- shall not require the Treasury Officer's signatures and shall be signed by the Treasurer and the Accountant. As regards receipts for sums received by transfer in account, which do not require the signatures of the Treasurer, the Treasury Officer shall, by an office order, designate the person who shall attach the second signature in the case of sums under Rs.1000/- . Receipts of Rs. 1000/- and above must invariably be signed by the Treasury Officer. However, all challans with which money is tendered at the sub-treasuries shall be signed by the Sub-treasury Officer or the Assistant Treasury Officer, irrespective of the amount involved in a transaction.

121. (1) At places where the cash business of the treasury is conducted by the Bank, the challan shall, except as otherwise provided, be first presented at the treasury. The authorised treasury officer shall, after examination, enface the challans, in the following form:-

"Correct; Receive Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_), and grant receipt."

(2) The treasury official referred to in sub-rule(1) shall then affix his initials to the challan with the date, specifying the head of account, and if the amount is not less than Rs.5000/- submit the challan to the Treasury Officer, who, if it is in order in all respects, shall initial the enfacement. All the copies of the challan, thus enfaced shall then be returned to the payer who shall proceed with them to the Bank. There the money shall be received and credited to the proper head of account, and an acknowledgement granted to the tenderer of money on the original challan in the manner laid down in rule 107. The other two copies shall be forwarded by the Bank to the treasury daily with the Bank scroll. The duplicate challan shall be collected by the Department concerned from the treasury at the time of reconciliation or earlier before the despatch of treasury accounts and the triplicate challan will be retained by the treasury. At the sub-treasury all challans shall be enfaced under the signatures of Assistant Treasury Officer.

Exception 1- In the case of Department of Printing and Stationery the challans in respect of credits to Government accounts shall be presented at the Bank direct and not through the Treasury Officer.

Exception 2- The amount of tax under the Punjab Urban Immovable Property Tax Act, 1940, the Punjab General Sales Tax, Act, 1940, or under the Punjab Entertainment Tax (Cinematograph Shows) Act, 1954 shall be paid by the Assessee or the Proprietor of a cinema direct into the Bank accompanied by challan in Form I appended to the Punjab Urban Immovable Property Tax Rules, 1941, or in Form S.T.XI or S.T.XI-A to the Punjab General Sales Tax Rules, 1948, or in Form P.E.T.4 to the Punjab Entertainments Tax (Cinematograph

Shows) Rules, 1954, as the case may be. One part of the challan shall be handed to the person making the payment as a receipt and duplicate with the original shall be forwarded to the Treasury Officer concerned who shall retain the duplicate and transmit the original to the assessing authority.

Exception 3.- The amount of land revenue and other Government dues such as canal rates and tacavi loans with interest recoverable by the Tehsildars may be paid direct into the Bank accompanied by a Dakhila or challan in triplicate duly filled in by the Tehsil wasil Vaqi Nawis and signed by the Tehsildar which shall also indicate the correct head of account to which the Government dues are credited alongwith full particulars.

Exception 4.- The General Manager, Punjab Roadways, are authorised to deposit amount collected as Passenger and Goods Tax into the State bank of India direct without channeling through the Treasuries. The responsibility for the correct classification on the challan shall, however, rest with the General Manager, Punjab Roadways. One part of the challan shall be returned to the person making the payment as a receipt and duplicate with original shall be forwarded to the Treasury Officer concerned, who shall retain the duplicate and transmit the original to the Excise and Taxation Officer of the District concerned.

Exception 5.- The funds received by the Department of Food and Supplies from the Food Corporation of India in advance for purchase of rice on their behalf can be deposited by officers of the Department under head "843-Civil-Deposits-Personal Deposits" direct into the bank, with a challan in triplicate. The departmental officers shall be responsible for the correct classification on the challans.

Exception 6.- Moneys tendered by a private person with a challan signed by a Departmental Officer under the provisions of note 4 below rule 107, may be received direct at the Bank without the intervention of the Treasury Officer. It shall be the personal responsibility of such Departmental Officer to see that the classification, etc., given on the challis is otherwise complete in all respects. This exception shall, however, apply only in cases where the money is paid by a private person into a bank located in the place at which the office of the Departmental Officer concerned is located.

## **(2) RECEIPTS BY DEPARTMENTAL OFFICERS**

122. (1) Notwithstanding any thing contained in rule 121, moneys received by Officers of the Departments named below shall be received at the bank without the intervention of the Treasury Officer in accordance with the special rules specified against each:-

Agriculture and Forest(Forest)	Rule 114 to 116
Public Works	Rules 110 to 113

Form shall be supplied to the Bank by the treasury.

Any monthly comparison of receipts between the Departmental and Treasury Officers shall be certified by the Treasury Officer under rule 124.

123. In the case of departments other than those mentioned in the preceding rule(1), moneys received by Departmental Officers shall be forwarded by them daily to the Bank direct with a challans in duplicate, describing the several items and the heads under which they should appear in the accounts. Duplicate copy of the challans shall, as provided in rule 121 be retained by the Bank and forwarded with the accounts of the day to the Treasury, and the original challans, receipted be returned to the Departmental Officer for recording in his office.

**Note:-** The original challan may be in the form of a book sent daily for signature.

## **ADVICE AND CERTIFICATES**

124. The advices of receipts which, according to any rule, have to be sent to Departmental Officers or Departments, and consolidated receipts or certificates of receipts required by any

rule to be given to any departmental Officer or Department shall be prepared in the treasury, and not in the Bank as the point to be advised or certified is not that the money has been received at the Bank, but that the receipt has been entered in the treasury accounts.

#### **TREASURY RETURNS**

125. All Treasury returns, with the exception of those the bank is instructed to furnish under express orders of the Accountant-General shall be prepared in the treasury and not in the Bank.

#### **PART IV**

### **CUSTODY OF GOVERNMENT MONEYS IN GOVERNMENT OFFICES AND AT THE TREASURIES**

#### **GENERAL**

#### **PROCEDURE FOR THE SAFE CUSTODY OF MONEYS IN THE HANDS OF GOVERNMENT EMPLOYEES OR HELD IN TREASURY.**

126. (1) Government money in the custody of a department or office other than a treasury ( for which see rule 135) shall, as a rule, be kept in strong treasure chests, and secured by two Locks of different partners. In the absence of any precise orders of Government, the Head of the office, in charge of the chest, shall make such arrangements for the custody of the keys and the proper disbursement of all moneys as he considers requisite. All the keys of the same lock shall, except where the procedure specified in the note to this sub-rule is adopted, be kept in the same person's custody, and, as a general rule, the keys of the one lock shall be kept apart from the keys of the other lock, and in a different person's custody , when practicable. The chest shall never be opened unless both the custodians of the keys are present. When there is a police guard, the officer-in-charge of such guard shall hold the custody of one set of keys and he shall always be present when the chest is opened and until it again locked, whenever a cashier is attached to an office, the keys of one of the locks of the treasure chest shall necessarily remain in his possession.

**Note:-** The duplicate keys of cash chest shall be placed, under the seal of the officer incharge, in the custody of the Treasury Officer. A duplicate key register shall be maintained and once a year, in the month of April, the keys shall be sent for by the departmental officer examined, and returned under fresh seal to the Treasury Officer, a note being made in the register that they have been found correct.

(2) The Heads of Departments may authorise a departure from the procedure specified in sub-rule(1) in any individual case in which either the amount of cash handled by the departmental officer, or the extent of insurance provided or any other special consideration, may be held to justify the adoption of simpler and less costly arrangement without impairing the safety of Government money.

(3) The handling of cash (including the encashment of cheques and bills) shall be entrusted to responsible Clerk, who shall be required to give adequate security ( See rule 130). The employment of peons to fetch or carry moneys shall be discouraged. When it is absolutely necessary to employ Class IV Government employees for this purpose men of some length of service and proved trust worthiness shall only be selected, and in all cases, when the amount to be handled is large, one or more guards shall be sent to accompany the messenger.

Note:1- Cashier may be appointed whenever, in the opinion of the Government, the cash transactions of an office, division, or sub-division are sufficiently extensive to require it.

Note:2- In the case of Department of Public Works one cashier may make the cash payments of two or more sub-division, or throughout the whole of a division, wherever such an arrangement is found to be practicable.

Note:3- A Government employee who handles Government money shall not, except with the special sanction of the head of the office, be allowed to handle also in his official capacity,

money which does not belong to Government ( See rule 129). When under any special sanction a Government employee deals with both government and non-Government money, the Government money shall be kept in a cash-box separate from the non-Government money and the transactions relating to the latter shall be accounted for in a separate set of books and kept entirely out of Government account.

127. No department shall require that funds pertaining to it shall be kept apart from the general treasury balance,-vide rule 8 or be received for safe custody and kept out of account or be received at all except under the ordinary rules.

128. When under rule 82, departmental cash chests are lodged in the treasury for safe custody, the keys of such chests shall be kept with the departmental officer concerned and not the Treasury Officer, and such departmental officer shall be responsible for its contents.

129. Where a Government employee receives sums of money for disbursement from non-Government sources as for example, amounts representing awards from a relief fund or estates of deceased soldiers, though the money is not subject to the ordinary rules governing the custody, etc., of State Funds, such Government employee is personally responsible for its custody and disbursement and he shall not entrust the work of disbursement entirely to a subordinate member or his office staff.

### **SECURITY DEPOSITS**

130. Cashiers, storekeeper, sub-storekeepers, clerks, temporary subordinates and other classes of establishment entrusted with the receipt and custody of cash or stores or employee who are required to handle cash or store, may be required to furnish security, the amount being regulated with reference to the amount of cash or book-value of store which is in the hands of the individuals from time to time or according to the circumstances and local conditions in each case, under the sanction, in the case of the Department of Public Works, of the Chief Engineer or a superintending Engineer, and in the case of other Civil Departments, of the head of the department concerned. The amount of security except in the case of staff of the Department of Public Works where the provisions of paragraph 1.152 of the Punjab Public Works Department Code will apply, shall be regulated as under, namely:-

(a) Where the average monthly cash handled by a cashier is more than one lac rupees or where the book-value of the store handled by the storekeeper is more than two lac rupees, then such an employee may be asked to furnish security as under:-

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| (i) if the employees referred to above of the establishment who have been entrusted with the receipt and custody of cash or stores or the employees who are required to handle cash or stores have completed ten years total service. | ten thousand rupees.   |
| (ii) if the total service of the employees referred to above of the establishment who have been entrusted with the receipt and custody of cash or stores or the employees who are required to handle                                  | ten per cent of the average monthly cash or five percent of the book value of the store handled, as the case may be. |

cash or stores, is less than ten years.

(b) where the average monthly cash handled by a cashier is one lac rupees or less or the book-value of the store handled is two lac rupees or less, than the amount of security shall be ten percent of the average monthly cash handled or five percent of the book value of store handled, as the case may be irrespective of the service of the employee.

Note : A confirmed and senior employee should be given preference for appointment on these posts".

131. (1) The Security shall be taken either in cash or in one of the recognised forms of interest-bearing securities mentioned in sub-rule (2) or in fidelity policies, involving the payments of a small monthly premium, when the security is taken in cash the authorities mentioned in rule 130 shall determine whether the amount shall be paid in a lump sum or in installments or by deduction from pay.

**Note:** - Government employees holding substantive appointments need not furnish any security when they officiate in appointments in which security is generally taken and which do not extend beyond six months. Security shall, however, be taken from clerks and other subordinates who do not hold substantive appointments under Government when they are appointed to officiate in post in which security is generally taken.

(2) The recognised forms of interest-bearing securities, and the rules to which they are subject, are given below:-

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| (i) Government securities other than Post Office Five Year Cash Certificates.   | Under the rules in Chapter VII of the Government securities Manual.  |
| (ii) Municipal Debentures, Port Trust Bonds or shares, bonds and debentures issued by the Punjab Financial Corporation. |  |
| (iii) Post Office Savings Bank Pass Books.  | Under the rules for cash certificates and Savings Bank Account issued by the Post Office.  |
| (iv) Post Office Savings Bank Pass Books.   | The depositor should be required to get the receipts made out in the name of the pledgee.  |
| (v) Deposit receipts of any bank  | If the deposit be for more than twelve months the receipts should be forwarded to the treasury of the District concerned for custody otherwise they should be retained by the head of Office. The depositor should receive the interest when due, direct from the Bank, on a letter from the pledgee authorizing the Bank to pay it. |
| (vi) National Savings Certificates.   | Under the rules for National Savings Certificates issued by the Post Office.   |
| (vii) Promissory Notes and Stock  | -  |

Certificates of the Central Government or the State Government.

- (viii) treasury Saving Deposit Certificates to be accepted at the Central Value. -
- (ix) Twelve-Year National defence Certificates. Under rule 19 of the Post Office Savings Certificate Rules, 1960, as amended by the Ministry of Finance, Government of India Notification GSRI 458, dated 1st November, 1962.

**Note:-** For the purposes of item(v), the authority demanding the security shall decide whether the bank concerned is a reputable firm engaged in regular banking business.

(3) Government papers tendered as securities shall be taken at their market value at the time of deposit subject to the following conditions:-

(1) The amount of Government paper taken shall be such that its market value at the time of acceptance is not less than the amount for which security is required.

(2) When owing to depreciation in the market value of Government paper, its market value is less than the amount of security required by more than one hundred rupees, further security shall be taken to cover the difference.

(3) When, owing to appreciation in the market value of Government paper, its market value exceeds the amount of the security required by more than one hundred rupees and the depositor, asks that part of the Government paper may be returned to him to cover this difference, the request shall be granted, as far as this is possible.

(4) Security deposits whether made in cash or in one of the forms of security referred to in sub-rule(2) shall be covered by an agreement in Form PTR 19 or PTR 20 as the case may be, setting forth the conditions under which the security is held and may be ultimately refunded or appropriated.

**Note:-** The existing Stereo I.B. Forms 75 and 78 in force in the I.B. shall continue to be used for cashiers and temporary section officers, and the period regarding retention of security deposit of the Government employees quitting service or transferred, etc., shall continue the case of the I.B. to be "six months" instead of " three months".

132. Security deposits lodged in the Post Office Savings bank shall be hypothecated to the head of the office. The Bank Pass Books shall remain in the custody of government employee to whom the deposits are pledged.

**Note:-** All the Pass Books shall be sent to the Post Office as soon as possible after April, each year in order that the necessary entries on account of interest may be made in them.

133. (1) Cash deposits may be converted at the cost of the depositor, into one or more of the forms of interest-bearing securities, provided that-

(i) the depositor has expressly desired this in writing; and

(ii) the acceptance of the new form of security is permissible under the rules as well as under the terms of the agreement or bond.

(2) Cash which has actually been received or recovered may be converted, even though the full amount of the deposit which is being paid in instalments has not yet been realised.

134. Without the special orders of the competent authority, no security deposit shall be repaid or retransferred to the depositor, or otherwise disposed of, except in accordance with the terms of his agreement or bond.

The depositors' acknowledgement shall be obtained in all cases of security returned. When an interest-bearing security is returned or retransferred, the acknowledgement shall set forth the

full particulars of the security.

## **SECTION II- CASH BALANCE IN STATE TREASURIES.**

### **TREASURY BALANCE**

135. The money held in a treasury shall be usually divided into the two parts, viz:-

(1) the treasury balance which forms part of the Consolidated fund of the state, the contingency Fund of the State, and the Public account of the State;

(2) the currency chest balance, which consists partly of currency and Bank notes which are treated as notes in circulation and partly of coin (rupees) and one rupee notes which forms a portion of the reserve held against the issue of notes in accordance with the provisions of the Reserve Bank of India Act, 1934.

Note:-1- Rules 48,138 to 142, 144 and 145 apply to the Treasury Balance of the State and rules 449 to 456 to Currency Chest Balance.

Note:-2- Money held in a small coin depot, where such a depot is located at a treasury, shall be kept entirely separate from the treasury and currency chest balances. The procedure for the custody and verification of balances in these deposits shall be regulated by the rules issued by the Central Government in that behalf.

### **TREASURY STRONG –ROOM**

136. The following rules shall regulate the security of strong rooms:-

(a) without the special permission of the Government, no place shall be used as a strong-room unless it is first certified to be secured and fit for use as such by an officer of the Department of Public Works not below the rank of an Executive Engineer. In certifying the suitability of the room, the inspecting officer may specify any necessary conditions as to the manner of the storing the coin, or treasure such as that it shall not be piled on trestles, but must be kept in boxes; or that no bags or boxes be placed within a specified distance of the wall or in any particular part of the room. The inspecting officer shall specially examine the condition of any of the enclosing walls which are so situated that they are not on the outside under observation of the guard.

(b) Existing strong-rooms shall be inspected annually by the Executive Engineer, or by an experienced Assistants Engineer, or an Upper Subordinate holding Sub-divisional charge, deputed by the Executive Engineer for the purpose.

Note:1- If, in any district, the treasury building is under the control of the Zila Parishad its Executive Engineer may be asked to undertake the annual inspections.

Note:2- The inspecting officer will grant a certificate of safety in the following form and it is the duty of the Treasury Officer to obtain this certificate annually:-

' I have this day \_\_\_\_\_ inspected the strong room of \_\_\_\_\_ treasury and I certify that is safe upto \_\_\_\_\_."

( c ) The District Superintendent of Police shall record an order specifying the positions of the sentries, and may also require any additional precautions to be taken in the strengthening of fastening, burning of Lights, etc., but the responsibility for the security of the building and its fixtures shall remain with the Executive Engineer, and that for the security of chests and other treasury furniture not forming part of the building or fixtures with the officer-in-charge of the treasury.

(d) A copy of the inspecting officer's certificate and of the District Superintendent's order shall be hung on a conspicuous place within the strong-room. It is the duty of the Treasury Officer to see that any conditions as to the manner of storage stated in these documents are complied with.

(e) The doors and windows of the strong –room must remain permanently closed and

locked, except during the time necessary for moving coin or other valuables into or out of it. The Treasury Officer must be personally present during the whole time between the opening and shutting of the strong-room.

As an exception to this rule, the opening of shutters may be permitted during office hours, in an aperture which is otherwise barred, if it is necessary for the admission of light or air to any other part of the building, provided that coin or valuable remain securely packed under lock and key.

### **TREASURY PADLOCKS AND KEYS**

**137.** (1) A register of all padlocks belonging to the headquarters and sub-treasuries and treasure chests shall be maintained in the following form and kept in the head quarter strong room:-

Date of Receipts	Number borne by padlock and keys	Number of duplicates received	Initials of Treasury officer who receives keys	Place where the padlock is received.
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With whom are original keys.	With whom are duplicate keys	Date of removal of any duplicate key	Number and date of order sanctioning the removal	Initials of treasury officer removing key.
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Separate pages shall be assigned to the district/headquarter treasury and for each sub-treasury or treasure chest. Each sub-treasury shall also keep a list of its own padlocks and keys in a similar form.

(2) Every padlock shall have a number impressed upon it or attached to it by a metal or other label and the same number shall be impressed on or attached to each key belonging to it. The padlocks in the same district shall not bear the same number.

(3) If a padlock becomes unserviceable or ceases to be required, or if any one of the keys belonging to it is lost, the circumstances shall be reported to the Head of Department of Treasuries who shall pass orders regarding the disposal of the padlock and keys. No padlock, of which a duplicate key has been lost, shall continue to be used in the same district. No spare padlocks shall be kept at a treasury or except with the permission of the Head of the Department of Treasuries, at a head-quarter strong room and duplicate keys shall not be kept at Sub-Treasuries.

(4) No local mechanic shall ever be allowed to repair a treasury padlock or to make a new key for one.

**Note:-** All locks, key and hinges, etc. , in Treasuries and other places shall be inspected occasionally and more especially before the beginning of the monsoon when steps shall be taken to treat all such objects with Vaseline or oil of a suitable nature in order to prevent them from getting rusty. The Vaseline or oil be purchased out of the contingencies of the office concerned.

(5) All spare padlocks with their keys which are held in the headquarters strong room with the approval of the Head of Department of the Treasury Organisation and all duplicate keys,

except, those belonging to the locks of the headquarters strong room door shall be kept in an almirah in the headquarters strong-room under double locks, the key of one lock being in the hands of the Treasury Officer, and of the other in the hands of the treasurer. The duplicate key of the lock of the almirah (containing the duplicate keys) shall be deposited with the Deputy Commissioner. The duplicates of the Treasurer's keys of the headquarters strong room( double lock) door and of the single lock where the double lock can be reached only through the single lock, shall be secured under the seal of the treasury Officer and the Treasurer and made over to the Deputy commissioner for safe custody. The duplicate of the Treasury Officer's key of the headquarters strong room door shall also be secured under the seal of the Treasury Officer and made over the Deputy Commissioner for safe custody. Once a year in the month of April, they shall be sent for, examined and returned to the Deputy Commissioner under the fresh seals of the Treasury Officer and the Treasurer in the case of the treasurer's key and of the Treasury Officer alone, in the case of his own key, a note being made in the duplicate key register that they have been examined and found correct.

(6) Whenever the charge of a treasury is transferred or a Treasurer is changed, all padlock and duplicate keys belonging to the treasury shall be examined and compared with the register and a certificate shall be signed that they have been found to be correct.

(7) At every inspection of a treasury, the inspecting officer shall satisfy himself that the padlock and all keys (except duplicate Keys of the headquarters strong room locks deposited elsewhere) are correct and deposited in accordance with these rules, and shall make a note to this effect in his inspection report.

Note:- The duplicate keys of the padlocks in use at the sub-treasuries shall be kept in the almirah in which duplicate keys of padlocks of District Treasury are kept. The Treasury Officer shall take those keys to sub-treasury and verify them during inspecting of sub-treasury each year.

## **STORING OF TREASURE**

138. The following are the authorized methods of storing coins and notes in strong-rooms:-

Coin.- Coin shall be made up in bags of uniform size ( each containing hundred rupees, five hundred rupees, one thousand rupees or two thousand rupees as is estimated to be most convenient for local conditions, but one of these sizes must be selected and adhered to). a slip in Form PTR 21 showing the description and take of the contents and signed by the person who has counted and examined them shall be placed in each bag. the bags shall then be tied up with string.

**Note.-** Notes shall be made up in bundles of hundred each for each denomination, any balance of less than hundred forming a separate bundle. Each bundle shall then be stiched with a label in Form PTR 22 at the top showing the denomination and number of the notes and signed by the person by whom they have been counted and examined.

139. Coin may be stored in either of the following ways:-

(1) In bags of uniform contents, placed in strong iron boxes or safes, or wooden chests, or built recesses or wells, each of which must be opened before access is obtained to the contents. One of the keys shall remain in the charge of the Treasurer, the other in that of the office-in-charge;or

(2) In bags of uniform contents piled upon trestles. This method is not, shall not be admissible unless every door, window, drain, skylight, ventilator, or other aperture in the walls of the strong-room is so closed as to prevent the insertion of any rod or instrument within the room.

(3) Coin may also be stored temporarily, in boxes prepared for remittance in the manner specified in rule 483.

140. All notes shall be stored separately from coin in a tin box or other receptacle designed

to protect them from the injury by damp, insects, etc. They shall be kept in bundles of not more than hundred notes each, each bundle containing notes of one denomination only.

**PRECAUTIONS AGAINST SUBSTITUTION OF GOOD COINS BY UNCURRENT OR COUNTERFEIT COINS.**

141. To guard against the risk of uncurrent or counterfeit coin being substituted in a treasury for good coin presented by the public or received in remittance, shroffs and potedars or other subordinate officials who handle coin in treasuries must on arrival for the day's work give up to the Treasurer or a responsible subordinate, to whom the Treasurer may delegate the duty, all coin carried with them at the time. This coin shall be restored when the men are leaving office at the close of the day's work.

**CUSTODY OF TREASURY BALANCE**

142. Save as otherwise provided the bulk of the Treasury balance shall remain under double locks, one key being held by the Treasury Officer and other by the Treasurer. The Treasurer shall hold in his separate custody a sum sufficient for the convenient transactions of Government business. The sum so held shall be seen and verified by the Treasury Officer every day after the close of transaction hours. Money, Stamps and opium in the sole custody of the treasurer shall be placed for safe custody each night in the vaults under double locks.

**MONETARY LIMITS FOR STAMPS, CASH, OPIUM ETC., HELD IN TREASURER'S CUSTODY.**

143. (1) The treasurers of all district treasuries, whether their business is conducted by the bank or not, may hold in their separate custody in single lock either-

(i) Stamps up to the probable demand of one week with cash and opium combined to a value not exceeding five thousand rupees; or

(ii) a total value of fifteen thousand rupees for stamps, cash and opium, whichever is less.

Provided that, the Treasurer or his agent at the Chandigarh Treasury shall be allowed to hold in his separate custody in single lock service stamps upto the value of twenty-five thousand rupees.

Note:- The imprests given to District Treasuries for disbursement of pensions in cash would be in addition to the amounts specified in sub-rule(1).

(2) The limits in case of sub-treasuries would be as under:-

(i) stamps upto the probable demand of two days with cash and opium combined to a valuable not exceeding five thousand rupees; or

(ii) Stamps, Cash and opium to the total value of two thousand five hundred rupees, whichever is less.

144. The following rules shall be carefully observed in receiving money into or giving it out from double locks:-

(1) In receiving coin into double locks, the Treasury Officer shall cause the contents of each bag to be emptied into the scales, weighed and poured into another bag, which shall be tied up in his presence with the slip in Form PTR 21 placed inside it. The bags thus tested shall then be counted into the chest.

(2) In receiving notes into double locks, the Treasury Officer shall count the notes in each bundle and satisfy himself that the notes are all of the alleged value, i.e. , that a note of lower denomination has not been included in bundle for a higher denomination, and sign the label in Form PTR 22 on the top as a token of this verification. The bundles thus tested should then be counted in the chest. In the case of fresh notes of the denominations of ten rupees and five rupees received in a remittance from the currency office, the detailed check may be confined to

one bundle in every ten taken at random.

(3) Notes shall be given out of double locks by counting the number of bundles.

(4) Silver coin shall be given out of double locks by counting the number of bags only.

(5) Every amount passed into or passed out of double locks and currency chest shall be registered in Form PTR 5 (Treasurer's Daily Balance Sheet) at the time by the Officer-in-charge with his own hand, and a memorandum shall be kept in each chest showing its contents.

Note:- In order to denote the transactions of the Currency chest separate to those of double lock referred to in sub-rule (5) of rule 144 the letter 'C' shall be written in red ink in the remarks column of Form PTR 5.

(6) The lines in Form PTR 5 shall be printed wide apart so as to admit of two or three entries against each in the rare cases which the same kind of money is taken out more than once the same day.

(7) Money arriving from a distance too late in the day for examination shall be kept in sealed bags under double locks but only until the next working day, the fact being recorded in the register of valuable prescribed in these rules.

145. As an alternative arrangement a separate register in Form PTR 23 may be maintained, for recording in detail the transactions in connection with the issues from and deposit into double locks, where this is desired by the officer-in-charge of any individual treasury, and he is satisfied that such transactions are numerous and that a separate record is convenient and desirable. Each transaction in this register shall be initialled at the time by the treasury Officer and the treasurer by the corresponding entries in the Treasurer's Daily Balance-Sheet shall be made by the Treasury Officer. The Treasury Officer's register shall be kept in the strong-room and at the end of each day the Treasury Officer shall carefully check (and attest by his initials) the double lock entries in the Treasurer's Daily Balance-Sheet by comparison with those in his own book.

### **SECTION III-VERIFICATION OF CASH BALANCE GENERAL PROCEDURE**

146. (1) In verifying the cash balance of the District Treasury, the Collector or such other Gazetted Officer as may be authorized to undertake the work of verification shall satisfy himself by personal examination that the actual stock of coins and currency notes corresponds with the balance shown in the treasury's balance-sheet (Form PTR5) and that the conditions laid down in sub-clause(ii) or Rule 41 are fulfilled.

(2) The following procedure shall be adopted in verifying the cash balance by actual counting:-

(a) Silver Coins-(i) The coins shall be kept in bags, each containing a fixed amount. One bag may be selected at random, fifty rupees one hundred rupees counted out of it in detail and used as a weight in a small scale. Against this weight other similar sums should be weighed, until the whole contents of the bag are exhausted. Care shall be taken all the while that the requisite number of parcels of one hundred rupees of fifty rupees is made up. The whole amount, thus tested may then be taken as a verified weight of one thousand rupees or two thousand rupees, as the case may be, and be placed in one pan of a large pair of scales.

(ii) The total number of bags shall then be counted, and one in every twenty bags taken at random, opened and its contents poured into the scales and weighed against the verified weight of one thousand or two thousand rupees. If the weight is less, the bag shall be weighed again in sums of one hundred rupees as described in sub-clause (i) above, and if, on re-weighment, it is found correct, it shall be substituted for that taken before as the verified weight.

(iii) Broken amount may be verified by weighment in small quantities of fifty, one hundred or two hundred rupees.

Note:- With proper arrangements, about ten lakhs of coins can be tested in one hour by the above process.

(b) Copper, bronze and nickel coins-(i) These coins shall be verified according to the

procedure laid down for the verification of silver coins in clause(a).

(ii) The coins the weight of which slightly differs shall invariably be sorted out and put in separate bags for facility of weighing at the time of verification and despatch.

( c ) Currency Notes- All currency notes of denomination of above one hundred rupees shall be personally counted by the verifying officer. For currency notes of lower denominations, the following plan is sufficient:-

(i) The currency notes being in bundles of a certain marked number, a few notes at the top may be folded back, and the rest counted by clerks or assistants. The verifying officers will then see, in the case of each bundle, whether the addition of the notes folded back to the number already counted and marked makes up the whole alleged number of the bundle.

(ii) The Clerks or Assistants should not be persons responsible for the correctness of bundles, and the verifying officer shall satisfy himself that the notes in the bundle are all of the alleged value, that is for example, that a ten rupee note is not counted as one of a fifty rupees bundle.

These rules shall be printed and pasted on a board, and hung up in the strong-room in a conspicuous place.

### **CASH BALANCE REPORT**

147. The monthly account of cash balance and the certificate of verification thereof should be submitted to the Accountant-General in the forms specified in Article 97 and 122 of Account Code, Volume II.

Note 1.- At treasuries where work is conducted by a branch of the bank, there is no treasury balance and the certificate is modified as shown in the form.

Note 2.- The form of closing abstract laid down, in Article 97 of Account Code, volume II shall be signed by the treasury Officer only.

148. The certificate regarding the cash balance to be submitted to the Accountant-General on the appointment of a new Treasury Officer and the report regarding such appointment shall be in Form PTR 9. The verification of the cash balance shall be carried out in the manner specified in rule 146.

Note:- See also rule 461 for the submission of the monthly cash balance report to the currency officer.

149. The verification of the stock of opium should be conducted in the month of September and March each year and a certificate in the form given below shall be submitted to the Accountant-General with the plus and minus memoranda of opium transactions for those months:-

" I do hereby certify that I have personally examined and counted or had got counted in my presence the stock of excise opium in store in this local depot on the September/March, 19\_\_\_\_, and found that the weight of opium in stock tallies with that given in treasury registers. Also that I have received similar certificates from the officer-in-charge of the subordinate treasuries that they have similarly checked the stock of opium in the sub-treasuries on the last day of the month of September/March, 19\_\_\_\_, and found the stock tallying with the accounts maintained therein.

The total stock of opium in this treasury and sub-treasuries as found by the above certificate examination is as follows:-

1. Chest\_\_\_\_Weight\_\_\_\_Qtls\_\_\_\_Kgms.

2. Bricks\_\_\_\_Weight\_\_\_\_Qtls\_\_\_\_Kgms.

Total Weight\_\_\_\_Qtls\_\_\_\_Kgms.

The above weight agrees, with the balances shown in the plus and minus memoranda for September/March, 19\_\_\_\_, to which this certificate is attached. (If there is any difference add

"with the exception of the following difference the explanation of which is as follows)".

Note:- Actual weighing of opium is not necessary, a mere count of cakes of opium in the opened chests and the count of boxes with the factory seals intact in the case of unopened sealed boxes is sufficient.

## **PART V**

### **WITHDRAWALS OF MONEYS FROM THE CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT.**

#### **CHAPTER I GENERAL RULES**

#### **SECTION I- PROCEDURE FOR DRAWING MONEY FROM TREASURIES**

##### **MODE OF WITHDRAWAL**

150. save as otherwise provided in these rules a Treasury Officer shall not permit withdrawals for any purpose unless the provisions of these rules are observed. Money may be drawn from treasuries in two ways, namely (i) by bills or as they are termed in the treasury as "vouchers" and (ii) by cheques

##### **PRESENTATION OF CLAIMS**

151. (i) Save as hereinafter provided, all bills or cheques in payment of claims against the Government shall be presented at the treasury or at an authorised office of disbursement duly receipted, and stamped where necessary.

(2) At places where the cash business of the treasury is conducted by the bank, this rule shall apply subject to the rules contained in Part VI.

152. Except as expressly provided in these rules, no bill or cheque may be presented at a sub-treasury without being first submitted to, and the payment directed by the Treasury officer;

Provided that where under the provisions of these rules, a sub-treasury is permitted to cash a certain class of bills or cheques without the orders of the Treasury Officer, the payment of such bills or cheques shall not, except under special arrangement and on particular occasions, be made at the district treasury.

Exception I.- The following classes of payment may be made direct from sub-treasuries generally:-

- (1) discount on the sale of stamps;
- (2) pensions in cases in which the pension payment orders or descriptive rolls have been transferred by the Treasury Officer for payment at the sub-treasury;
- (3) payments to the following Departments under the Punjab Treasury Rules quoted, against them:-
  - (a) department of Agriculture and Forests (Forests organization (Rule 340 to 343);
  - (b) Department of Public Works (Rule 349 and 356);
  - (c) Municipalities.
- (4) service postage stamps may be issued direct from sub-treasuries on the presentation of the bills;
- (5) repayments of Revenue Deposits received direct at sub-treasuries under the orders of the tehsildar and deposits of Civil and Criminal court situated within the tehsil;
- (6) payment of Commission to authorised agents under the various agency systems relating to Small Saving Schemes;
- (7) payments of General Provident Fund balances authorised by the Accountant General, Punjab; and
- (8) compensatory and T.A. bills of members of the Punjab Vidhan Sabha (M.L.As).

Exception 2.- All types of Government payments may be made direct at the Sub-treasuries, where whole time Assistant Treasury Officers have been posted.

Note(1).- Vouchers passed by the District treasury Officer for payment as a sub-treasury may be incorporated in the accounts of the District Treasury under the signatures of the Accountant; all other vouchers shall be incorporated under the signatures of the Treasury Officer.

Note (2).- Subject to the provisions of other rules in this or in any other hand book regarding the currency of specific classes of vouchers and cheques, the pay order given by a Treasury Officer on a voucher passed for payment at a sub-treasury remains current for one month only.

Note (3).- Refunds of income tax can be paid at a sub-treasury without the previous authorization of Treasury Officer concerned. As a precaution against fraud, Income-tax Officers are required to send specimen of their signatures to the Sub-Treasury Officers concerned. They are also required to issue advice notes to the Treasury Officers and Sub-treasury Officers in advance without which no refund orders will be honoured. Sub-Treasury Officers must satisfy themselves that the person claiming the payment is the person duly authorised to receive it and is properly identified.

Note (4).- The bills on account of pay of subordinates required to be disbursed at a Sub-treasury shall be drawn on a separate bill and not included in the main pay bill in which the pay of the staff stationed at Headquarter is drawn.

### **TREASURIES OF WHICH THE BUSINESS IS CONDUCTED BY THE BANK**

153. At places where Government treasury business is conducted by the bank, all payments, with certain exceptions, are made at the bank after endorsement by the Treasury Officer, Telegraphic transfer, Reserve Bank Government Drafts and Reserve Bank Drafts and Cheques are presented direct at the bank. Cheques issued on the bank at out-stations in final payment of General Provident Fund Deposit of a subscriber shall always be sent to the Treasury officer

concerned for delivery to the payee after proper identification.

Note:- The detailed procedure in making payments, followed by treasuries banking with the bank is contained in rules 427 to 436.

154. (1) Except as provided in this rule and in rules 155, 157 and 241,. Government employees declared as Disbursing Officers under Para 2.16 of the Punjab Budget Manual may draw money by bills on account of charges falling under the minor head and sub-heads etc.. in respect of which they are competent and have been placed in account with the Treasury by the Accountant-General.

(2) In order to consolidate expenditure relating to elections/bye-elections to Parliament/Legislative Assembly under head "215-elections-© Charges for Conduct of Elections for Lok Sabha and State Legislative Assemblies when held simultaneously/(d)-Charges for Conduct of Elections to Parliament/(c)-Charges for Conduct of Elections to State Legislature" and to promptly settle the claims the drawing and disbursing officers of all Departments except those of the Department of Home Affairs and Justice (Police) are authorised to draw money by bills on account of Travelling Allowance and Daily Allowance of the employees under their control detailed on election/bye-election duty, after bills are countersigned by the concerned Additional District Election Officer, who will ensure that the expenditure has been properly classified and the claims are in order.

(3) To avoid abnormal delay in payment in any public Works sub-division, the Government may in consultation with the Accountant General authorise the pay, traveling allowance and contingent bills of that sub-division to be drawn by the Sub-Divisional Officer, on his own responsibility instead of the Divisional Officer.

(4) A Treasury Officer shall not permit the first withdrawal by a Drawing Officer of a newly created office unless an authority is received from the Accountant-General placing the new Drawing Officer in account with the treasury and the specimen signatures of the new Drawing Officer are received in the manner laid down in rule 190.

155. (1) When a person not in the Government employment claims payment for work done, service rendered, or articles supplied, such claims shall, unless there are express orders of the Government to the contrary, be submitted through the Head of the department or other responsible Government Officer under whose immediate order the service was done or the equivalent was given for which payment is demanded. The officer to whom such claims are submitted shall be responsible for completing the necessary formalities and for making the payment with due expedition. The payment may be made by the officer by any recognised mode of making payment. The recognised mode of making payment of claims of a Government employee or of a person not in Government employment is by cash or by a cheque, where the system of payment by a cheque is in vogue at the treasury or through a Bank Draft or postal money order at the request and expense of the payee concerned.

Note.- Payment to pensioners are governed by special provisions contained in these rules.

#### **(CHAPTER VI-RULES 279 TO 315)**

(2) In cases when it may be necessary to pay the amount of a bill drawn by a person not in the Government employment, and also when the authority of the Head of the Department or responsible official is insufficient, an order from the Accountant-General shall be sought, by furnishing that officer with any necessary particulars for obtaining the sanction of the Government should it be needed.

(3) In any event, if a bill be drawn by a person not in government employment, the Treasury Officer shall use special precautions for satisfying himself of the identity of the applicant for payment.

(4) In all doubtful cases the, Treasury Officer shall take the orders of the Collector who is expected to assume the responsibility of his position and exercise a proper amount of care and discretion in this matter. When this necessity occurs the Collector shall immediately report the

fact to the Accountant-General.

Note (1).- The Treasury Officer shall furnish to the Commissioner of Income-tax concerned quarterly statements of individual payments of two hundred and fifty rupees and above made by him to non-officials either on behalf of the Government or any local authority of any kind of fees, commission bonus and remuneration of any kind of indicating the names and addresses of the payees together with the amounts paid. The monetary limit in case of payments to contractor, etc., shall however, be one thousand rupees for each payment.

Note (2).- Payments due to contractors may be made to financing banks instead of direct to contractors; Provided that the Department concerned obtains (1) an authorisation from the contractor in the form of a legally valid document like the power of attorney or transfer deed conferring authority on the bank to receive payment, and (2) the contractor's own acceptance of the correctness of the amount made out as being due to him by Government or his signature on the bill or other claim preferred against Government in this behalf, before settlement of the account of claim by payment to the bank. While the receipts given by the bank holding a power-of-attorney or transfer deed from the contractor constitutes a full and sufficient discharge for the payment, contractors should wherever possible, be induced to present their bills duly receipted and discharged through their Bankers.

In case where the contractors/suppliers channel the goods bank or documents necessary for taking delivery of goods from carriers are handed over to the bank against cash payments, the banker's receipt for the amounts received by them will be treated as valid payees' receipts.

Note (3).- The indentification by the Treasurers shall not be accepted in any case.

156. Government Officers may make such payments as are authorised to be paid out of permanent advances or imprests which they are permitted to hold under the orders of competent authority, subject to recoument on presentation of bills.

157. Grant-in-aid and scholarships may be drawn on bills by the persons, not being Government employees, who have been designated by name of office in the order sanctioning the grant.

Education scholarships, grants-in-aid to local bodies, contributions to public exhibitions and fairs, and compensation to Government employees for accidental losses, etc. sanctions by Government shall be disbursed at the treasury only under the authority of the Accountant-General, but when such expenditure is sanctioned by subordinate authorities under the powers delegated to them, the Treasury officer may make disbursements on the authority of such sanctions.

**Note.-** Sub-rule (2) also applies to scholarships sanctioned by authorities subordinate to the Department of Industries and Department of Labour and Employment(Labour).

(3) Bills on account of grants-in-aid to Aided schools shall not be paid on a change of "Correspondents" of such schools taking place, unless such change has first been intimated to the Circle Education Officer in sufficient time to enable him to intimate the change to the Accountant-General.

(4) District Education Officers may draw on a consolidated bill for money on account of Government scholarships (other than military scholarships) due to scholars in Local Body schools situated at places where there is no treasury or sub-treasury and may remit it by money order after deducting money order commission.

Note (1).- Bills for grants-in-aid, contributions, etc., shall be presented in Form PTR 24 unless some other alternative form is authorised by departmental regulations. The orders sanctioning the payment shall be quoted in each case. Unless in any case the sanctioning authority directs otherwise. The bill shall be prepared and vouched for by the grantee, and no such bill shall be paid by the Treasury Officer unless it bears the signatures or counter-signatures of the sanctioning authority, or such other Government official as may be nominated

by it in this behalf:

"Provided that when the sanction of the Government is communicated in the form of an express order to the Accountant-General to make the payment, the Accountant-General may authorise the payment of the bill without requiring the signatures or counter-signatures of a Government official.

Note (2).- Bills for educational scholarship, stipends, etc. shall be presented in Form PTR 25 or in such other form as may be prescribed by Government after consultation with the Accountant-General. In the case of payment to institutions under private management, such bills shall be prepared and vouched for by the authorities of institutions concerned countersigned by such Government official as may be nominated in this behalf by the Government. The orders sanctioning the payment shall be quoted in each case. The channel of counter signatures in respect of scholarship, stipend upto two thousand and five hundred rupees drawn by the heads of the privately managed schools or colleges under the State Harijan (Educational) Welfare Scheme/Vimukat Jatis Scheme will, however be eliminated. In the case of scholarships/stipends sanctioned under these two schemes the Treasury Officer or Sub-treasury Officer concerned shall

maintain on the receipt of necessary sanction, the relevant record so as to check the fraudulent/double/wrongful payment.

If any conditions are attached to the payment of scholarships or stipends, the bills shall bear a certificate of the countersigning officer that he is satisfied that the specified conditions have been fulfilled.

The responsibility for correct payments, shall rest with the authorities of the institutions and the nominated officer of the Department. The Treasury shall ensure that the claim is confined to the Number of students granted scholarship/stipends and that the rates mentioned are according to the sanctioning order.

Note (3).- The procedure laid down below shall, however, be followed in respect of payment of grants-in-aid to private parties including Companies, Corporate Bodies, Universities and other similar Autonomous Bodies by the Department of Education, Department of Health and Family Welfare, Department of Agriculture and Forest (Agriculture), Department of Industries, Department of Co-operation, Department of Local Government, Housing and Urban Development (excluding Local Government) department), Department of Public Works (Technical Education), and the Department of Welfare:-

(a) These Departments will nominate one of their gazetted officers at Headquarters as the Drawing Officer for the purpose of drawal of funds required for disbursement of grants-in-aid. No authority for the withdrawal of funds for such payment shall be issued by the Accountant-General.

(b) The Drawing Officer will prepare a bill in the form given below and attach thereto a copy of the sanction for payment of grant-in-aid. He shall also fulfill in the certificate required to be given in accordance with the instructions, where necessary. Further certificates in regard to the fulfilment of conditions which may be pre-requisite for the payment of the grants will also be furnished, on the body of the bill. The bill duly completed may be presented at the treasury:-  
(Grant-in-aid Bill)

(For use by departmental  
authorities.)

No. \_\_\_\_\_

Head of Account

Received a sum of Rs.\_\_\_\_(Rupees \_\_\_\_\_) being the amount sanctioned under the Government of Punjab, Department of \_\_\_\_\_, letter No. \_\_\_\_\_, dated \_\_\_\_\_(copy enclosed) for disbursement to \_\_\_\_\_

\*Certified that-

(i) the grantee has executed the requisite bond/has been exempted from executing a bond after working out an alternative arrangement in consultation with the department of Legal and Legislative Affairs and Department of Finance.

(ii) I have no reason to believe that the grantee institution is involved in corrupt practices.

Signature \_\_\_\_\_  
Designation \_\_\_\_\_  
Stamp of Office \_\_\_\_\_

Place \_\_\_\_\_

**FOR USE IN TREASURY**

Pay Rupees \_\_\_\_\_  
Examined \_\_\_\_\_  
Treasury Accountant \_\_\_\_\_

Treasury Officer.

**FOR USE IN THE ACCOUNTANT-GENERAL'S OFFICE**

Admitted Rs. \_\_\_\_\_  
Objected to Rs. \_\_\_\_\_  
Reasons for objection \_\_\_\_\_

Auditor                  Superintendent          Gazetted Officer.

Strike out whatever certificate is not applicable.

(c) For local payments the Treasury Officer should be requested to issue a cheque in favour of the grantee whose name shall be clearly indicated on the requisition, if the amount of the grant is not to be paid in cash. In the latter case, a cheque in favour of the Drawing Officer may be obtained in the normal manner.

(d) For outstation payments, a final application should be made to the Treasury officer for a demand draft in favour of the grantee while submitting the bill to him and the manner in which the payment is desired shall also be indicated in the drawer's receipt on the bill as prescribed in clause(o) of rule 159.

(e) The Drawing Officer shall arrange for disbursement of the grant in cash or by delivery of cheque or demand draft to the grantee either in person or by registered post, as may be necessary, and obtain quittance in the following form:-

(Form of quittance for grant-in-aid).

Received a sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_), by cash/cheque/demand draft from \_\_\_\_\_, on account of grant-in-aid sanctioned in the department of \_\_\_\_\_, letter No. \_\_\_\_\_, dated \_\_\_\_\_.

Signature of the grantee

Date \_\_\_\_\_

The quittance shall be passed on to the Accountant-General, Punjab, on receipt, after giving reference to the bill in which the amount was drawn. The receipts may be sent to the

Accountant-General, Punjab, in two batches on 1st and 15th of each month.

(f) The Drawing Officer shall keep register of valuable in the form given below for watching the disposal of cheques/drafts obtained in favour of the grantee:-

### REGISTER OF VALUABLES

Sr. No.	No., date and amount of the grant-in-aid bill through which the amount is drawn	Name of party in whose favour cheques or demand draft is required	No., date and amount of cheque or demand draft along with date of receipt	No, and date of letter forwarding cheque or demand draft to the party/individuals
1.	2.	3	4.	5.

Signature of the Drawing Officer	Date of receipt of the quittance of party or individual	Date of cancellation in case cancelled	Date of correction etc.	Remarks
6.	7.	8.	9.	10.

Clarification.- The above revised procedure would cover only those cases where grants-in-aid are sanctioned by Government and authority for their drawal is required to be issued by the Accountant-General, Punjab. In cases where grants-in-aid are sanctioned by the subordinate authorities under the power delegated to them payments of grants-in-aid would continue to be made as before. In other words, cases where grants-in-aid are sanctioned by subordinate authorities under the powers delegated to them, the treasury Officers are competent to make disbursement on the authority of such sanction in accordance with such procedure.

#### ARREAR CLAIMS

158. In regard to the claims against Government, time limit prescribed therefor and the procedure of dealing with the claims, the provisions of rule 2.25 of the Punjab Financial Rules, Vol. I shall be observed. All the bills as and when received with the sanction of the Head of the department or the administrative Department, shall be entered in the register in Form P.T.R. 26.

#### GENERAL INSTRUCTIONS REGARDING PREPARATION AND FORM OF BILLS

159. The following general instructions regarding the preparation and form of bills shall also be observed:-

(a) Printed forms of bills in English shall be adopted as such as far as possible; but when, from any circumstances, a bill in Punjabi Language is unavoidably necessary a bilingual form shall be used.

(b) When the account or bill purely in Punjabi language is unavoidable, a brief abstract shall be endorsed in English under the signatures of the preferring Government employee stating the

amounts, the name of the payee and the nature of the payment.

( c ) All bills shall be filled in and signed in ink, or with ball point pen in clear and legible signatures. The amount of each bill shall be written in words as well as in figures. In case there are no paise, the word "only" shall be inserted after the number of whole rupees and case shall be taken to leave no space for interpolations as in the following examples:-

(i) Rupees twenty-five and five paise as Rs.20.05(not Rs.25.5).

(ii) Rupees Twenty-five and fifty paise as Rs.25.50 (not Rs.25.5)

(iii) Rupees fifty-five and eighty-three paise as Rs.55.83

(iv) Fifty paise as rs.0.50.

(v) Rupees twenty-five as Rs.25 only

(d) All corrections and alterations in the total of a bill shall be attested by full signatures with date of the person signing the receipt as many times as such corrections or alterations are made; any corrections or alterations in the orders of payment shall be attested in the same way by the treasury Officer. No documents bearing an erasure shall be accepted and payment of such bill shall be refused by the treasury Officer and a fresh bill called for Corrections and alterations in orders of payment drawn by the Treasury Officers on the Bank shall be attested by their full signatures.

(e) Erasure and over-writing in any bill or vouchers shall be absolutely for bidden, if any correction be necessary the incorrect entry shall be cancelled neatly in red ink and the correct entry inserted. Each such correction or any interpolation deemed necessary shall be authenticated by the Head of the office setting his full signatures with date against each. Special care shall be taken by the treasury Officer as regards all bills and accounts showing signs of alteration; and if such documents be frequently received from any office, the attention of the head of the office shall be formally drawn to the irregularity.

(f) The complete accounts classification as shown in the Statement of appropriation communicated to him shall be entered in the bill by the drawing officer, that is to say, the major and minor heads, sub-heads(if any) and the Standard Objects of Expenditure against which the amount of the bill is to be debited. If two Standard Object of Expenditure are included in the same bill, the amount under each object shall be indicated. This classification shall also show whether the expenditure is voted or charged and is Plan or Non-Plan. Care shall be taken not to include Allowances and Honoraria( other than those drawn with salary) in the same bills as those for salaries.

(g) Charges against two major heads shall not be included in one bill, but the Treasury Officer shall not take exception to a bill on this ground unless the items require different action from him, such as entry in different registers. This provisions does not apply to the allowances of a gazetted Government employee, or of an establishment as in such cases the whole of his allowances even if belonging to two or more major heads of account shall be drawn on a single bill if they are chargeable wholly to the Revenue of the State.

(h) Unless the Government has expressly authorised it in the case of any specified office, no payment may be made on a bill or order signed by a clerk instead of by the Head of an office, although in the absence of the later the clerk may be in the habit of signing letters for him. Nor may any moneys be paid on a bill or order signed with rubber or facsimile stamp. When the signature on a bill is given by a mark or seal or thumb-impression, it shall be attested by some known person. Vernacular signatures except in Hindi or Punjabi shall always be translated.

Note:- The Head of an office may authorise any gazetted Government employee serving under him to sign a bill, voucher or order for him, communicating his name and specimen signatures to the treasury. This shall not, however, relieve and Head of the Office in any way, of his responsibility for the accuracy of the bill or for the disposal of the money received in payment.

(i) Bills requiring previous countersignatures shall be returned unpaid if presented without such countersignatures.

(j) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charges shall be quoted. Copies of sanctions accompanying a bill shall be duly certified by a responsible officer, not by a clerk.

(k) The authority under which deductions are made in a bill shall be quoted.

(l) Dates of payment shall, when possible, be noted by the payees in their acknowledgements in bills, acquittance rolls, etc. if, for any reason, such as illiteracy or the presentation of receipts in anticipation of payment, it is not possible for the payees to note the dates of payment, the dates of actual payment shall be noted by the disbursing officers on the documents under their initials, either separately for each payment or by groups as may be found convenient.

(m) When the drawing officer requires payment to be made through some other person, he shall specifically endorse an order to pay to that specified person. The position in regard to endorsements on a bill is that-

(a) one endorsement in favour of another party is admissible;

(b) the party to whom the bill is payable can endorse to his banker or to a messenger for collection only; and

(c) the banker can in turn endorse to a messenger for collection only.

Thus, in all, three endorsements shall be admissible provided that out of the three one is to the payee's banker and one is to a messenger for collection only.

(See also rule 428).

(n) In cases in which the endorsement on a bill is unauthorised, incomplete, or otherwise irregular, the Treasury Officer shall refuse payment of the bill and return it to the person who presents it with a memorandum explaining why payment is refused.

(o) When payment is desired wholly or partly in Reserve Bank Government Draft, a formal application for such drafts shall accompany the bill and the manner in which payment is desired shall also be indicated in the drawer's receipt on the bill.

(p) Where it is permitted by Government by general or special orders that either the whole or a part of the amount of a bill shall be remitted to a person or persons by Postal Money Order, the Treasury Officer will pass the bill for the net amount and credit the deduction, representing the amount to be remitted by money order by transfer credit to the post office and issue a certificate to this effect that the amount of money order has been credited to post office by contra credit.

Note.- The procedure contemplated in this clause has been prescribed in the Department of Education and the Department of Home Affairs and Justice(Police) as indicated in Note 1 and 2 below rule 214.

(q) The spaces left blank either in the money column in the column for particulars of the bill shall invariably be covered by oblique lines.

(r) A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees which is slightly in excess of the total amount of the bill, shall invariably be recorded in the body of the bill in a red ink.

(2) When the drawing officer desires to draw money through a messenger who is an employee of the office, he shall invariably record a separate and clear authority in the following manner to receive payment on his behalf on the body of the bill:-

Pay to \_\_\_\_\_(designation)whose specimen signatures below is hereby attested.

Signature of messenger.

Signature of drawing officer.

Note 1.- The above endorsement should not be combined with other endorsements on the bills as far example "Received payment" or "Received contents" usually recorded by the drawing officers at the end of the bill. In other words, the drawing officer's discharge shall be quite separate from the authority to receive payment on their behalf.

Note 2.- In the case of banking treasuries and sub-treasuries the authority in the name of a messenger shall be recorded only after the bill has been passed by the Treasury Officer/Assistant Treasury Officer and entered in the Bill Register.

### **CALCULATION OF TRANSACTION OF THE NEAREST MULTIPLES OF FIVE PAISE**

160. Except in the cases mentioned below, all government transaction involving fractions of a rupee shall be brought into accounts by rounding off to the nearest rupee i.e. fifty paise or above to be rounded off to the next higher rupee and less than fifty paise to be ignored;-

- (i) petty cash transactions, which are reflected in cash book; and
- (ii) Cash transactions for petty purchases or sales upto the value of fifty rupees, which are reflected in a primary record like cash book."

### **ISSUE OF DUPLICATES OR COPIES OF DOCUMENTS**

161. (1) No Government Officer shall issue duplicates or copies of bills or other documents for the payment of money which has already been paid, on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day a certain sum was paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost and does not apply to cases, if any, in which, by any rule or order duplicates have to be prepared and tendered with the originals.

(2) In the case of a bill passed by the Drawing Officer or Controlling Officer for presentation at a treasury, but lost either before payment or before presentation at the treasury, the Government Officer who drew the original bill shall ascertain from the treasury that payment has not been made on it before he issues a duplicate thereof. The duplicate copy if issued shall bear distinctly on its face the word 'duplicate' written in red ink. The fact that duplicate bill has been issued shall be immediately communicated to the Treasury Officer with instructions to refuse payment on the original bill if presented.

Note.- For the purpose of this rule, the Treasury Officer, on receipt of a request from any Drawing or Controlling Officer, shall, after due verification from his records, furnish a certificate in the following form:-

" Certified that Bill No. \_\_\_\_\_ Dated \_\_\_\_\_ for Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) reported by (the drawing officer) to have been drawn by him on this Treasury in favour of \_\_\_\_\_ has not been paid, and will not be paid if presented hereafter."

(3) When any kind of bill is required to be prepared in duplicate or triplicate, only one copy shall be signed or countersigned in full and the other copy or copies may be only initialed. If the

previous audit of the Accountant-General is required only the original copy shall be sent to him.

### **STAMPING OF BILLS AND VOUCHERS**

162. (1) Receipts for all sums exceeding twenty rupees shall be stamped unless they are exempt from stamp duty under the rules issued under the Indian Stamp Act, 1899.

(2) The following are some of the exemptions:-

- (a) Receipts given by, or on behalf of Government.
- (b) Receipts on cheques.
- (c) Receipts for interest on government securities.
- (d) Receipts for withdrawals from Government savings Banks.
- (e) Receipts on Postal Money Orders.
- (f) Receipts given by a Railway or an Inland Steamer Company for payments made to it on account of freight and fares and for incidental charge such as loading, unloading, delivery, granage, haulage, wharfage, demurrage etc.
- (g) Receipts for any payment of money without consideration e.g. grants-in-aid, scholarships, etc., etc.

Note.- the receipts for fees paid to Advocate through a briefing or instructing Government Solicitor or Advocate need not also be stamped.

(h) Receipts given by an opium cultivator or his representative or Lambardar khattadar for the money paid to him by Government as an advance for cultivation of opium.

(i) Receipts for advances made by Government under the Agriculturists' Loans Act, 1884 (Act XII of 1884).

(j) Receipts given by or on behalf of any society registered under the Punjab Co-operative Societies Act, 1961 or by any officer or member of any such society and relating to the business of the Society.

(k) Receipts given for refund of fines ordered by a Court of Law.

Note (1).- Cash memoranda which do not contain an acknowledgement receipt of money from persons named therein are not receipts within the meaning of section 2(23) of the Indian Stamp Act, 1899 (II of 1899). Further the mere writing of the purchaser's name and address on a cash memorandum for delivery purposes does not transform it into an acknowledgement to the purchaser that the money has been paid. Cash memorandum will not, therefore, be regarded as sub-vouchers in Audit unless they contain an acknowledgement of the receipt of money from the person named therein ( with stamps affixed when the amount exceeds twenty rupees).

Note (2).- The limit of twenty rupees upto which a receipt is not required to be stamped shall be applied to the net amount payable on bill and not the gross claim preferred therein.

Note (3).- If a sum is retrenched from a bill and recovered but subsequently passed and redrawn, the receipt for the latter payment will require a receipt stamp if the amount exceeds twenty rupees. If the amount is disallowed on pre-audit, and before the bill is paid, then it can be drawn without a stamped receipt if it is subsequently admitted. In this case the unstamped receipt shall show that the amount drawn on it forms part of the legally stamped bill which was retrenched.

Note (4).- Receipts for payments made outside India shall be obtained from the payees and stamped in accordance with the local laws, if any, governing the stamping of such receipts.

(3) all cheques, reserve Bank Government drafts and reserve Bank drafts shall be exempt from stamp duty.

Note (5).- see also the list of exemptions in Schedule I of the Indian Stamp Act, 1899.

(4) the following documents do not come under any of the exemptions mentioned above, but shall be chargeable with stamp duty under the general rules:-

(a) Receipts (other than the receipts mentioned in Rule 162 (2) (f) drawn by a Railway Company, including a Company to which a State Railway has been leased, or by a Municipality.

Note.- This rule applies also to receipts drawn for claims, the adjustment of which may be made through account current.

(b) Receipts signed by a Government Officer as Chairman of a Municipality.

( c ) Receipts (other than those mentioned in rule 162 (2) (g) drawn on account of Cantonment and other Local Funds.

(d) Receipts for advances taken by Government Officers, in respect of sums paid to them by government as advances for the purchase of railway tickets.

(e) Receipts for amounts of emigrants' money orders.

(f) Receipts for refund or repayment of deposits other than those covered by Rule 162(2) (g).

Note 1.- Reserve Bank Government Drafts issued in favour of sepoys are received by the Deputy Commissioners, but as all the payees are some-times not present to receive payment, the undisbursed portion shall be placed in deposit. No stamp shall be required on the bills on which the money is withdrawn.

Note 2.- Bills for amounts in excess of twenty rupees drawn from the treasury out of the Sheriff's petty account shall not be stamped.

(g) Receipts on Acquittance Rolls of Establishments.

(h) Receipts drawn by the Accountant General or the Treasurer of Charitable Endowments on account of interest on Municipal or Port Trust debentures kept in his custody as ordinary Trust Fund or Charitable Endowments.

### **SPECIAL INSTRUCTIONS APPLICABLE TO PARTICULAR KINDS OF CLAIMS**

163. The Forms for the preparation of bills relating to various classes of claims such as pay and allowances of government employees. contingencies, pensions, etc., and the procedure to be observed in the presentation of such claims, shall be such as have been specified under relevant heads in subsequent chapters of this part.

164. Bills which under any rule or orders require to be pre-audited by the Accountant-General before disbursement shall not be presented to the Treasury Officer except through the Accountant General.

165. Government employees, who are authorised to draw cheques, shall make all the payments which they have to make, by cheques as far as possible.

166. Cheques should be drawn on forms in cheque-books supplied by the Treasury Officers to the disbursing officers authorised to draw moneys from the treasuries with which they are placed in account.

167. Cheque Books required by Officers authorised to draw on treasuries or sub-treasuries shall be obtained by them direct from the concerned District Treasury. Cheque books required for use on the bank are also supplied by the Treasury Officer and not the bank. The Treasury Officer shall supply a cheque book only on receipt of the printed requisition form which is inserted in each cheque book towards the end. Only one cheque book shall be issued on a single requisition. Such requisition shall be signed by the officer authorised to draw on the treasury.

Provided that not more than three cheque books shall be issued to a Drawing and Disbursing Officer of the Department of Food and Supplies by the Treasury officer for the purposes of procurement of wheat and paddy, out of which, one shall be issued to him initially and the remaining two at the special request made by the Drawing and Disbursing Officer during the procurement season beginning from the 1st April to the 31st July and from the 1st October to the

31st December of each year, subject to the condition that the Drawing and Disbursing Officer shall issue cheques from one cheque book and make use of the other cheque books only after all the cheques in the previous cheque books are utilised:

Provided further that the Director, Food and Supplies, Punjab shall,-

(i) ensure that the aforesaid facility is not in any way misused by the Drawing and Disbursing Officers;

(ii) verify during the inspection or otherwise that the second or third cheque book as the case may be, is brought into use only after all the cheques of the first or second cheque book, as the case may be, are utilized; and

(iii) satisfy himself that the Drawing and Disbursing Officers are issuing the cheques strictly in accordance with the provisions of the Punjab Treasury rules, Volume I."

168. A separate cheque book shall be used for treasury or sub-treasury except by officers using cheque-perforating machines. Cheque Books obtained from a particular treasury shall not be drawn on other treasuries or sub-treasuries of other districts.

169. A Government employee who is authorised to draw money by means of cheques upon the bank shall notify to the Bank upon which he draws the number of each cheque book brought into use and the number of cheques it contains. However, if the Treasury/Sub-Treasury happens to be non-banking or where the cheques are required to be encashed thereat, before presentation to the bank, treasury or sub-treasury, as the case may be, such intimation shall be sent to the bank treasury or sub-treasury drawn upon.

170. Cheque books shall on receipt be carefully examined by the drawing officer who shall count the number of forms contained in each and record a certificate of count on the fly leaf.

171. (a) Before a cheque book is brought into use, all the cheque forms in it shall be marked by a distinguishing letter. Cheques drawn by a drawing officer, on a particular treasury shall be distinguished by a different letter from those drawn by his subordinate officers against his drawing account on that treasury and also from those drawn by himself on any other treasury or sub-treasury.

(b) When a Government employee is authorised to draw cheques on sub-treasuries, he shall give notice to the Treasury Officer from time to time, of the probable amount of his drawings on each sub-treasury in order that funds may be provided as far as possible. Cheques drawn on sub-treasuries should be distinguished by different numbers and letters from those drawn against the District Treasury

172. Each cheque book shall be kept under lock and key in the personal custody of the drawing officer who, when relieved, shall take a receipt for the exact number of cheques made over to the relieving officer.

173. In case where withdrawal of funds by cheques is no longer necessary, all the cheque forms of cheque books, which remain partly or wholly unused, shall be cancelled by writing the word 'cancelled' prominently across each cheque form and counterfoil, without signatures of the drawing officer, and thereafter returned to the Treasury Officer concerned who shall destroy them by incineration(burning) in the presence of the Collector, after keeping a note of the fact in the relevant records of the treasury under proper attestation.

174. The loss of a cheque book or a bank cheque form shall be notified promptly to the Treasury Officer with whom the disbursing officer concerned has a drawing account.

175. All cheques shall be written across them in words at right angles to the type a sum a little in excess of that for which they are granted: thus "under thirty rupees" will mean that the cheque is for a sum not less than twenty rupees, but less than thirty rupees: and similarly "under eight hundred rupees" will mean that it is far less than eight hundred rupees, but not less than seven hundred rupees. No abbreviation such as "eleven hundred" for "one thousand one hundred" shall be used. The amount shall be written in the manner specified for vouchers in rule

159(1) ©. In drawing or cashing a cheque, it shall be remembered that a common form of fraud consists in altering the word one into four by prefixing an 'f' and changing the 'e' into an 'r', the figure being easily altered to correspond. The word twenty, if written carelessly, has also sometimes been changed into seventy. The drawer of a cheque in which these words occur shall, therefore, so write as to make the fraud impossible and the treasury staff shall examine the words and corresponding figures with special care.

Note 1.- The cross entry is not necessary if the amount in words is type perforated by a special cheque writing machine.

Note 2.- All cheques shall be written and signed in indelible ink or with ball point pen in clear and legible signatures.

Note 3.- Rule 159(1)(d) applies mutatis mutandis to corrections and alterations in cheques.

Note 4.- All corrections and alterations in cheques shall be attested by drawing officers by their full signatures.

Note 5.- The intention of the instructions contained in this rule is to avoid all possible chances of fraud. An Officer who signs a cheque or payment order on a voucher shall, therefore, satisfy himself that the entries are so made as to preclude any possibility of words or figures being inserted either in front or in continuation of the words and figures originally entered in the cheque or payment order. Clerks entrusted with the duty of filling in cheques shall be made fully to understand the precautions which shall be taken against fraud and the attention of all concerned shall be drawn to the orders contained in these rules.

176. (1) Cheques drawn in favour of Government employees and departments in settlement of Government dues shall always be crossed "A/C payee only not negotiable".

(2) In the absence of a specific request to the contrary from the payee cheques drawn in favour of corporate bodies, firms or private persons shall always be crossed. Subject to any instructions received from the payee, a cheque shall be crossed "\_\_\_\_\_ & Co". with the addition of the words "Not negotiable" between the crossing.

Where the payee is believed to have a banking account further precautions shall be adopted where possible by crossing the cheque "specially" (instead of by the "general" crossing, "\_\_\_\_\_ & Co.") by quoting the name of the bank through which the payee will receive payment" and by adding in words "A/C payee only-Not negotiable". These instructions regarding the method of crossing of cheques are applicable in all cases where the use of crossed cheques is specified.

Note 1.- The instructions in this rule apply mutatis mutandis to Indian Postal Orders issued for remittance of money on Government account.

Note 2.- Cheques preferable at a treasury for payment are non-negotiable instruments and shall not therefore be crossed. In case, however, any cheque preferred at a treasury has been crossed inadvertently by the drawer or by the Collecting Bank, the fact of its being crossed may be treated as of no significance in making payment.

177. (1) Every cheque in favour of a Government employee shall be made payable to order only, but when the payee is not a Government employee, the drawer may at his request, make the cheque payable to bearer. Treasury Officers will, therefore, cash chouse payable to A, B or bearer except when A, B is a Government employee. If a cheque payable to a person not in Government employee or bearer, or payable to such person or to such person or order, is presented, the District Treasury Officer may decline to pay it, if he is unable to satisfy himself of the identity of the person claiming payment or in the case of a cheque payable to order, of the completeness of the chain of endorsements, if any, by which such person has become the holder of the cheque.

(2) Ordinarily a cheque payable to order shall not be cashed by the Treasury Officer

unless it is

received by the payee himself or other person in whose favour it is regularly endorsed for payment. In special cases, when the head of an office is unable himself to receive cheques payable to his order, owing to his being absent on tour or for other causes, and when he considers that strict compliance with the ordinary rule would cause inconvenience, he may specially authorise, in writing, a subordinate gazetted Government employee to endorse for him cheques drawn in his favour by his official designation.

Note 1.- When a public officer sends a cheque to a treasury not for fresh payment, but for credit of its amount in the treasury accounts, he must, before endorsing the same add the words "Received payment by transfer credit to ....." Omission to do this facilities fraudulent appropriation of money.

Note 2.- Endorsement by duly constituted and authorised attorneys of cheques payable to the order of their principals may be acted upon by Treasury Officers. It is, however, necessary that such powers to attorneys shall be registered at the treasury.

(3) The following instructions as to cheques shall also be borne in mind:-

(1) When a cheque is made payable specifically to one person (ie., to A, B, only and not to A, B or order, or "A, B or bearer") the payment shall be made on the receipt of the person named in the cheque.

(2) When a cheque is payable to a person or bearer, the payment may be made to bearer if presented by him.

(3) Two parallel red lines drawn across a cheque shall be admissible and shall mean that the payment of the crossed cheque shall not be made otherwise than to a banker.

(4) If a cheque payable to "A, B" or "A, B or order" is merely signed by the original payee on the bank, it is said to be endorsed in blank and becomes payable to the bearer under section 54 of the Negotiable Instruments Act, 1861 (Central Act No. XXVI of 1881). The legal obligation of a Treasury officer in making payment of a cheque payable to "A, B" or bearer" or of a cheque payable to order but endorsed in blank by the original payee, shall be discharged by paying the amount of the cheque to the bearer, whosoever he may be, as under sections 46 and 47 of the Negotiable Instruments act, 1861 (Central Act No. XXVI of 1881). Such cheques are negotiable by delivery only without the signatures of the payee on the back of the cheques. But in such cases the Treasury Officers shall follow the ordinary banking practice as to the identity of the presenter, viz., that they shall obtain some satisfaction as to the identity of the presenter and also take his endorsement.

178. As a general rule, cheques shall not be issued for sums less than one hundred rupees, unless it is permissible under the provisions of any law or a rule having the force of law for the disbursement of such charges as naturally are paid in cash, e.g. the wages of labourers and of establishment charges directly to works, and value-payable postage, etc., it shall be permissible to draw money from the time to time from the treasury by cheques to replenish the cash chest. Whether there be a guard or not, disbursers must draw cheques for the minimum of each actually required to meet current disbursements, and if it is found any time that the balance in hand is larger than is required to meet the anticipated expenditure of the next month, or of the next fifteen days, if the treasury is not situated at an inconvenient distance, the surplus shall be returned into the nearest treasury;

Provided that in cases where payment by cheques has been introduced by the State Government in the treasuries or sub-treasuries all payments of Rs.10 or less will be made in cash out of the imprest and payments exceeding Rs.10 shall be made by cheque(s).

179. All corrections and alterations in a cheque shall be attested by the drawing officer by his full signatures.

180. (1) Cheques shall be payable at any time within three months after the month of issue; thus a cheque bearing any date in January is payable at any time up to 30th April

(2) If the currency of a cheque shall expire owing to its not being presented at the treasury within the period specified in sub-rule (1). it may be received back by the drawer who shall then destroy it and issue a new cheque in lieu of it. In the event of the non-return of the time-barred cheque to the drawer, the drawer shall on the expiry of the specified period of three months after the month of issue of the cheques, require the payee either to return the cheques or explain the causes for its non-return. If as a result of this enquiry, the cheque is reported as lost, the Treasury Officer drawn on shall be required to furnish a non-payment certificate with reference to sub-rule(1) of rule 183.

181. As a rule, no cheque shall be drawn unless it is intended to be paid away and cheques drawn in favour of contractors and others shall be made over to them by the disbursing officer direct; but the disbursing officer may be assisted in making disbursements by a cashier appointed for the purposes. The occasional delivery of cheques through a subordinate may be permitted at the discretion and on the responsibility of the disbursing officer. In such cases, the subordinate shall make no entry in any accounts which he keeps, as a payment made by cheque shall appear in the cash account of the disbursing officer who draws the cheque, and the subordinate's record will be in his correspondence.

Note 1.- It is serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of the grant as utilised.

Note 2.- Whenever a cheque is drawn and entered in the cash book, but not paid out on the day on which it is drawn, a note must be made in the cash book against that entry explaining why it has not been possible to deliver the cheque to the payee.

Note 3.- For the payment to contractors through their bankers see note 2 below rule 155.

182. When it is necessary to cancel a cheque, the cancellation shall be recorded on the counterfoil, and the cheque, if in the drawer's possession, shall be destroyed. If the cheque is not in the drawer's possession, he shall promptly address the Treasury Officer to stop payment of the cheque and on ascertaining that the payment has been stopped, shall make the necessary entry in his accounts. A cheque remaining unpaid for any cause for twelve months after the month of its issue shall be cancelled in the aforesaid manner and its amount written back in the accounts.

183. (1) If a Drawing Officer is informed that a cheque drawn by him has been lost, he shall address the Treasury Officer drawn on, forwarding for signatures a certificate in the following form:-

Certified that cheque No \_\_\_\_\_ dated \_\_\_\_\_ for Rs. \_\_\_\_\_ reported by (the Drawing Officer) to have been drawn by him on this treasury in favour of \_\_\_\_\_ has not been paid, and shall not be paid if presented hereafter.

\_\_\_\_\_treasury

The 19 .

District Treasury Officer.

(2) If, after search through the lists of cheques paid, the treasury Officer finds that the cheque has not been cashed, he shall sign and return the certificate taking care to note the stoppage of payment of the cheque.

(3) The drawing officer on receipt of the certificate, duly signed by the treasury Officer, shall enter in his account the original cheque as cancelled, and may issue another.

Note.- In respect of cheques of the Department of Agriculture and Forests (Forests) (see also

Article 263 of Accounts Code, volume III.

184. (1) If a cheque is issued by Government in payment of any sum due by government and that cheque is honoured on presentation to Government's banker, payment shall be deemed to be made:-

(a) If the cheque is handed over to the payee or his authorised messenger on the date it is so handed over, or

(b) if it is posted to the payee in pursuance of a request for payment by post, on the date on which the cover containing it is put into the post.

(2) Sub-rule (1) applies mutatis mutandis to a cheque in payment of Government dues or in settlement of other transactions received and accepted in accordance with the provisions of rule 103.

Note 1.- The provisions of clause (b) of sub-rule(1) apply mutatis mutandis to payment by government by postal money orders or by any other recognised mode of remitting money by post.

Note 2.- Cheques marked as not payable before a particular date shall not be charged to the accounts until the date on which they become payable.

**LETTERS OF CREDIT, ASSIGNMENT AND OTHER ORDERS FOR PAYMENT**

185. (1) Where under the provisions of these rules or under any special order of the Government, letter of credit or assignment (Form PTR 27) is issued in favour of a drawing officer, such letter of credit or assignment shall specify the maximum amount up to which the officer credited shall have authority to draw on the particular treasury on which the letter of credit and the assignment, as the case may be, have been issued.

(2) A drawing officer in whose favour a letter of credit or assignment has been issued shall not be permitted to draw the whole amount and place it in a separate drawing account at the treasury or the bank or in a private account.

Note.- Form PTR 27 prescribed for letters of credit is a general form which may be modified by the Accountant General where necessary to meet the special requirement of any particular drawing officer.

186. (1) At places where the cash business of the treasury is conducted by the Bank, any letter of credit or assignment issued on the treasury shall also be communicated to the Bank.

(2) If the drawing officer in whose favour a letter of credit or assignment has been issued requires funds both at the Head quarter and at a sub-treasury, the Treasury Officer shall provide the funds at the sub-treasury, advising the Bank of the amount to be placed at the credit of the drawing officer at the Headquarters.

Note.- Cheques issued against Letters of Credit or Assignments may be encashed at the Bank direct, that is, without intervention of the Treasury Officer, if approved by the Department of Finance.

(3) Letter of credit issued in favour of Post Offices shall lapse at the close of the month for which they are issued. In all other cases, a letter of credit or assignment shall lapse at the close of the financial year in which it is issued and a cheque drawn before, but paid after the end of the year, shall be taken against the letter of credit or the assignment of the year in which it was drawn. If this causes overdrawal of the credit, the excess shall be treated as an overdrawal and the attention of the authorities concerned shall be drawn to the irregularity.

187. (1) Subject to as hereinafter provided, and in the absence of any distinct rule or order to the contrary, an order or authority issued by an Accountant General, whether in the form of letter, telegram, encasement on bill, or otherwise, for payments to be made at a place outside the limits of his own jurisdiction, may not be communicated to the Treasury Officer or the disbursing officer concerned except through the Accountant General within whose jurisdiction

the treasury or the disbursing officer is situated.

Note.- All payments to private parties which are payable at Treasuries or sub-treasuries under the jurisdiction of an Accountant General other than the one in whose books the charges are adjustable shall, as far as practicable, be made direct by the drawing officers by means of Government drafts instead of requesting their Accounts Officers for arranging payments through the Accountant-General concerned. A certificate to the effect that payment has been made to the proper person and a proper acknowledgement has been obtained and filed in his office may be sent to the Accountant-General by the Drawing Officer, as and when the payment is made to a private party. The refund of earnest money deposits in similar circumstances would be made by means of Government drafts by Accountant General in whose books the deposits were finally adjusted. For this purpose the departmental officer concerned in the repayment of deposit endorse the refund order on the original receipt by the Treasury Officer and send it to the Accountant-General.

(2) The Accountant General, Uttar Pradesh. Central revenues and the Accountant General, Commerce, Works and Miscellaneous (including its branch offices at Calcutta and Bombay) may, with the concurrence of another Accountant General, issue payment orders direct on selected treasuries outside their jurisdiction. The Accountant General, may, with the concurrence of the accountant General, Himachal Pradesh and Chandigarh, operate on the Shimla Treasury directly.

188. All cheques, bills, etc., preferable at a Treasury for payment being non-negotiable instruments, can be endorsed only once in favour of the specific person/party to whom the money is to be paid:

Provided that-

(i) when the endorsement is made on a cheque or a bill in favour of a banker, a second endorsement can be made by the banker in favour of a messenger or an agent for collection only.

(ii) in the case of a contingent bill which has been endorsed in favour of a private individual/firm of suppliers, etc. under sub-rule (1) of rule 271, the firm, etc. can re-endorse to its bankers or to a messenger for collection only, and the banker can in turn endorse it to a messenger or an agent for collection only. Thus, in all, three endorsements are permissible in such cases; provided that of the three one is to the payee's banker and one is to a messenger or agent for collection only.

(iii) an agent may, notwithstanding anything, contained in clauses (i) and (ii) for the purpose of collecting the cheque or bill, endorse it in favour of his messenger.

Explanation.- In this rule a 'banker' includes a Post Office Saving Bank and an 'agent' means any Bank, including Post Office Saving Bank acting as a collecting agency for and on behalf of the payee's banker.

Note.- Cheques drawn directly on the Bank without the intervention of the Treasury Officer are to be negotiable instruments and not subject to the provisions of this rule.

#### SPECIMEN SIGNATURES AND OTHER SAFEGUARDS

189. (1) Every Government Officer, who is authorised to draw cheques or sign or countersign bills payable at a treasury, shall send a specimen of his signatures to the Treasury Officer through some superior or other officer whose specimen signatures are already with the treasury. When such an officer makes over charge of his office to another, he shall likewise send a specimen of the signatures of the relieving officer to the treasury Officer concerned.

(2) Specimen signatures, when forwarded on a sheet of paper other than the forwarding letter itself, shall be duly attested by the officer signing the forwarding letter.

(3) The procedure specified in this rule shall be observed mutatis mutandis by all Government officers, who are authorised to draw upon the Bank or any other office of disbursement.

190. The Accountant General shall supply to all Treasury Officers within his audit area with

a copy of the specimen signatures of all gazetted officers serving under him who are authorised to sign payment orders on bills and vouchers or to issue letters of authority for payments to be made at treasuries. Before a treasury Officer pays a bill on the authority of an order purporting to have been issued from the Accountant General, he shall verify the signatures on the order by comparison with the specimen signatures of the signing officer.

## **SECTION II- PROCEDURE FOR PAYMENT OF CLAIMS AT THE TREASURY**

### **INTRODUCTORY**

191. The rules of procedure specified in this section are designed primarily for the guidance of Treasury Officers in dealing with claims upon the Government that may be presented to them for disbursement. Special rules applicable to treasuries, the cash business of which is conducted by the Bank, are laid down in Part X.

### **CHECKS TO BE APPLIED AT THE TREASURY ON CLAIMS PRESENTED**

192. The bill or other voucher presented as a claim for money shall be received and examined under the supervision of the Assistant Superintendent, Treasury in the case of a treasury and of the Accountant in the case of a sub-treasury Accountant by affixing their dated initials on all such documents in token of a check and if it is deficient in any of the following respects it shall not be cashed but shall be returned to the drawing officer for completion. Failure to do this shall be noted an irregularity of the treasury for inclusion in the annual review on the working of treasuries.

(a) Prescribed form ; (b) Signatures, countersignatures and translation of vernacular signatures, except in Hindi and Punjabi; (c) quotations of sanction or authority where necessary; (d) affixing of receipt stamps where necessary; (e) arithmetical correctness of totals and calculations of broken periods; (f) attestation of alternations ; (g) last pay certificates, and absentee statements for all officials on leave or deputations attached; (h) printed instructions on reverse of traveling allowance bill form should be strictly complied with. It should then be laid before the treasury Officer who, if the claim be admissible, the authority good, the signatures true and in order, and the receipt a legal quittance, will sign the order payment at foot of the voucher taking care to adopt the precautions prescribed in rule 159. Care shall be taken that all bills and voucher passed for payment are paid on the same date and that no payment is made except under the written order of the Treasury Officer.

Note 1.- The Treasury Officer is required to ensure that the arithmetical calculations in a bill have been checked properly.

Note 2.- A list of the objections, which are ordinarily taken in auditing the payments made at district treasuries is printed in form PTR 28, and should be referred to when making payments. When any of the objections are applicable, the bill or other document, should be returned to the claimant.

Note 3.- When any bill presented at a treasury cannot be paid is not the actual payee, or is not known to be the servant or agent of the payee, he shall be required to produce a letter authorising him to take payment.

Note 4.- When any bill presented at a treasury cannot be paid on the date of presentation, a memorandum to that effect shall be issued to the person presenting the bill. This memorandum shall not, however, be issued for pay bills which are required to be presented before the last working day of a month, unless the payment on any such bill cannot be made on the first

working day of the following month.

This procedure is intended to guard against misappropriations by persons or messengers presenting the bills for encashment.

Note 5.- Treasury Officer when passing(1) cheques of all descriptions, (2) Reserve Bank government drafts and (3) Reserve Bank drafts for payment entirely in cash, are only required to write the word 'pay' instead of repeating in the order of payment the amount of the cheque or drafts in figures and words. When however, payment is to be made, partly in cash and partly by transfer the amounts payable in cash and by transfer, respectively, should be separately stated at full length.

Note 6.- In the case of cash orders, issued from district treasuries, the amounts need not be repeated in

the Sub-Treasury Officer's payment order which may be in the following form:-

"Pay"

Signature

\_\_\_\_\_

with date

Sub-Treasury Officer,  
(Name of Sub-Treasury)

Note 7.- The rules regarding the signatures and date of orders of payment will remain in force. The procedure specified in Notes 5 and 6 above does not relieve treasury Officers of the obligation to exercise the greatest care in seeing that all vouchers are complete and in order before passing them for payment, and is entirely confined to the documents above specified. The payment order on other forms of vouchers shall remain as at present.

193. With regard to claims presented either on bills or on cheques, the signatures of the drawing officer shall be compared carefully with his specimen signatures received under rule 189, before payment is ordered. In the case of payment to be made on the authority of an order purporting to have been issued from the office of the Accountant-General, the Treasury Officer shall verify the signatures on the order by comparison with the specimen signatures of the signing officer received under rule 190.

Note.- specimen signatures received by the Treasury Officer should carefully pasted in guard files, which shall be kept in the personal custody of the Treasury Officer.

**TREASURY OFFICER AUTHORISED TO CORRECT ARITHMETICAL INACCURACIES OR OBVIOUS MISTAKES IN BILLS.**

194. (1) When bill presented for payment contain obvious arithmetical mistakes or trifling mistakes which can easily be corrected, a Treasury Office or Sub-Treasury Officer shall not return such bills but shall correct them and pay the corrected amount of the bill.

(2) Similarly where bills contain doubtful items which can easily be eliminated, the Treasury Officer or Sub-Treasury Officer shall disallow the doubtful items and pay the remainder of the bill.

195. In all cases the corrections made and the reasons therefor shall be intimated to the presenter of the bill and if necessary to the Accountant General/Government (or to the Treasury officer in the case of payment if made at a sub-treasury), if it is suspected of involving fraud, etc.

**LIMITATIONS ON THE POWERS OF TREASURY OFFICERS TO MAKE PAYMENTS**

196. (1) A Treasury Officer may not undertake correspondence for a government employee making a claim to any special allowance, but will request him to address the Accountant-General

either director through his own official superior.

(2) The Treasury Officer shall be competent to refuse the payment of bills where sanction to the creation of posts or to the drawal of other charges, which is otherwise required to be quoted on the bills is not recorded by the drawing and disbursing officers. The responsibility for quoting correct sanction rests with the drawing and disbursing officer and any failure shall be treated as a serious irregularity.

197. (1) When a cheque is presented, care shall be taken to ascertain by examination of its printed number, that it really was taken from the notified as in use by the government employee who is said to have signed it. The instructions given in rules 165 to 186 shall also be specially borne in mind.

(2) Cheques crossed in accordance with the provisions of Chapter XIV of the Negotiable Instruments Act, 1881 (Central Act XXV of 1881) shall be honoured when presented at the treasury.

198. If the payee is unknown to the Treasury, the Treasury Officer should make any enquiries he thinks necessary and should specially consider the date, serial No., and amount of the cheque as well as handwriting and, if suspicion arises, he may defer payment until he has referred to the drawer.

199. Pass-books sent to the treasury to be written up should ordinarily be returned to the drawing officer the same day.

200. In the case of cheques lost before payment in respect which a certificate of non-payment has been furnished by the Treasury Officer to the drawing officer under the rules in the Punjab Financial Rules, care shall be taken to note the stoppage of payment of cheques and for that purpose a board showing the particulars of checks the payment of which has been stopped shall be hung up before the Clerk concerned. If the original cheque be presented afterwards, the Treasury Officer shall refuse payment and return the cheques to the person, presenting it, after writing across it "Payment stopped".

201. (1) Where under the provisions of these rules or under any special order of the government, letter of credit or assignment is issued in favour of a Drawing Officer, such letter of credit or assignment shall specify the maximum amount upto which the officer credited shall have authority to draw on the particular treasury on which the letter of credit or the assignment as the case may be, has been issued.

(2) A Drawing Officer in whose favour a letter of credit or assignment has been issued shall not be permitted to draw the whole amount and place it in a separate drawing account at the treasury or the Bank or in a private account.

202. (1) Every payment made on the authority of any letter of credit or assignment through cheques shall, without fail, be noted at the time of payment under the Treasury Officer's initials either in the appropriate register of payments, or on the reverse of the letter of Credit or assignment itself.

(2) The Treasury Officer shall bear in mind that the letter of credit or assignment shows the maximum amount he has authority to pay or the departmental officer credited has authority to ask for and any further payment shall be made at the Treasury Officer's own risk; the progressive total of his payment shall, therefore be recorded that there should be no risk of overpayment.

Note.- The provisions of rule 202 do not apply to letter of credit opened at Bank Treasuries.

203. Subject to as hereinafter provided and in the absence of any rule or order to the contrary, and on an order or authority issued by the Accountant General whether in the form of letter, telegram, encasement on bill or otherwise, for payments to be made at a place outside the limits of his own jurisdiction, may not be communicated to the Treasury Officer or the Disbursing Officer concerned except through the Accountant General within whose jurisdiction the treasury or the office of the disbursing officer is situated.

Note.- All payments to private parties which are payable at treasuries or sub-treasuries under the jurisdiction of an Accountant General other than the one in whose books the charges are adjustable should, as far as practicable, be made direct by the drawing officers by means of Government drafts instead of requesting their Accounts Officers for arranging payments through the Accountant General concerned. A certificate to the effect that the payment has been made to the proper person and that a proper acknowledgement has been obtained and filed in his office may be sent to the Accountant General by the Drawing Officer, as and when the payment is made to a private party. The refund of earnest money deposits in similar circumstances would be made by means of Government drafts by the Accountant General in whose books the deposits were finally adjusted. For this purpose the departmental officer concerned in the repayment of deposit should endorse the refund order on the original receipt granted by the treasury Officer and sent to the Accountant General.

**DISBURSEMENT OF CLAIMS AND RECORD OF PAYMENT**

204. After the voucher has been completely entered in the accounts and the order to pay has been signed by the Treasury Officer, it should be passed on together with the payee, to the Treasurer's department, when the Treasury will make the payment, punch the stamp, stamp the voucher "Paid", and retain it for delivery to the Accounts department, when the books are compared.

205. The Treasury Officer shall take special care to see that receipt stamps are so defaced that they cannot be used again, and offer no temptation to the obstruction of vouchers for the sake of the stamps upon them, as several cases of the loss of vouchers have occurred owing to the neglect of this precaution.

**Note.-** Pay bills of government employees and other receipts bearing adhesive stamps when presented for payment at a treasury or sub-treasury should be rejected as unstamped unless the stamp has been duly cancelled in the manner prescribed in section 12 of the Indian Stamp Act, 1899. If any person refuses to cancel the stamp, the document shall be impounded for action by the Collector under section 63 of the said Act.

206. Treasury Officers, when cashing bills of Government employees at a distance from the treasury, should furnish a note explaining the amount of cash and transfer receipts (if any) issued, and any deductions or alterations that may be made in the bill presented. The note should be in bilingual form, as it is important that the guard or messenger who receive the money should ascertain that the amount stated agrees with the actual cash or drafts delivered to him; and, when that person is unable to read, the Treasury Officer shall himself explain to him the amount entered in the note.

The following form is recommended:-

Bills presented for pay, etc.	..	000
Bills presented for contingencies	..	000
Bills presented for sundries	..	<u>000</u>
Total		<u>          </u>
Paid in cash	..	000
Paid in draft	..	000
Deductions(if any)	..	000
Explanation)		<u>          </u>
		<u>          </u>

Signature of Messenger \_\_\_\_\_

Treasury Officer

Note.- Any deductions made by the treasury Officer reducing that net amount claimed on a bill shall be explained in a memorandum signed by the Treasury Officer to be given to the presenter.

### **PAYMENT BY POSTAL MONEY ORDER**

207. In cases in which money due from the Government is paid by Postal Money Order or through a Bank, the cost of remittance shall, in the absence of any special rule or order to the contrary, be borne by the payee. Charges for remittance by Postal Money Order or through a bank of moneys due to contractors or suppliers, etc. should not ordinarily arise. When, however, the remittance by Postal Money Order or through a bank, where there is no State Bank, is unavoidable and is considered necessary in the interest of the public service, the cost for such remittance may be debited to Government with the special sanction of the Head of Department concerned.

**Note.-** Payments to suppliers of stores include petty payments of contingent charges also for the purpose of this rule.

#### **PAYMENTS AT SUB-TREASURIES**

208. The procedure in regard to the payment of money at district treasuries shall generally be applicable to sub-treasuries also.

#### **CASH ORDERS OF SUB-TREASURIES**

209. (1) When a drawing officer at the headquarters wishes to have the pay of his subordinate to be disbursed at sub-treasury or to make other service payments at a sub-treasury he may obtain from the District Treasury a cash order in form A & T 185 or a tehsildari letter of credit in form A & T 203 if the payment is to be made in one or more instalments. The issue of cash orders between places at which there are offices of the Bank shall be discontinued and the Bank shall issue a demand draft in lieu of the cash order. Cash orders and tehsildari letters of credit shall lapse on the 31st March or on the last working day of the third month after the month of issue whichever date is earlier; the charges they represent being cancelled and adjusted.

(2) If payment is subsequently claimed, the claimant shall forward the lapsed cash order or letter of credit, as the case may be, to the Treasury Officer who will arrange for the payment, a note being made against the entry concerned in the treasury records so as to prevent a second repayment. (See rule 213).

210. (1) Tehsildari letters of credit and cash order are issued by the District Treasury in respect of payments to be made at a sub-treasury, (vide rule 209). The tehsildari letters of credit is issued invariably in favour of the person to whom money is due or who is responsible for its disbursement. Payments against a tehsildari letter of credit can be made in several instalments by the Tehsildar drawing cheques in favour of the persons to whom the money is due or who are responsible for its disbursement, while Cash Order is payable in one instalment to the individual named therein who obtains payment at the Sub-Treasury by presenting the Cash Order itself duly receipted (vide rule 209);

Provided that the Cash orders between places at which there are offices of the bank shall not be issued and in such cases the bank shall issue demand drafts in lieu of the cash orders.

**Note 1.-** In the case of the Department of Public Works and Agriculture and Forests (Forests) and Local Funds, if the payment of any cheque is intended to be made through the Tehsildar, it shall be drawn by the drawer in his own favour and duly receipted before

submission to the District Treasury for the issue of a tehsildari letter of credit. The Zila Paridhad should never require cash to be remitted to a Sub-Treasury as all District Fund payments from the treasury are made on cheques.

**Note 2.-** When both cash and a bill are sent to the Treasury Officer for the issue of letter of credit or cash order, two separate requisitions should be sent and the Treasury Officer should issue two separate letters of credit or cash orders, i.e. one in respect of the cash tendered and the other against the bill.

Note 3.- The amount of the letters of credit issued in favour of the Tehsildars at the Headquarters will be credited in the District Treasury Accounts to the Tehsildari Ledger, and disbursed direct from the treasury upon cheque signed by the Tehsildar.

**Note 4.-** In case where funds are being supplied to the Tehsildar from the Department of Public works, or from the District Fund, for the construction of public works, or for other purposes, care should be taken to restrict the amount of the letter of Credit issued, as much as possible, to the sums probably required for disbursement during the currency of the Tehsildari Letter of Credit on the date it lapses may be reduced to the smallest possible amount.

(2) Payment in respect of a cash order is made to the individual named therein who would obtain payment at the sub-Treasury by presenting the cash order itself duly receipted. In the case of a tehsildari letter of credit, the Sub-treasury Officer will disburse the amount, or such portion of the amount, as may be actually required for immediate disbursement, by issuing cheques in favour of the person or persons to whom the payment is due or in favour of the departmental officials authorised to make disbursements.

(3) If the whole amount of a Tehsildari Letter of Credit is disbursed by the sub-treasury in one cheque, the Tehsildari Letter of Credit shall be returned to the District Treasury with the siaha of the day in which the cheque is cashed, if the amount of a Tehsildari Letter of Credit is disbursed on several cheques, the Tehsildari Letter of credit will be returned to the District Treasury with the Siaha in which is charged the cheque disbursing the last portion of the Tehsildari Letter of Credit. If the whole or any portion of a Tehsildari Letter of Credit remains un-disbursed on the day it lapses, the Tehsildari letter of Credit shall be returned to the District Treasury on the day it lapses and no further payment shall be made against it. For payment of lapsed items, instructions of the District Treasury shall be sought in each case.

211. The adjustment of each issue on sub-treasury shall be watched by opening a personal ledger for each sub-treasury (vide article 69 of Account Code, Volume II). This procedure applies, mutatis mutandis to the adjustment of Tehsildari Letters of Credit.

**Note.-** See also Article 123(2) and note below Article 126 of Account Code Volume-II.

212. The charges in respect of lapsed cash orders and Tehsildari letters of Credit (vide rule 209) shall be adjusted by debiting personal ledger account of the sub-treasury and crediting the head "unclassified items" in the receipt schedule of the department concerned with full particulars as to the number and date of original voucher; designation of drawing officer and nature of original charge. The debit shall be supported by a simple receipt signed by the Treasury Officer showing the particulars of the lapsed cash order or Tehsildari Letter of Credit. A note regarding lapse should invariably be made in the register concerned.

Note.- For funds of the lapsed items in a letter of credit or cash order see rule 213.

213. When it is necessary to redraw lapsed items in letter of credit or lapsed cash order (vide rule 209) this may be done on the usual bill or other forms according to the class of expenditure. For payment of such lapsed items the sanction of the Accountant General will not be necessary. The Treasury Officer will sanction refunds in all such cases on his own authority. The original item of credit which appeared in the treasury cash account at the time of lapse shall always be quoted in the bill with full particulars to facilitate reference.

214. The Government may, by general or special order, permit a Treasury Officer to remit by money order, at the cost of Government to the drawing officer concerned, the amount of any bill drawn at a treasury.

Note 1.- In the case of Government High schools and other government educational institutions situated at places which are not the head-quarters of treasuries or sub-treasuries, the Treasury Officers are authorised to remit by money order to Headmasters concerned the amounts of bills for pay, contingencies, travelling allowance or scholarships that may be presented for payment at such treasuries. The amount of the money order commission in such cases should be charged to treasury contingencies.

Note 2.- In the case of the outlying police stations mentioned in the Table below, the government has prescribed the following procedure for the remittance by postal money order of pay and allowance (including travelling allowance), contingencies, and other dues of the staff, posted at such police stations:-

(a) Money order forms duly completed shall be attached to the bills relating to pay, travelling allowance or contingencies, etc., which are to be remitted by money order.

(b) When the bills are presented at the treasury, the Treasury Officer shall return the money order forms to the Superintendent of Police with a certificate specifying the amounts which have been credited to the post office by per contra book transfer to enable the money orders to be accepted at the post office.

© An officer to be deputed by the Superintendent of Police shall then present the money orders at the post office, together with the above mentioned certificates.

(d) Money order commission should be debited to head 'Miscellaneous Contingencies' in accordance with Police rule 10.46(v), except in the case of men on leave who shall be required to pay the money order commission.

District	Name of Police Stations
1. Ludhiana	.. Shehna
2. Ferozepur	.. Khuyan Sarwar, Makhu, Abohar.
3. Faridkot	.. Malout, Lambi,
4. Bhatinda	.. Kot Bhai, Nathana.

Note 3.- Payments to the Post Office for Money Order issued by Treasury Officers shall not be made in cash, but shall be credited to the Post Office in the Treasury Accounts by book transfer.

### SECTION III- RESPONSIBILITY FOR MONEY WITHDRAWN VOUCHER FOR PAYMENT

215. (1) As a general rule, every payment, including repayments of money previously lodged with Government, for whatever purpose, shall be supported by a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification in the accounts. As far as possible, the particular form of voucher applicable to the case should be used. Suppliers of stores and other should be encouraged to submit their bills and claims in proper department forms, but bills not prepared in such forms shall not be rejected if they set forth the necessary detail of the claims. In such cases, the additional particulars required should be added by the disbursing officer.

(2) Every voucher shall bear a pay order, signed or initialled, and dated by the responsible disbursing officer, specifying the amount payable both in words and figures. All pay orders shall be signed by hand in ink.

Note.- Cashiers and others authorised to make disbursements on passed vouchers shall make no payment without a proper pay order of the responsible disbursing officer recorded clearly in ink on the bill or other voucher. No payment shall be made on a voucher or other bill unless it is signed by hand in ink.

(3) In the case of articles received by value-payable post, the value-payable cover, together with the invoice or bill showing the details of the items paid for, may be accepted as a voucher. The disbursing officer should endorse a note on the cover to the effect that the payment was made through the post office, and this will also cover charges for the postal commission.

(4) A certified copy ( marked duplicate) of a receipted voucher may be retained by the disbursing officer, should this be necessary to complete the record of his office but the payee should not be required to sign such a copy or give a duplicate acknowledgement of the payment.

216. When it is not possible to support a payment by a voucher, a certificate of payment, duly typed, setting forth full and clear particulars of the claim and all information necessary for its proper classification in the accounts; duly signed by the Disbursing Officer and endorsed, if necessary, by his superior officer, shall always be placed on record, and where it necessitates the use of a regular bill form, the certificate itself may be recorded thereon.

217. All paid vouchers shall be stamped 'paid' or so cancelled that they cannot be used a second time. Stamps affixed to voucher shall also be cancelled so that they cannot be used again. All sub-vouchers to bills shall be cancelled in such a manner that they cannot be subsequently used for presenting fraudulent claims or other fraudulent purposes. The provisions of rule with regard to cancellation and destruction of sub-vouchers relating to contingent expenditure shall apply generally to sub-vouchers in respect of other classes of payments unless they are governed by special departmental regulations or orders of the government to the contrary.

218. Vouchers and acquittances, which are not required to be submitted to the Accountant General, shall be filed and retained carefully in the office concerned as important documents till they are destroyed under the orders of the competent authority.

219. The drawing officers shall be responsible for the proper disbursement of the funds drawn from the treasuries. The undisbursed funds shall either be repaid into the treasury or adjusted by short drawal in the next bill or bills and shall not be retained in his hand for a period longer than is absolutely necessary and permissible under the rules.

220. A government employees supplied with funds for expenditure shall be responsible for rendering an account of such funds to the satisfaction of the Accountant-General. He has, therefore, to see not only that the rules governing the withdrawal of money from the Consolidated Fund of the State, the Contingency Fund of the State and the Public account of the State, as laid down in Section VII of Part I and Part V-IX of these rules are duly observed but also that all objections raised by the Accountant-General are attended to promptly. Further in respect of any over charges the responsibility shall rest primarily with the drawer of the bill and (failing recovery from him) the overcharges shall be recovered from the Treasury Officer or from the countersigning officer, only in the event of culpable negligence of either of them.

Note.- For further detailed rules including those relating to receipt and handling of cash, i.e. , the carrying or fetching of money from the treasury of the Bank, recording of cash

transactions in the relevant accounts, safe custody of cash, etc., see Chapter II of the Punjab Financial Rules and Chapter II of these rules.

221. (1) The Treasury Officer, who makes payment without pre-audit shall be responsible for checking any palpable errors and ( in the case of change of office, or of rate of pay of Gazetted Government employees) for passing the new rate with reference to the orders directing the change. He shall also be required to examine the accuracy of the arithmetical computations in a bill.

Note.- When bills presented for payment contain obvious arithmetical mistakes or trifling mistakes which can easily be corrected, the Treasury Officer should not return such bills but should correct them and pay the corrected amount of the bill. Similarly, where bills contain doubtful items which can easily be eliminated the Treasury Officer should disallow the doubtful items and pay the remainder of the bill. In all cases the corrections made and the reasons therefore should be intimated to the presenter of the bill and, if necessary, the Accountant-General (or the Treasury Officers in the case of payments made at a sub-treasury).

222. When the Accountant-General disallows a payment as unauthorized, the Treasury Officer shall be bound not only to recover the amount disallowed without listening to any objection or protest, but to refuse to pay it in future till the Accountant-general authorises the payment to be resumed; and that no warning slip has been received by the Government employee retrenched, or that being received it has been answered, are facts with which the treasury officer has no concern. The Accountant General shall be responsible for seeing that Treasury Officers carry out his instructions.

Note1.- If an officer, from whom a recovery is ordered has, in the meantime, been transferred to another district, the Treasury Officer shall, without delay, pass on the order for recovery to the other treasury.

**Note 2.-** A Treasury Officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accountant-General or the officer placed under retrenchment. It is his duty simply and promptly to carry out the orders he has received and to leave the person aggrieved to refer the case to Government through the proper channel.

**Note 3.-** Representations and protests against retrenchments ordered by the Accountant-General shall not ordinarily be considered by the administrative authorities if submitted later than three months after the date of receipt of the intimation by the aggrieved officer. This provision shall not relieve the treasury Officer of the duty of enforcing immediately recovery of a retrenchment order under note 2 above.

**Note 4.-** While a Government employee is under suspension and is in receipt of subsistence grant, the retrenchment order in respect of any overpayment caused to him in the past shall be issued by the Accountant-General in consultation with the authority competent to place the Government employee under suspension. The aforesaid administrative authority will exercise discretion whether recovery should be held wholly in abeyance or it should be effected at full or reduced rates depending on the circumstances of each such case.

Where recoveries of overpayments from the subsistence allowance of a Government employee under suspension are to be made, these should not ordinarily be made at a rate exceeding one-third of the gross amount of subsistence and other allowances admissible under rule 7.2 of the Punjab Civil Services Rules, Volume-I, Part I.

**Note 5.-** (1) Recoveries may not ordinarily be made at a rate exceeding one-third of pay unless the Government employee affected has-

- (a) in receiving or drawing the excess acted contrary to orders; or
- (b) taken an advance for a specific purpose, and has not utilised it for the purpose for which the advance was sanctioned within the prescribed period and failed to refund the outstanding amount by the stipulated date.

(2) The recovery at a rate higher than 1/3rd of pay shall be made under specific orders of the Head of Department.

Explanation.- For the purpose of this rule the pay as defined in rules 2.44 and 2.52 of the Punjab Civil Services Rules, Volume I, Part I, includes Dearness Pay and sterling over-seas pay.

**Note 6.-** A register shall be maintained at the treasury for recording all retrenchments ordered by the Accountant-general. the register shall contain columns specifying the name and office of the person from whom the recovery is to be effected, the nature and the amount of the overpayment, and the method by which the over-payment of shall be adjusted.

**Note 7.-** A register referred to in Note 6 shall have certain pages allotted to each office or department, preceded by a general index. When an order of retrenchment is received either through the objection statement, a special letter, half margin or retrenchment slip, it should be recorded at once in the appropriate page(s) of the said register.

**Note 8.-** When a claim from any office is received, the relevant page shall be referred to, the retrenchment, if any, effected, and the fact recorded in the register referred to above against the entry concerned.

**Note 9.-** The Treasury Officer shall arrange to bring the said register regularly for his review to ensure that all entries which find a place therein are promptly recorded and that their adjustment is systematically watched.

**Note 10.-** Ordinarily the recovery of a sum retrenched from pay-bill need only be made from the next pay-bill and of a sum retrenched from a travelling allowance bill, from the next payment of travelling allowance; but retrenchments of travelling allowance must be recovered in cash or from pay-bill when the office concerned does not, within a month, present a travelling allowance claim from which they can be recovered. Similarly recoveries of amount retrenched from contingent bills will ordinarily be made from the next contingent bill of the department or office concerned.

CHAPTER II.- PERSONAL CLAIMS OF GOVERNMENT EMPLOYEES GENERAL RULES.

#### FORM AND PREPARATION OF BILLS

223. The forms on which claims for pay, allowances, etc. are to be preferred and the detailed procedure to be observed in the preparation and presentation of such claims shall be regulated by the provisions contained in the case of gazetted Government employees in Chapter III and in the case of non-gazetted Government employees in Chapter IV of this part.

#### DEDUCTION FROM BILLS

##### FUND DEDUCTION

224. The duty of noting the proper deduction to be made from pay bill on account of funds and other deductions, e.g., rents of Government residents, Fund subscription, etc., etc., devolves on the drawers of the bills, as such deductions should be recovered by stoppages from the pay and consequent short drawings from the treasury:

Provided that no discretion is allowed to the Treasury Officer in carrying out an order received from the Accountant-general or a Local Fund Examiner to make any particular deduction.

Note 1.- Security deposits from establishment of Departments entrusted with the receipt and custody of cash or stores or who are required to handle money should be paid in lump sum or in instalments, or by deduction from pay as may be determined in the case of the Department of Public Works by the Chief Engineer or a Superintendent Engineer, and in the case of the other Departments, by the head of the Department concerned.

Note 2.- In respect of pay bills of non-Gazetted Government employees, Treasury Officers are to see that deductions of income-tax are not omitted, where some deductions should clearly be made. (see rule 5.7 of the Punjab Financial Rules and notes thereunder).

225. (1) Demands (statement of rents recoverable from pay bills) for rents of buildings of Department of Public Works, recoverables from Government employees are received from Divisional Officers in triplicate towards the end of such month. Heads of Officers/Drawing and Disbursing Officers who draw the bills of establishment should make the necessary deduction on account of rent from pay or establishment bills showing full particulars of the deduction.

(2) The Treasury Officer concerned has no discretion in the matter of recovery. He shall on no account postpone recovery of the full amount advised by the Executive Engineer on the plea that application has been made for revision of rent, or on other grounds. The recoveries should without prior reference to the Government employees concerned invariably be made from the next pay or establishment bill of the Government employees concerned at the treasury unless the amounts have in the meantime been paid in cash or deduction from the bill presented. If only a part of the amount due has been paid in cash are deducted from the bill presented, the balance should be recovered by deduction from the bill.

(3) Thereafter, one copy of the demand should be returned to the Divisional Officer of the Department of Public Works after noting the amounts recovered, the other copy should be attached to the bill from which the recoveries are made and the triplicate copy should be retained for record. In nothing the deductions in the bills, the name of the Public Works Division, the Major head of account to be credited, and the name of the canal, etc., as given in the Divisional Officer's demand should be shown.

Note.- If the rent recoverable from a government employee is limited to certain percentage of his emoluments, the particulars of such emoluments should be noted in the statement of rents, before its return to the Divisional officer in the column of remarks. where, after the return of the statement of rents, the emoluments of a Government employees are changed retrospectively, such changes should either be shown in the next statement or intimated to the Divisional Officer of the Department of Public Works by a Special letter.

226. In cases in which subscriptions to General Provident Fund (including refunds of withdrawals) are paid by deductions from the pay bills, the requisite particulars should be entered by the Head of office/Drawing and Disbursing Officer in a separate schedule in Form PTR 29 and the schedule so completed shall be attached to the pay bill concerned. If the subscription is recovered in cash, the number of the account, etc., and all other necessary particulars must be furnished. In all cases where a subscription is paid for the first time the rule or special authority under which the subscription may be received, should also be quoted in the form, or in case of cash payments, in the separate document of particulars.

Note 1.- Deductions on account of postal life insurance and other Union funds should be shown in forms prescribed by the Union Government.

Note 2.- Deductions on account of Provident Funds other than G.P.Fund should be shown in Form PTR 30.

Note 3.- Every Drawing Officer shall see that deductions made on account of subscription to G.P. Funds is not less than Eight percent of the pay of the employee concerned or such other percentage as may be specified by the Sate Government from time to time and that General Provident Fund deduction is made in respect of all employees who have rendered one year's continuous service. No subscription can be made without allotment of General Provident Fund Account number by the Accountant General or in the case of class IV employees by the head of the office.

Note 4.- Non-practising allowance is treated as pay for the purpose of General Provident Fund deductions.

#### FIRST PAYMENT OF PAY AND ALLOWANCES, ETC.

227. When the name of any person appointed whether permanently or on probation to higher service appears for the first time in an establishment bill, either reference shall be given to a previous post held by him (which should be supported by a last pay certificate, showing dates of making over and receiving charge, advance outstanding, etc.), or if he did not previously hold any post or is re-employed after resignation or forfeiture of past service, a health certificate, as required by rule 3.1 of the Punjab Civil Services Rules, Volume-I, Part-I, shall accompany the bill.

Note 1.- If a pensioner is re-employed, the fact shall be stated in the bill See Form P.T.R. 33.

Note 2.- When the head of an office is himself a non-gazetted Government employee, he shall not sign his own last pay certificate, but shall obtain one from his superior gazetted Government employee who may, before signing the last pay certificate, call for necessary information for verifying the facts stated in the last pay certificate from the Audit Officer or the Treasury officer concerned.

Note 3.- The last pay certificate shall show the rate of subscriptions on account of Service Funds, the General Provident Fund deductions and other particulars.

Note 4.- The last payment of pay may be made to the Government employee on the responsibility of the head of office concerned.

#### DEATH OF PAYEE

228. Pay and other allowances or pensions claimed on behalf of a deceased government employee or pensioner may be paid without the production of the usual legal authority;(1) to the extent of two thousand, five hundred rupees under the orders of the Collector or other officer responsible for the payment after such enquiry into the right and title of the claimants as may be deemed sufficient; (2) for the excess over two thousand five hundred rupees under the orders of Government on execution of an indemnity bond for the gross amount due for payment with such sureties as it may require, if it is satisfied of the right and title of the claimant and considers that undue delay and hardship would be caused by insisting on the production of letters of administration.

Provided that in any case of doubt, payment shall be made only to the person producing legal authority.

Note 1.- Normally there should be two sureties both of financial ability, unless the gross amount of the claim is less than five thousand rupees in which case the authority accepting the indemnity bond, in P.T.R. Form 31 for and on behalf of the governor of Punjab shall decide on the merits of each case whether to accept only one surety instead of two.

Note 2.- The obligor as well as the sureties executing the indemnity bond should have attained majority so that the bond may have legal effect or force. The bond is also required to be accepted on behalf of the Governor of Punjab by an office duly authorised under Article 299(1) of the Constitution of India.

#### PLACE OF PAYMENT

##### (Pay and Allowances)

229. Pay bills are ordinarily payable only at the treasury of the district in which the claim arises.

Note.- In cases where a Government employee is on tour and payment has to be made to him at the station where he is on tour, the drawing officer shall remit the amount to him by bank draft at par or Postal Money Order; the charges involved in sending the Bank draft by registered post or in remitting the dues by money order shall be charged to office contingencies.

230. The bills for pay and allowances of all establishments of the Department of Public works shall be payable at the nearest district treasury with which they will be placed in account by the Accountant General.

**Note.-** To prevent abnormal delays in payments to establishment in exceptional cases, one or more of the following devices may be adopted under the orders of Government;-

(1) Drawing Officer may be permitted to present the bills of their establishments direct at the nearest sub-treasury but no officer shall be allowed to draw on more than one treasury or sub-treasury.

(2) The departmental receipts may be utilised to defray pay and travelling allowance charge, vide rule 8(2)(c) *ibid*.

(3) Reserve Bank Government draft obtained by drawing officers in part payment of bills may, at the time of issue, be made payable at sub-treasuries of other districts within the State.

(4) The pay and allowances of subordinates employed in out of the way places may be remitted to them by postal money order at Government cost.

#### INSPECTING OFFICERS' BILLS

231. (1) In the case of a Government employee whose duty require him to travel on inspection continuously for long spells, his pay and allowances may be remitted by bank drafts or where it is not possible, by order, at Government expense.

**Note.-** In the Department of Public works, a Superintending Engineer may admit the benefit of this rule to any Divisional Officer who is obliged to be continuously absent from his Headquarters for more than a month at a time.

(2) When part of his establishment moves with an inspecting officer, the Head of the office may grant a last pay certificate for that portion in order to enable him to draw from another treasury such portion of the pay for it as may be desired, the balance, if any, being drawn at Headquarters.

#### LEAVE SALARY

232. Subject to any orders or procedure that may be specified by the Government, the leave salary of a Government employee, when payable in India, shall be drawn from the Treasury or office of disbursement from which his pay was being drawn immediately before proceeding on leave and the Government employee must make his own arrangements, where necessary, for getting his leave salary remitted to him. In a case where a period of leave is followed by transfer, such portion of the leave salary as could not be drawn at the old station may, however, be drawn at the treasury or office of disbursement, from which the pay in respect of the new post is drawn.

233. (1) Pay and Allowances of a Government employee who is not authorised to draw his own bills may, when he is unable to present himself in person to receive payment, be paid to a banker or agent duly authorised by him to receive the money and give a legal quittance; provided that the banker or the agent holds a legally valid power of attorney to act on his behalf. In the absence of such a power of attorney, the Government employee desiring to receive payment through a banker or agent shall furnish the letter with a legal quittance or the money claimed, signed by himself, which will have to be surrendered to the disbursing officer with a letter of authority for the payment to be made. The banker or the agent shall also furnish a formal receipt (which need not be stamped) to show that the money has been actually received by him.

(2) Notwithstanding anything contained in sub-rule(1) Government may, in special circumstances, authorise payment of such part of claims of a Government employee, who

does not draw his own bills, to be made to a person and to the extent as may specifically be so asked for in writing in this behalf by the Government employee concerned. In such a case, the receipt given by the person so authorised to receive the sum specified shall constitute a valid quittance for the amount paid to him, and a receipt for the balance only, if any, when paid, shall be obtained from the Government employee concerned.

234. A Government employee on leave in India shall make his own arrangements for getting his leave allowances remitted to him.

Charges for remittances of pay and allowances of establishments by postal money order when so permitted by the competent authority under rule 262 may, however, be paid from State Revenues and debited to contingencies.

Note 1.- This rule applies also to remittances of contingent charges, rewards, etc., payable to non-gazetted Government employees.

Note 2.- When a class IV Government employee proceeds on leave for a period exceeding one month, the net leave salary due to him shall, on his express request, be remitted to him by the Drawing and Disbursing Officer by postal money order at Government expense.

Note 3.- When a Government employee proceeds on leave and makes an express request to that effect, the net amount of leave salary may be remitted by the Drawing and Disbursing Officer to him by means of a Demand Draft at par at the address specified by him. The expenses, if any, incurred on the preparation of the Demand Draft shall be debited as 'Office Expenses'

#### **PAYMENT OF PAY, LEAVE SALARY, ETC., THROUGH AGENTS**

235. (1) Government employees and Pensioners may make arrangement with their agents to draw their leave salaries, vacation pay; pensions, etc. either granting them powers of attorney to enable them to do so, or leaving their bills duly completed and signed in the agent's custody for collection, the agents in their turn giving government a bond of indemnity as security against any loss in case of overpayment.

(2) Such Co-operative Banks, as are not included in the Second Schedule to the Reserve Bank of India Act, 1934, but who undertake commercial banking and who are recommended in this regard by the Reserve Bank in view of their satisfactory financial position may be allowed by the government to execute general bond of indemnity referred to in sub-rule (1).

Note 1.- No person shall act as an "Agent" for purposes of this rule, except when he holds a legally valid power of attorney to act as an agent for the Government employee concerned.

Note 2.- For life certificates and non-employment certificates to be produced by agent in respect of pensioners see rules 295 and 297.

Note 3.- A register of Power-of-Attorney shall be maintained by the Drawing and Disbursing Officer in the form prescribed in the Government Securities Manual and all cases in which the power of attorney has been granted should be recorded therein.

(3) The form of indemnity bond for use by banks or firms authorised to draw the pay and leave salary of Government employees, pensions, etc., is given below. The bond of indemnity must be stamped.

#### **FORM**

" In consideration of our being permitted  
their  
to draw the Pay of \_\_\_\_\_ during his absence  
Leave salary/pension



26. The National bank, Limited, Nainital.
27. The New Bank of India, Limited.
28. The Presidency Industrial Bank, Limited.
29. The Punjab and Sind bank, Limited.
30. The Punjab Co-operative Bank, Limited.
31. The Punjab National Bank , Limited.
32. The Oriental Bank of Commerce, Limited.
33. The State Bank of India.
34. The Tranvancore Bank, Limited.
35. The United Bank of India, Limited.
36. The United Commercial Bank, Limited.
37. The United Industrial Bank Limited.
38. The Vidarbha Co-operative bank.
39. The Canara Industrial Banking Syndicate, Ltd.
40. The Bank of Rajasthan, Limited.
41. The Union Bank of India, Limited.
42. Bank of Tokyo.

**Note 2.-** The list mentioned in Note 1 includes Scheduled and Ex-change Banks in operation in the State and their position will be reviewed by the State Government in consultation with the Registrar of Companies, Punjab, at suitable intervals. All these banks will, however, execute a general bond of indemnity.

**Note 3.-** An advice should be sent to the Accountant-General of any change in the constitution of un-incorporated firms which were allowed to execute indemnity bonds prior to 1st April, 1937. When such advice is received in the Accounts Office a recognition of the existing agreements that have been concluded previous to the change in the partnership will be obtained either by calling for fresh agreements to be executed by the new partnership or by obtaining an acknowledgement from the new partnership that they are bound by the existing agreements of the old partnership or otherwise.

### **CHAPTER III**

#### **BILLS OF GAZETTED OFFICERS**

#### **FORM OF BILLS**

236. The Heads of Departments or offices shall be competent to determine the entitlements of the Gazetted Officers including those belonging to All India services, but excepting those who are at present serving under the Bhakra Management Board or Beas Construction Board, or under a foreign employer.

237. In some cases it is more convenient that the pay of certain Government employees belonging to establishments limited and fixed with reference to the requirements of whole of the State, who are not ranked as Gazetted Government employees but whose pay varies according to grade shall be drawn separately, instead of being included in the pay bill of their establishment.

Note.- See rule 248.

#### **ALTERATIONS OF PAY, ETC.**

238. No Drawing and Disbursing Officer may draw an increased or changed rate of pay, leave salary or fixed allowance in respect of a Gazetted Government employee unless the bill on which he draws it is accompanied by a letter (pay slip) from the officer entrusted with the work of maintaining his service record and determining his entitlements, authorising the

amount to be drawn. If delay occurs in the issue of letters (pay slips) notifying alterations in the rate of pay, especially if the change is made near the end of a month, or if the change takes effect from a date which cannot immediately be ascertained, and cannot be fixed by a certificate of transfer of charge appended to bill, the Drawing and Disbursing Officer shall draw the bills at the old rate.

Note.- Drawal of arrears of pay and allowances in respect of Gazetted Government employees shall also be subject to the provisions of rules 158 and 253.

LEAVE, PROMOTIONS, REVERSIONS, TRANSFERS ETC.

239. No drawing and Disbursing Officer shall draw any bill on account of pay, allowances, leave salary, etc., of a Gazetted Government employee who has relinquished charge of a post consequent on his proceeding on leave, or on promotion, reversion or transfer, for any period beyond the date of making over charge, without a fresh authority from the officer referred to in rule 238.

Provided that the provisions of this rule shall not apply to cases of transfer within the same Department and not involving any change in designation or emoluments of the officer concerned;

Provided further that in cases, where a gazetted Government employee proceeds on leave for a period up to 120 days, his leave salary and allowances shall be determined by the leave sanctioning authority provisionally, if necessary, and indicated in the leave sanctioning order, a signed copy of which may be attached to the leave salary bill by the Drawing and Disbursing Officer;

Provided further that in cases where, on the expiry of leave, a gazetted Government employee is appointed to the same post from which he proceeded on leave, the bills for his pay and allowances shall be drawn from the date of his assumption of such charge on the basis of the authority for pay and allowances issued to him by the competent authority, before his proceeding on leave, and if such authority has been superseded, on the basis of such revised authority for pay and allowances.

Note 1.- In case any bill presented at the treasury includes claims for any period beyond the date of making over charge, the Treasury Officer shall, instead of returning the bill for amendment, pass for payment such portions of the claim as relates to the period upto that date and is otherwise admissible.

Note 2.- In the case referred to in this rule, the Drawing and Disbursing Officer who draws the claims of the officer after his transfer, shall commence making payments on the basis of the Last Pay Certificate issued by the Drawing and Disbursing Officer who last disbursed the claims of the Officer. For this purpose, the Drawing and Disbursing Officer issuing the Last Pay Certificate shall give the complete information given in the authority in his possession, particularly, the date, if any, upto which it is effective.

Note3.- Leave Salary provisionally drawn in terms of the second proviso to this rule will be adjusted and regularised on the issue of leave salary slip by the Competent Authority. However, if a gazetted Government employee has already drawn an advance in lieu of leave salary provisionally drawn for him on the basis of the leave sanction order. This adjustment will not be deferred until the leave salary slip is issued by the competent authority.

240. No payment shall be made to a gazetted Government employee transferred from another State or from another Department without the orders of the authority sanctioning the transfer.

241. In the case of time-scales of pay with efficiency bars at certain stages, a Drawing and Disbursing Officer shall not authorise any Government employee to draw pay at a rate above the stage at which an efficiency bar is fixed until he has received an intimation from the authority empowered to determine the entitlements of the officer concerned that the

Government employee has been permitted by the competent authority to cross the efficiency bar.

### **REWARDS**

242. The bills for rewards under Military rules to military officers in temporary civil employee shall be submitted to the Account General, who will pass them for payment after having them pre-audited by the Military Authority. The amounts of these bills shall be debited to the Military authorities.

### **TRAVELLING ALLOWANCE**

243. The travelling allowance bills of Gazetted Government employees shall be drawn in Form PTR 33 when a circuitous route is taken the reason for travelling along that route shall be stated on the bill. When an officer is entitled to draw actual expenses, they shall, in the absence of orders of the contrary, be set forth in detail.

Note1.- Claims of Travelling allowance relating to periods for which payment of salary stands authorised/drawn may be paid even though they are actually presented after the expiry of the currency of the pay slip provided that the Last Pay certificate of the officer has not been issued. However, the payment of Travelling Allowance claims relating to the periods for which pay slip is awaited is not to be made.

Note2.- Whenever a gazetted Government employee is transferred to the control of another Controlling Officer, his Travelling Allowance bills pertaining to the period(s) of his stay at the old station of posting shall be countersigned by his present controlling officer as well as by previous controlling officer.

### **COST OF MEDICAL TREATMENT**

244. The expenditure incurred by and to be reimbursed to a gazetted Government employee on account of medical attendance and treatment shall be drawn by his Drawing and Disbursing Officer in salary bills under the sub-head Allowance, Honoraria, etc. The amount drawn in the bills shall be supported by proper receipts and vouchers in all cases and a copy of order of the authority competent to sanction reimbursement of medical charges shall be attached to the bill.

Note.- Payment on account of claims of reimbursement of expenditure incurred on Medical attendance and treatment can be made even if the pay slip for the period covered the treatment is awaited by the Drawing and Disbursing Officer. However, such claims are not to be entertained in respect of the officers to whom either the drawing and Disbursing Officer has already issued Last Pay Certificate or in whose cases the period of validity of pay slips issued by the authority competent to issue has already expired and no further pay slip is to be issued to them on account of their superannuation/resignation/removal/dismissal or compulsory retirement, etc. Except as provided in instructions issued by Government from time to time. As regards the indication of the rates of pay in the Essentiality Certificate to be attached with the claims of reimbursement, the officer may mention the rates of pay as shown in the Last Pay certificate issued to him,, if it is for the period covered by the medical reimbursement bills. In cases an officer feels that the rate of pay has since changed he can mention the rate of pay which he thinks is admissible to him

245. Where the Cheque system of payment is in vogue at any treasury, the Treasury Officer shall issue a cheque 'Crossed' or 'Account Payee' in respect of each officer whose pay, etc., is drawn. The Treasury Officer shall indicate in the Schedule of Payment against each

voucher the number and amounts of different cheques in order to enable the Audit/Accounts Officer to tally the net amount of the Bill with total cheques issued for that bill. (See Annexure 'E' of these Rules.)

#### **CHAPTER IV-BILLS OF NON-GAZETTED ESTABLISHMENT MONTHLY BILL-DUE DATE**

246. For the purposes of the preparation of bills parts of an establishment under the same officer, which are charged under different major heads, shall be regarded as distinct establishment, e.g., a District Officer's Excise establishment is to be treated as distinct and separate from his Land Revenue establishment.

247. In the bills presented for payment at the treasury, the establishment shall be distributed into section with reference to scales of pay, i.e., Inspectors, Assistant, Stenographers, Clerks, etc.

#### **FORM OF BILLS**

248. (1) Pay bills in form P.T.R. 32 shall be prepared separately for permanent and temporary establishment and also for those classes of establishment for whom no establishment returns are submitted and no service-books are maintained. The instructions printed on the form should be carefully observed. Against each post shall be shown (except in cases covered by sub-rule 6 below), the names of both the substantive and officiating incumbents and against each temporary post shall also be noted the sanction thereto. When pay is drawn for a portion of a month only, the rate at which it is claimed shall be stated either against the name of the Government employee in the body of the bill or in a note at the foot of the page.

(2) The pay and allowances of Civil Assistant Surgeon, class II (non-gazetted), although not ranked as gazetted employee, shall be drawn separately in Form PTR 34 similar to that provided for gazetted Government employees and shall not be included in the pay bill of other establishment.

Provided that such bills shall also be signed by the authority who signs the establishment bills of the department to which they belong.

(3) The pay of the following establishment shall be drawn on separate bills for each establishment instead of being included in the pay bill of the ordinary, establishment:-

Naib- Tehsildars, Settlement Naib-Tehsildars, Sub-Assistant Health Officers, Inspectors and Sub-Inspectors of Police and Inspectors Excise and Taxation, Assistant Sub-Inspectors and Sergeants in the Police Department, District Education Officers and Block Education Officers, Headmasters and Teachers, Headmistresses and Mistresses in the Girls Schools and Divisional Accountants.

(4) Pay of establishment on fixed rates of pay shall be drawn on separate bills from that on time-scale of pay.

(5) The pay of establishment which is treated as a contingent charge shall not be included in pay bills.

(6) The names of incumbent whose pay is less than fifty rupees a month and who do not hold substantive permanent posts under the Government may be omitted from the pay bills; as also the names of all persons in Class IV Service, of all Head Constables and Constables, if a certificate in the following form is endorsed on the bills:-

Certified that all persons whose names are omitted from, but whose pay has been drawn in this bill, have actually been employed during the month, and that full details of the names of the persons concerned and the emoluments drawn for them working upto the total included in this bill have been duly shown in the office copy of the bill.

Note.- The provisions of the above rules have been extended to the following classes of establishments.

Department of Home Affairs and Justice.

- (1) Bailiffs;
- (2) Maded Naib Nazir;
- (3) Wardens.

Famine-

Temporary Government employees whose pay does not exceed fifty rupees a month and class IV government employees.

Department of Health and family welfare.  
sanitary Baldars.

(7) The claims of government employees whose names are omitted from the bills under sub-rule (6) shall not be lumped together and entered as a single item in the bills. The bills in such cases shall show separately the numbers on different rates of pay or with different designation.

(8) In addition to the accounts classification required by clause(f) of rule 159 the drawing officers of the Department of Public Works shall record on establishment bills the name of the circle of Superintendents.

**Note 1.-** The cost of any special establishment for acquisition of land entertained under orders of Government by a Civil Officer acting as Public Works Disburser, is chargeable as to the cost of the works concerned and not as general establishment charges.

**Note 2.-** If for any reason the leave salary claimed by a Government employee on leave is not known( as for example, when the kind of leave to be granted to him has not been finally decided by the sanctioning authority) the amount of pay to which he would have been entitled had he remained on duty shall be entered in red ink in the money column of the form concerned, which is intended to show leave salary, the amount being left undisbursed and treated as held over pending the fixation of the amount of his leave salary.

Note 3.- When leave salary based on average pay is drawn in a bill in which the leave salary is first drawn, it shall be explained by a statement attested by the drawing officer, showing the calculations by which the amount drawn on account of leave salary, have been deduced. If the calculation is based on pay drawn outside Government employees substantive section or office, a reference to the voucher in, or the office from which the pay has been drawn shall be given in the statement:

Provided that no average pay statements are, necessary in respect of Government employees on leave whose names are omitted from the pay bills.

**Note 4.-** If leave salary is based on actual pay and not on average pay the drawing officer shall attach to the bill a certificate in one of the diately before the leave commenced.

**Note 5.-** When any item of pay and allowances is withheld, a clear indication shall be given in the bill itself of the sums withheld and reasons for withholding them. when claims against items withheld are lodged after more than three months, the reasons for delay shall be stated.

That the leave salary is equal to or half the pay drawn imme-following forms:-

Note 6.- Last Payment of pay may be made to non-gazetted Government employee without reference to the accountant General on the responsibility of the head of the office concerned.

**Explanation.** – For rules specifying the procedure for the drawal of leave salary, see instructions, issued by the Comptroller and Auditor General, as contained in appendix II to the Punjab Civil Services Rules, Volume-I, Part-II.

## ABSENTEE STATEMENT

249. (1) The monthly bill shall ordinarily be supported by an absentee statement in Form PTR 35 including if any person in Class III service was absent during the month, either on transfer to a temporary post or on joining time or suspension, or with or without leave (except casual leave) or when a post is left vacant substantively whether any officiating arrangements have or have not been made against it.

(2) In the case, however, of State of amalgamated establishments, a consolidated absentee statement showing the complete chain of arrangements shall be separately furnished by the authority controlling such establishments within the period fixed by the Accountant General.

(3) A separate absentee statement shall not be required to be furnished by the Head of Offices alongwith the monthly pay bills, but in cases in which the power to sanction leave and officiating arrangements within the office has been delegated to Head of Offices within prescribed limits, the requisite absentee statement shall be furnished by them alongwith the pay bills, and such vacancies and arrangements shall not be included in the consolidated absentee statement to be furnished by the controlling authority.

Note.- In the case of State or amalgamated establishments on time-scales of pay, the arrangements made by heads of offices shall be reported to the controlling authority for inclusion in the consolidated absentee statement.

250. (1) When any pay bill for establishment included an amount on account of leave salary of a non-gazetted Government employee who is transferred from service under another Government or any separate bill for leave salary of such a government employee is drawn, it is necessary that the allocation of leave salary between the different Governments shall be recorded on the bill on which the leave salary is claimed, and the following documents shall be submitted alongwith the bill to enable the audit office to exercise the necessary check:-

(a) detailed statement explaining the allocation between the different Governments.

(b) a certificate to the effect that the relevant entries have been made in column 13 of the service book of the Government employee concerned.

(2) If the leave salary is debitable partly to the "Union Government" and partly to the "State Government" separate bills shall be prepared for the portion debitable to each.

251. If no person in Clause III service was absent during the month, either on transfer to a temporary post or on joining time or suspension, or with or without leave (except casual leave) certificate 2 printed on Form PTR 32 shall be signed by the head of the office.

### **INCREMENT CERTIFICATE**

252. A certificate in Form PTR 36 shall be appended to the first bill link which a periodical increment is drawn by any Government employee.

Note 1.- Form PTR 36 provides for two alternative certificates. The first alternative certificate may be used in any case in which the increment is due to a Government employee for having been incumbent of the post specified for the specified term from the date of last increment or of appointment to post, excluding period of absence from duty not counted for increment and absence on extraordinary leave otherwise than on medical certificate not counted for increment under rule 4.9(b) of the Punjab Civil Services Rules, Volume I, and if the post is held in an officiating capacity, all kinds of leave except extraordinary leave taken otherwise than on medical certificate during which he would have continued to officiate, if he had not proceeded on leave, which are shown in the tabular portion of certificate. In all other cases, the second alternative form shall be used and it will be supported by an explanatory memorandum showing briefly but clearly the grounds on which the increment is claimed.

Exception.- The provisions of this rule shall not be applicable in the case of masters and teachers working in the Department of Education.

**Note 2.-** In order to enable the Audit Office to exercise an audit check and to challenge wrong increment certificates if any, received under this rule, all authorities empowered to withhold increments under rule 4.7 of the Punjab civil services Rules, Volume-I, Part-I, must furnish the Audit Office with a copies of any orders withholding increments of non-gazetted Government employees that they may issue.

**Note 3.-** When an increment claimed operates to carry Government employee over an efficiency bar, it shall be supported by a declaration from the authority empowered to allow the increment that it has satisfied itself that the Government employee, in question, is fit to pass the bar.

In order to prevent the passing of an efficiency bar becoming a mere matter of form, each case shall be carefully scrutinized by the sanctioning authority before signing the aforesaid declaration.

### **ARREAR BILLS**

253. (1) Arrear of pay shall be drawn not in the ordinary monthly bill but in a separate bill, the amount claimed for each month being entered separately with quotations of the number and date together with date of encashment of the bill from which the charge was omitted or withheld, or on which it was refunded by deduction, or of any special order of competent authority granting special pay or new allowance; such bills can be presented at any time, subject to the conditions laid down in Punjab Financial Rules and may include as many items as are necessary.

(2) a note of arrear bill shall invariably be made in the office copy of the bills for the period to which the claim pertains over the dated initials of the drawer of the arrear bill, in order to avoid risk of the arrear being claimed over again.

(3) The drawing officer shall also record the following certificates on the arrear bill under his signatures with date:-

- (i) that no part of the amount claimed has been drawn previously; and
- (ii) that a note of the arrear claim has been made in the office copy of the bills for the period to which the claim pertains.

Note.- The procedure for the payment of arrears of pay and allowances to a Government employee transferred from the one Division Office or Department to another Division Office or Department and in respect of whom a last pay certificate has been issued shall be as under:-

(i) After the transfer of a Government employee from one Division, Office or Department to another Division Office or Department, the Drawing and Disbursing Officer of the Office where he is posted on transfer may first make a reference to the Drawing and Disbursing Officer of the office where the government employee was previously posted asking for the details of pay, allowances, and other amounts drawn by him during the period he remained worked there and on the receipt of such a reference the Drawing and Disbursing Officer of the Office where the government employee had previously posted shall prepare and sign 'Drawn Statement' in Form A giving full details of pay, allowances and other amounts drawn by the employee, including the treasury voucher number, date and head of account under which the pay was drawn.

(ii) The Drawing and Disbursing Officer of the Division, Office or Department where the Government employee was previously posted shall simultaneously give notes on the office copy or copies of the relevant bill or bills under proper authentication to the effect that the 'Drawn statement' has been sent for the drawal of arrears to the Drawing and Disbursing Officer of the Division, Office or Department where the Government employee is posted on transfer.

(iii) On the basis of the 'Drawn statement' received from the Drawing and Disbursing Officer of the Office where the Government employee was previously posted the Drawing and Disbursing Officer of the Office where the Government employee is posted on transfer shall prepare a 'Due and Drawn statement' in Form B which shall form the basis for the drawal of the arrears of the Government employee concerned.

(iv) After the drawal of the arrears, the Drawing and Disbursing Officer of the office where the Government employee is presently posted, shall convey, to the Drawing and disbursing Officer of the Office where the Government employee was previously posted the details of the drawal of the arrears of the relevant period.

(v) On receipt of such intimation under clause (iv) the Drawing and Disbursing Officer of the office where the government employee was previously posted shall give indication or notes regarding the details referred to in clause (iv) on the office copies of the relevant bills in Form B in order to avoid the chances of the double drawal of the arrears by the Government employee.

**FORM A**  
**DRAWN STATEMENTS**  
**Referred to in Note (i) below Rule 253 of P.T.R.**

Drawn statement of pay and allowances in respect of Shri \_\_\_\_\_ Designation  
\_\_\_\_\_ Office of the \_\_\_\_\_.

Period	Pay	Personal Pay/ Special Pay/ Non-prac- tising allowance.	Dearness Allowance	Additional Dearness Allowance	Rural Allow- ance	House Rent Allowance
1.	2.	3.	4.	5.	6.	7.

City Compen- satory Allowance	-	Grand Total	Head of Account	Treasury Voucher No. and Date.	Name of Treasury
12	13	14	8.	9.	10. 11

Seal and Signatures of the  
Previous Drawing and Disbursing Officer

1. Certified that a note on the office copy/copies of the relevant bills, under proper authentication has been kept to the effect that 'drawing Statement' has been sent to the present Drawing and Disbursing Officer of the employee for the drawal of the arrears.

2. It is ensured that on receipt of intimation regarding drawal of the arrears on the basis of "Due and Drawn Statement" prepared by the present Drawing and Disbursing Officer of the above named employee(s) note to this effect will be given on the office copy/copies of the relevant bill(s), under proper authentication to avoid chances of double drawal of the arrears.

Seal and signatures of the

Previous Drawing and Disbursing Officer.

**FORM B**

**DUE AND DRAWN STATEMENT**

**Referred to in Note (iii) below Rule 253 of P.T.R.**

Due and Drawn Statement of pay and allowances in respect of  
Shri \_\_\_\_\_ Designation \_\_\_\_\_ Office of the \_\_\_\_\_

Description	Period	Pay	Personal Pay/ Non-Practising Allowance	Special Pay/ Grand total	Dearness Allowance	Additional Dearness Allowance	
1	2	3	4	5	6	7	
Due	-	-	-	-	-	-	
Drawn	-	-	-	-	-	-	
Difference	-	-	-	-	-	-	
House Rent Allow- ance	City compen- satory Allow- ance	Rural allow- ance	Grand total	Head of Account	Less drawn,- vide Treasury Voucher No. and date	Name of Treasury	
8	9	10	11	12	13	14	15
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Seal and signatures of the  
Present Drawing and Disbursing Officer

Certified that a copy of the "Due and drawn Statement" duly signed, has been sent to the previous Drawing and Disbursing officer for giving a note of this effect on the office copy/copies of the relevant bill(s), under proper authentication, to avoid chances of double drawal of the arrears.

Seal and Signatures of the  
Present Drawing and disbursing Officer.

Certified that particulars of "Due and drawn Statement" received from the present drawing and Disbursing Officer in respect of the above named employee(s) have been noted in the concerned office copy/copies of the bill(s) to avoid chances of double drawal of the arrear.

Seal and Designation of the  
Previous drawing and disbursing Officer.

**TRAVELLING ALLOWANCE BILLS**

254. Travelling Allowance of establishments, other than permanent or fixed allowances, shall be charged in a separate bill in Form PTR 33. When actual expenses are drawn on account of the carriage of horses or conveyances, details of the horses or conveyances transported shall be furnished in the travelling allowance bill. For the purpose of drawing the allowances on account of a family or the higher maundage allowance a certificate shall be furnished by the Government employee of the number and relationship of the members of his family for whom the allowance is claimed. No other details in these cases or other cases need be furnished, but every claim for the cost of carriage of personal effects, horses and conveyances shall be supported by a certificate that the actual expense incurred was not less

than the sum claimed. The Accountant General is at liberty to call for details or for evidence of expenditure in any case in which the expenditure appears to be unusually high. The travelling allowance bills of a non-gazetted Government employee proceeding on tour shall be presented at convenient intervals during the period of his tour or immediately on return to the headquarters and as far as practicable before the 31st March, if the tour has been completed before that date. These bills may be cashed at the Treasury on the receipt from the head of the office and the amounts distributed, as in the case of the establishment bills.

Note 1.- When journey is performed by a government employee out of jurisdiction, the sanction of the competent authority shall be quoted on the bill.

Note 2.- The certificates specified in rule 2.109 of the Punjab Civil Services Rules, Volume-III Travelling allowance Rules shall be given on Travelling Allowance Bills.

255. In order to avoid travelling allowance bills for journey performed for giving evidence before a court being cashed in the absence of the certificates in the proper form, the Treasury Officers shall examine carefully the certificates attached to the Travelling allowance bills and to see that they are in order. The bills without proper certificates, shall not be paid.

256. All Travelling Allowance Bill shall bear a certificate of the drawing officer in the following forms:-

" Certified that I have satisfied my self that the amounts included in bills drawn one month/two months/three months previous to this date, with the exception of those detailed below ( of which the total amount has been refunded by deduction from this bill), have been disbursed to the Government employees therein named and their receipts have been taken in acquittance roll or office copies of the travelling allowance bills."

257. In the Department of Public Works Travelling Allowance bills can be presented for payment only after the claims have been passed by the Controlling Officer. The subordinates shall prepare their travelling allowance journals in Form PTR 37 and after these are duly countersigned by the proper authority, an abstract showing the totals under each head of claim for each person shall be prepared in Form PTR 38 by the Executive Engineer for presentation at the treasury. The original journals of the Sectional Officers and Divisional Accountants in the said department shall be submitted for audit to the Accountant General with the abstract travelling allowance bills. The journals of other establishment will however, be retained in the Divisional Office of the aforesaid department for test audit by the Inspection staff of the Audit Office excepting those relating to bills drawn by Sub-Divisional Officers under sub- rule (3) of rule 154.

258. Travelling allowance of Class IV employees shall be drawn on travelling allowance bill form and accounted for as such irrespective of the fact whether their pay is drawn on establishment or contingent bill forms.

### **COST OF MEDICAL TREATMENT**

259. The expenditure incurred by, and to be reimbursed to, a non-gazetted Government employee on account of medical attendance and treatment shall be drawn in the establishment pay bill under the sub-head " Allowance and Honoraria, etc." The amount drawn in the bill shall be supported by proper receipts and vouchers in all cases, and a copy of order of the competent authority sanctioning the reimbursement of medical charges shall be attached to the bill.

### **DISBURSEMENT OF PAY AND ALLOWANCES**

260. (1) The head of an office shall be personally responsible for every pay drawn on a bill signed by him or on his behalf until he has paid it to the person entitled to receive it and obtained his receipt, duly stamped, where necessary, on the office copy of the pay bill. If in any case, owing to the large size of an establishment or because certain persons are working in out-stations, it is not found feasible or convenient to obtain the receipts of payees on the

office copy of the bill, the head of the office concerned may, at his discretion, maintain separate acquittance rolls in Form PTR 39 for each set of payments made at one place or at one time. If the payee does not present himself before the end of the month, the amount drawn for him shall ordinarily be refunded by short drawal in the next bill, it being drawn a new when he presents himself to receive it, in cases, however, where this restriction will operate in conveniently, the amount of undisbursed pay may, at the option of the disbursing officer, be retained for period not exceeding three months; provided proper arrangements can be made for the safe custody of the sums retained. Pay shall not, under any circumstances, be placed in deposit. So long as the drawing officer himself in a position to keep a proper watch over undisbursed amounts, by a periodical examination of acquittance rolls and office copies of bills, it is not necessary for him to keep a detailed account showing the amounts drawn from the treasury from time to time and their subsequent disposal. there shall be no objection, however, to such an account being maintained in a subsidiary register if found convenient.

(2) Acquittance rolls and receipted office copies of bills shall not be required to be submitted to the Accountant General but as these are important records, these shall be stamped, paid and preserved carefully for the periods specified in Appendix 5 of the Punjab Financial Rules, Volume-II.

In respect of payments made through Acquittance bills Rolls on the pay day, the disbursing certificate at the foot thereof shall invariably be signed by the disbursing officer in token of the total amount actually paid. The 'paid' stamps, duly attested by the drawing officer need be affixed only against the total disbursed amount of the Acquittance Roll. In respect of undisbursed amounts paid subsequently the items shall be stamped 'paid' individually and attested by the drawing officer while signing the Cash Book.

(3) Cash drawn on pay, and travelling allowance bills of establishments shall not be mixed with regular cash balance of the department, if any. In account of undisbursed pay and allowances may be made against each bill serially, and subsequent payments thereof entered in the appropriate column of the Register in Form PTR 40 and the cash Book, each such entry being attested by a gazetted Government employee. From this Register, an abstract of amounts remaining undisbursed for three months shall be prepared in Form 40 to ensure their refund, either in cash or by short drawal from the next bill.

Note 1.- This rule applies also to cash received by a subordinate Government employee for payment of pay and allowances of Government service under him.

Note 2.- The orders contained in Note 1 below rule 235 shall mutatis mutandis be applicable to the disbursement of pay and allowances of a non-gazetted Government employee.

Note 3.- A Bill Register, in the Form P.F.R. 7, shall be maintained by all the Heads of Offices who are authorised to draw money from the treasury on bills signed by them. Such Bill Register shall be reviewed monthly by gazetted government employee and the result of the review recorded thereon. (Also see Para 12.3(2) of the Punjab Budget Manual).

Note 4.- The Bill Transit Register, in Form P.F.R.8, shall be maintained by all Heads of Offices who are authorised to draw money from the treasury. The bills of the self-drawing officers, if any, may also be transmitted to the treasury through such Transit Register. The aforesaid Register shall be reviewed biweekly by a gazetted Government employee; with reference to the entries in the Bill Register referred to in the Note 3 and the Cash Book; and the result of the review recorded thereon to prevent presentation of fraudulent bills to the treasury.

261. All withdrawals made from the treasury shall be entered in a Bill Register given in Annexure below by all Heads Offices who are authorised to draw money from the treasury on bills signed by them. The register shall be reviewed monthly by the gazetted Government

employee In-Charge of the Cash Branch, if any or by the Head of Office himself. The said register shall enable the Head of Office to keep a complete watch over the bills from the time they are sent to the treasury for encashment up to the time the amounts received from the treasury are finally disbursed.

Note.- A bill Transit register in Form 'PTR 41' shall be maintained by all Heads of Offices who are authorized to draw money from the treasury. The bills of the self-drawing officers may also be transmitted to the treasury after entering such bill in the said Register. The Register shall be reviewed biweekly by a Gazetted Government employee and the result of the review recorded thereon to prevent presentation of fraudulent bills to the treasury.

#### **ANNEXURE**

##### **(Referred in rule 261)**

1. Bill Number and date.
  2. Particulars of the Bill.
  3. Pay of Establishment.
  4. Compensatory allowance.
  5. House-rent and other allowances.
  6. Travelling allowances.
  7. Gross amount.
  8. Deductions.
  9. Net amount.
  10. Dated initials of the gazetted officer signing the bill.
  11. Date of presentation at the Treasury.
  12. Amount assessed by the treasury.
  13. Date of signing acknowledgement with initials of the officer signing the bill.
  14. Date of receipt from the treasury.
  15. Date of entry in the cash book.
  16. Initials of Gazetted Officer Incharge of the cash.
  17. Month of encashment.
  18. 2nd month.
  19. 3rd month.
- Reference to bill No. and date in which balance has been short drawn.  
Remarks  
Amount of the bill  
Detailed heads of account, etc.

Bill register of the office  
Amount disbursed in

## **CHAPTER V- CONTINGENT CHARGES**

### **SECTION I.- INTRODUCTORY**

262. The following rules shall apply primarily to Contingencies, but "Other Expenditure" shall also be subject to the rules of procedure given here except in so far as it may be governed by and special rules in other Chapter of these rules. Subject to the sanction of the competent authority to the incurring of expenditure and to the provisions of following rules, a drawing officer may draw money from treasury for contingent expenses within the amount

allotted to him in the budget estimate or otherwise unless there is something novel doubtful or irregular in the character of the expenditure.

The term "Other Expenditure" includes such classes of expenditure as grants to educational institutions, political pension, scholarships, medical and other grants to local bodies, grants to religious or charitable institutions, expenditure from the discretionary grants placed at the disposal of Governors, Ministers Commissioners and District Officers Compensation to Government officers for accidental losses, contributions to public exhibitions and fairs and the reward and gallantry awards. Charges on account of each of these classes shall be drawn on separate bills.

**Note 1.-** In cases where any scales in regard to contingent charges(e.g., rewards for destruction of wild animals) have been specified by Government, those scales shall be strictly adhered to.

**Note 2.-** In the case of non-recurring charges, the competent sanctioning authority may, where this course is more convenient, accord sanction by counter-signing the bill on which the money is drawn, prior to its drawal instead of by a separate sanction.

**Note 3.-** Special rules relating to the following matters are contained in the appendices quoted against them:-

- |  |                                |
|--|--------------------------------|
| (1) General rules for the supply of articles for the public service.                   | Appendix 8 of PFR<br>Vol.II.   |
| (2) Miscellaneous rules regarding contingent expenditure.                              | Appendix 9 of PFR<br>Vol.II.   |
| (3) Supply of liveries and clothing  | Appendix 10 of PFR<br>Vol.II.  |
| (4) Supply of articles from jails, co-operative societies and industrial institutions. | Appendix 11 of PFR<br>Vol. II. |

**Note 4.-** Instructions relating to the purchase of stationery and Printing Stores are contained in the Punjab Printing and stationery manual.

## SECTION II.-GENERAL RULES CLASSIFICATION OF CHARGES

263. The charges of two major heads shall not be included in one bill:

Provided that the expenses, which are shared in some fixed proportion between two branches of the same office shall, unless they are reviewed by different authorities, appear in one bill. In such a case the account adjustment shall be made by the Accountant General.

Note.- The charges in connection with transport required on mobilization of troops for active service, which are debitable to the military department, shall be drawn on separate bills and shown separately in the list of payment.

## SECTION III.-THE RECORD OF CONTINGENT CHARGES/EXPENDITURE

264. Contingent charges shall recorded and treated in the accounts as charges of the month in which they are actually disbursed from the treasury. However, charges on account of personnal claim including fees to Public Prosecutors, if not claimed within one year, shall require preaudit by the Accountant General even though such charges are drawn on

contingent bills such as personal claims, unlike their contingent charges are not paid out permanent advance but are drawn direct from the treasury.

265. Contingent charges incurred on the public service shall be divided into the following three main classes, the classification adopted in each department or office being determined by orders of the competent authority.

(i) Contract contingencies-those for which a lump sum is placed annually at the disposal of a disbursing Officer for expenditure as and when required, with proper sanction, if necessary, they generally consist of charges the annual incidences of which can be governed with reasonable accuracy.

(ii) Countersigned contingencies- to include such contingent charges as may require the approval of controlling authority before they can be admitted as legitimate expenditure against the Government such approval usually taking the form of countersignature after payment on a detailed bill submitted to the Accountant General,- vide rule 276 below.

In some cases, the control over these contingencies shall be exercised before payment. In such cases monthly detailed bills shall not be required to be submitted to the Accountant General, but the bills exhibit full details of the charges, see also note below rule 273.

(iii) Audited contingencies, i.e., those which are, under the direct audit of the Accountant-General for which the bills paid at the treasury are ordinarily complete with sub-vouchers for items in excess of twenty-five rupees and which do not require countersignature.

#### PERMANENT ADVANCES

266. Government officers who have to make payments for contingent expenditure before they can place themselves in funds by drawing contingent bills on the treasury may make such payments out of permanent advances or imprests which they may be permitted to hold under the orders of the competent authority subject to recoupment on presentation of contingent bills. All such claims up to fifty rupees may be disbursed out of permanent advance or imprest.

#### GENERAL LIMITATIONS

267. (1) All charges actually incurred shall be paid and drawn at once and under no circumstances may these be allowed to stand over to be paid from the grant of another year.

(2) No money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

268. (1) No Pay of any kind and no additions to pay may be charged as contingent expenditure. (See, however, rule 234).

(2) The charges on the following shall be treated as contingent expenditure for the purposes of sub-rule (1):- (1)\* **subject to the condition that the employment is for seasonal and part time work"**

(a) Hot weather establishment;

(b) Mazdoors engaged on the manual labour and paid at daily or monthly wages;

(c) Sweepers (whether whole-time employees or not);

(d) Extra potedars engaged under rule 498 to accompany remittances, etc;

(e) Temporary Field Establishments on Survey and Settlement works; and

(f) Different classes of class IV employees (Whole-time employee or not) given below who have been declared as ineligible for pension including those who may in future, be declared as ineligible for pension:-

Skilled employees:- Cycle mechanics, Lampmen, gasmen, sikligars, workshop coolies, camel sowars, chaudharies, mistries (other than those employed in the Department of Public Works), potedars except those employed in the Punjab Civil Secretariats, granthis, tindals, boatmen-bearers, cooks dhobis khidmatdars, ktable servants, tailors, choguards, syces, cattle attendants, mates and regulation beldars at the head works of canals and branches and escape in the Irrigation Branch, mail clerks, oilmen, and motor attendants in the Irrigation Branch, oilmen, trolley men employed for carriage of dak and cleaners employed in the Department of Home Affairs and Justice (Police Organisation) barbers employed in the Punjab Armed Police;

Provided that in the case of tindals, boatmen, malis, mali-chowkidars, mates, clock regulator beldars or motor attendants in the Department of Public Works, their wages shall be debited to the Works on which they are employed and not to contingencies.

Unskilled employees.-Tent-pitchers, messengers, dak-runners coolies, bulawis, mazkurs, water-men, wood cutters, cow-herds, shepherds, muleteers, calfmen, weighmen and porters, also bellow boys, ploughmen and water-men on donkeys.

Note 1.- No Class IV employee of the Boarding Houses attached to government High schools and colleges except chowkidars and sweepers shall be laid from State Revenues.

Note 2.- The pay of guage readers, daffadar, and barkandazes in the Department of Irrigation and Power (Irrigation) shall be drawn on establishment bills and not contingent bills.

Note 3.- (A) Pay of the employee mentioned below shall be drawn on contingent bills:-

- (1) Water carriers as opposed to bhisties.
- (2) Gardeners or malis.
- (3) Coolie on fixed pay.
- (4) Cooks.
- (5) Herdsmen.
- (6) Bearers (including farashes).
- (7) Lamp and Boot boys.
- (8) Servants other than Sewadars.
- (9) Bullock-drivers.
- (10) Cattle attendants.
- (11) Grass cutters.
- (12) Syces.
- (13) Laskars (on canals).
- (14) Khansamas.

(B) It is not intended to abrogate the pensionary rights of Government employee who are holding pensionable appointments on the date of the change in the methods of drawing their pay but menial employees belonging to the classes enumerated above who were appointed sub-sequent to the date of the change will have no claim to pension.

Note 4. – Contingent charges incurred on account of the wages of coolies engaged on annual labour and paid at daily or monthly rates shall be supported by a certificate signed by the Drawing Officer to the effect that the Coolies were actually entertained and paid. The audit will call for some of the paid muster roll in each quarter and check them to see that they are properly maintained. In the case of all other class IV employees certificates in the following form shall be furnished by the drawing and disbursing officer:-

(i) Certified that skilled employees at the rate of \_\_\_\_\_ and unskilled employees at the rate of \_\_\_\_\_ whose pay is being drawn in the bill have been sanctioned by \_\_\_\_\_ with effect from \_\_\_\_\_ to \_\_\_\_\_ or with effect from \_\_\_\_\_ to \_\_\_\_\_ for an

indefinite period in exercise of the powers under \_\_\_\_ and that they were actually entertained during the period for which their pay has been drawn in this bill.

(ii) Certified that the rates of pay of employees drawn in this bill are in no case higher than those fixed by the Deputy commissioner of the district for the corresponding period except where exempted by the competent authority,- vide letter No. \_\_\_\_\_ dated \_\_\_\_\_ 19 .

(iii) Certified that no charges on account of Pay of employees which have been left undrawn for more than twelve months are included in the bill.

**Note 5.-** Where dak runners are employed solely for a particular work of a temporary nature for a period of not more than six months, they may be treated as work-charged establishment. No details as to the rates of pay and period for which the pay of employees is drawn need be entered in the bills. The provisions of this rule shall not apply in cases in which a personal claim on account of pay of contingency employees has been left undrawn for more than six months in which case the period for which the pay of employee is drawn shall be specified in the contingent bills.

Note 6.- Contingent bills preferring claims for rents, electricity and other connected charges incurred on account of the hire of private buildings by the Government for accommodation of State Government Office shall be accompanied by the following certificates signed by the Drawing and Disbursing Officer:-

" Certified that the amount drawn on account of rent, rates and taxes in contingent bill No. \_\_\_\_\_, dated \_\_\_\_\_ the \_\_\_\_\_, was actually paid to the parties concerned and that (i) no portion of the building for which the expenditure was incurred was utilized for residential or other purposes during the period for which the charges were paid.

(ii) The expenditure in respect of the portion of the building used for residential or other purpose during the period for which the charges were paid, has been recovered from the under mentioned Government employees from whom it was due:

Provided that in the case of drawing and disbursing Officers who do not find it possible to furnish the first portion of the certificate specified above due to the fact that the imprest amounts, held by each of them are much less than the monthly rate of contingent Expenditure on rent, rates and taxes. etc., required to be paid by each of them to different parties, they shall furnish the following certificates in lieu of the first portion of the certificate specified above.

"Certified that-

(a) the amounts drawn on account of rent, rates and taxes, etc., in previous contingent bill No. \_\_\_\_\_, dated \_\_\_\_\_ have been paid to the parties concerned, and that;

(b) the amount drawn in this bill will be paid to the parties on realisation".

Note 7.- Contingent bills which include charges on account of purchase of goods on which Sale Tax has also been charged shall be supported by the following certificate signed by the Drawing and Disbursing Officer:-

" Certified that in the case of sub-vouchers attached to the bill and those retained in my office relating to the purchases of goods in which Sales Tax has been charged, the goods have not been exempted under the Central Sales Tax Act, 1956 or the rules made thereunder and that the amount paid on account of Sales Tax on those goods are correct under the provisions of that Act or the rules made thereunder and that in the case of supplies against regular contracts, the relevant contract includes a specific. Provision that sales Tax is payable by the Government."

#### SECTION IV-BILLS FOR CONTINGENT CHARGES GENERAL

269. (1) When it is necessary to draw money for contingent expenses, as for example, when the permanent advance begins to run short, or when a transfer of charge takes place,

and in any case at the end of each month, a red ink line shall be ruled across the page of the register or registers, the several columns added up and several totals posted in a separate bill for each class of contingent expenditure. The head of the office or the officer to whom duty has been delegated shall carefully scrutinize the entries in the register or registers with the sub-vouchers, initial them (if this has not already been done by him) and sign the bill which shall then be dated and numbered and presented for payment at the treasury.

(2) The heads of contingent expenditure shall be entered in manuscript in the bill and the total posted against them. In the case, however, of expenditure requiring explanation, full details or the charges shall be entered in the bills, except when they are given in the sub-vouchers, sent to the Audit Office.

Note 1.- When the advance is running short a demand may be presented in excess of the balances; this item too shall be charged in the register and included in the bill, the number given being that which sub-voucher will bear when payment has been made.

Note 2.- The Sanction of competent authority shall, invariably, be quoted except when bills are presented to draw petty amounts for contingent expenses within the limits permissible under the rules.

270. No contingent bill, bearing the signature of an officer other than the head of an office, shall be passed for payment at any treasury, unless formal orders of Head of the Office delegating the duty of signing contingent bills to the officer in question have been received by the Treasury Officer concerned.

271. (1) Subject to any order or instructions issued by the Government in this behalf, a contingent bill for payment to suppliers, etc., which cannot be met from permanent advance, shall not apply to cases where the Drawing and Disbursing Officer is authorised to incur expenditure by drawing cheques at the treasury.

(2) Whenever under the provisions of sub-rule (1) a contingent bill is endorsed to a private party, the Drawing and Disbursing Officer shall before signing the bill, obtain the specimen signature of the party on the body of the bill, which he shall attest before signing the bill. the Drawing and Disbursing Officer shall simultaneously issue an advice direct ( not through the endorsee) to the Treasury Officer and the bank ( in case of bank treasury) giving the full particulars of the bill. the bill shall at once be entered in the contingent register and a note made to be that effect under the initials of the Drawing and Disbursing Officer that the amount has been drawn.

(3) Where the endorsee referred to in sub-rule (2) wishes to collect payment on the bill through a messenger (other than banker), the messenger shall produce a letter of authority form him, in Form PTR 41.

(4) In the event of a contingent bill having been endorsed to a party under the provisions of this rule and being presented before the advice, referred to in sub-rule (2) is received from the Drawing and /disbursing Officer, the treasury officer or the bank (in case of bank treasuries) shall not make payment of the bill till the advice is actually received and verified.

Note.- Endorsement made on contingent bills under his rule will in all cases remain current for three months only from the date of issue ever, an endorsement should be entered to the effect that the payment orders will lapse unless the bills are cashed by the end of March. An endorsement on a contingent bill by a drawing officer in favour of a messenger is not an endorsement for the purpose of this rule.

#### CONTINGENT CHARGES NOT COUNTERSIGNED

272. Government employees whose contingent bills require no countersignature and who do not embody in their bills charges of any Government employee separately with the treasury need not submit bill monthly; but they shall draw money from treasury by bill in form PTR 43 showing full details of the charges.

The following illustration explains the second condition. A, whose bills don't require countersignatures has subordinates who hold part of his permanent advance and place themselves in funds by sending paid vouchers to A, and obtaining from A the amount of their actual expenditure; A need not submit monthly bills. The bills of B do not require countersignature, but his subordinates are allowed to deal direct with some treasury, presenting bills for encashment, which are to be adjusted by B's monthly bills; B must submit monthly bills in adjustment of the bills cashed by himself and his subordinates.

Note 1.- The limit of two hundred and fifty rupees referred to in the certificate to Form PTR 44 under which vouchers are to be submitted to the Audit office is subject to alteration by the comptroller and Auditor General of India.

Note 2- Bills for contract contingencies may be drawn in a form similar to form PTR 43.

**CHARGES REGULATING BY SCALES AND SPECIAL CONTINGENCIES  
COUNTERESIGNED CONTINGENCIES**

273. Charges regulated by scales and special contingencies which require the previous sanction of a superior authority before they can be incurred shall be drawn in the abstract bill form in Form PTR 45 with a full description of the charges and accompanied by sub-vouchers. In the case of special contingencies, the orders of the sanctioning authority shall be quoted and when expenditure for which a lump sum is granted under a single special sanction, is continued over more than one month the second and subsequent month's bills shall bear a note of how much has been spent up-to-date under the sanction.

Note.- In the case of countersigned contingencies the number assigned to the sub-vouchers pertaining to each entry in the abstract bill (See Form PTR 44) shall be detailed against the entry concerned, the amount being given only in those cases where a sub-voucher is for more than two hundred and fifty rupees. Bills for contingencies countersigned after payment shall be drawn in form PTR 43 (Abstract Bill Form ) and bills form contingencies before payment are drawn in form PTR 45.

274.- Every Disbursing Officer dealing with countersigned contingencies shall attach a statement in the following form to the first contingent bill of whatever character presented for payment at the Treasury during a month. In the absence of this statement the treasury officer shall refuse payment. A separate statement shall be prepared in respect of bills relating to each Major Head.

To be filled in		Serial	Major and Minor	Total	Date on which	
No	Remarks					
	Head of each Countersigned Contingent bill Cashed in the Previous month		of each such bill	detailed contin- gent bill in sup- port of each bill referred to in columns 2 and Was sent to the Controlling Officer	by controlling officer Date on which each detailed con- tingent bill referred in columns 2 and 3 was sent To Accountant General	
5	6	1		2	3	4

Note 1- If any detailed contingent bill has been returned for correction, the controlling officer shall show here date of original receipt in his office and date of return fully explaining any delay below due date

Note 2 A certificate shall be recorded at the foot of this statement by the disbursing officer that there are no detailed contingent bills with him of the nature referred to in note 1 above. If there are, he shall clearly state the cause of delay in their return to the controlling officer.

The Treasury Officer shall, before cashing such a bill, verify the entries in columns 1 to 3 and see that every such bill cashed in the previous months is included in these columns and

that against each entry the date of submission of the detailed bills is entered in red ink in columns 4.

Note 3 In cases in which payment has actually been made, and the receipt either has not been received, or has been mislaid after receipt the detailed bill shall be sent on for countersignature and submission to the audit office with a note to the effect that “ Payee’s receipt for Rs.\_\_\_\_\_ will follow.”

Note 4.- A certificate shall be attached to every abstract contingent bill to the effect that the detailed contingent bills have been submitted to the controlling officer in respect of abstract contingent bills drawn more than a month before the date of that bill. On no account may an abstract contingent bill be cashed without this certificate.

275. (1) From the monthly totals of the contingent register the monthly detailed bill will, in the case of contingent charges countersigned after payment, be prepared in Form PTR 46, headed “ Not payable at the treasury”, and showing the monthly total of each column, with description of each charges requiring explanation. The number assigned to the sub-vouchers will be entered in detail against each item. At the foot of the bill will be a memorandum of the number and date of every contingent bill cashed at the treasury during the month. The difference, if any, between the total of a detailed bill and the register must be adequately explained. The detailed bill will be signed by the head of the office and submitted to the controlling officer with all sub-vouchers above two hundred and fifty rupees his signature to the certificate endorsed on the bill taking the place of the smaller ones.

(2) If in any month, the monthly proportion of the appropriation has been exceeded, a report of the special circumstances which rendered the excess necessary shall be sent to the countersigning officer with the detailed bill.

Note 1.- District Officer need not personally give the certificate required from a disbursing officer; with the sanction of the Commissioner, he may delegate the duty to one of his gazetted subordinate.

Note 2. When, in paying rewards to informers, it is not considered desirable to disclose the names of the payees, a certificate in the hand writing of the Collector to the effect that the reward has been duly paid, shall be submitted to the Accountant-General in support of the payment in lieu of the payee’s receipt ordinarily required.

Note 3 The limit of two hundred and fifty rupees laid down in this rule is subject to alteration by the Comptroller and Auditor General.

Note 4.- There are occasions when it is not possible to meet the charge from the permanent advance, or even where this is possible there is delay in obtaining the payee’s receipt, e.g. when the payee happens to reside at a distance and the amount has to be remitted to him. In such cases the particulars of sub-vouchers to follow shall invariably be stated in the appropriate space, immediately below the disbursement certificate on the contingent bill form.

Note 5.-The following instructions shall be carefully observed in preparing detailed contingent bills :-

- a) one detailed contingent bill should be prepared for the amount drawn on all abstract contingent bill in any month, and should be headed as appertaining to the month in which payment was actually made from the treasury.
- b) Charges on account of one major head only should be included in one detailed contingent bill.
- c) All sub-vouchers for items exceeding two hundred and fifty rupees each should be noted with their amount in column 1 of the detailed bill provided for the purpose.
- d) Details of miscellaneous charges or other items should be fully given in the detailed bill.

Note 6.- The sanction of the competent authority shall where necessary be quoted in the detailed bill.

276. On receipt of the monthly detailed bill in the office of the countersigning officer, its figures will be transcribed in a register of the same form as the disbursing officer's register, with similar description of items requiring explanation, and the bill will then be reviewed by the countersigning officer with sub-vouchers. Any disallowances, with the number of the sub-voucher concerned and explanation of the objection, will be noted on the bill and in the 'Remarks' column of the contingent register, and the amounts shown in the register in the columns affected will be corrected in red ink. The countersigning officer will then enter in the register the date of admission under his initials, sign the bill and dispatch it to the Audit Office direct with the vouchers for items in excess of five hundred rupees, his signature to the certificates endorsed on the bill taking the place of the smaller ones.

Note 1. – The term "items" refers to the items of expenditure and not items of charges, e.g., a charge for five hundred and twenty rupees for section writers would not be required to be supported by a sub-voucher if the amount is made up of sums paid to several individuals, none of which exceeds five hundred rupees.

The limit of five hundred rupees is, however, subject to alteration by the Comptroller and Auditor-general:-

Note 2- In the absence of the countersigning officer the examination and countersignature of the bill may be performed by some responsible gazetted Government employee authorised by the countersigning officer.

277. Government commercial concerns in the Punjab have been permitted to settle their accounts with other departments by the method of making actual payment, instead of by book transfer as laid down in paragraph 15 of Appendix '2' of P.F.R. Vol.II. This system shall apply both in the case of payments to be made by the concerns and in the case of payments to be made by the concerns to other department for service rendered or supplies made. In both cases the payment will be made by cheques, Reserve Bank Government drafts or demand drafts. Payments in cash is prohibited altogether. As the issue of a reserve bank Government draft for less than twenty five rupees is not permissible, the payment is permitted by means of postal money order of petty sums not exceeding twenty five rupees either to or by concerns. Cheques or demand draft shall be crossed and marked "not negotiable Accounts Payee only" so as to ensure credit of the sale proceeds of the cheques, etc., to a Government head of account at the treasury.

#### SERVICE POSTAGE STAMPS

278. The following procedure shall be adopted by Government employees for obtaining service postage stamps from the treasuries and for the adjustment of their value:-

1. For Civil Department
2. For PWD Department.

### CHAPTER VI-PENSION PAYMENTS

#### SECTION I -INTRODUCTORY

279. In this chapter except where it is expressly otherwise provided or the context otherwise requires :

- a. "Political Pension" means a pension, not being a service pension, granted or customarily payable to , or in respect of a person on political consideration of distinguished or meritorious service or on the surrender of rights or emoluments and includes assignments or compensations payable in the form of fixed allowances or grants ; and

1. "Service pension" means a pension, including provisional pension under the Punjab Civil Service Rules payable to or in respect of a person in consideration of past employment under the State of Punjab and includes a gratuity so payable.

#### SECTION-II PLACE OF PAYMENT

280. Pension payable in India may be paid in any district of the State.

#### SECTION-III AUTHORITY FOR PAYMENT

281. (1) Payments of pensions shall be made only upon pension payment orders issued by the Accountant General, the Treasury Officer's halves of the pension payment order shall be kept in separate files for each pensioner. These files must be kept in the personal custody of a responsible official under lock and key. On change of incumbent a written charge report shall be prepared and kept on record.

(2). In commutation cases, the Accountant-General shall issue the authority for payment of the commuted value of the portion of pension commuted, along with a communication intimating the date of communication and the reduced amount of pension to be payable with effect from the date of communication. The revised pension payable after commutation and the date from which it is payable shall be noted in both halves of the pension payment order by the disbursing officer under intimation to the Accountant-General. After the commuted money is paid, the voucher for the commuted value be sent to the Accountant General, in a separate schedule. Payment of pension from the date of commutation will be made at the revised rates based on the amended pension payment order.

(3) In case where an anticipatory pension payment order has been issued by the Accountant General, or a provisional pension payment order has been issued by the Head of Office concerned, the final pension when intimated by the Accountant General, will be noted in both halves of the pension payment order by the disbursing officer under his attestation, quoting Accountant General's later as authority. An intimation to this effect may be sent to the Accountant General, simultaneously. Future payments will be made to the pensioner at the revised rates based on the amendment pension payment order. The voucher for the first payment of the final pension will be sent to the Accountant General in a separate schedule.

Note.-Corrections or alterations in non-service pensioners names as given in the pension payment orders issued by the Accountant General shall not be made without the sanction of the Department of Finance.

282.- The anticipatory pension including family pension sanctioned under the Punjab Civil Services Rules, Volume II, shall be drawn by the Drawing and Disbursing Officer, under whom the pensioner was serving before retirement, in Form PTR 48.

Note- A Treasury Officer will, in case of death of a pensioner governed by the Family Pension Scheme, 1964 start paying family pension to widow or widower as the case may be on receipt of death certificate of the pensioner and the application. He will also send an intimation in this regard to the Accountant General.

#### PAYMENT AT SUB-TREASURIES

283. (1) Treasury Officers may authorise a pension to be disbursed at a sub-treasury even in cases in which this is not specifically desired in the pension payment order. In all such cases the sub-treasury officer will be furnished by the District Treasury Officer with an authenticated copy of the Disburser's half of the pension payment order, with the Treasury Officer's orders for payment at sub-treasury endorsed thereon.

(2) In issuing copies of pension payment orders the District Treasury will reproduce the full order of the Accountant General, and thereon make the endorsement, "Made payable at----- sub-treasury with effect from-----" a similar endorsement being recorded over the Treasury officer's signature on the Disburser's half of the pension payment orders so that payment may not be made at the district treasury.

284.- If a pensioner who receives his pension at a sub-treasury loses his half of the pension payment order, the sub-treasury officer's half shall be returned to the treasury officer for the issue of a new order. The sub-Treasury Officer shall see that no payment is thereafter made on the half alleged to be lost.

A note of the loss shall be made in the remarks column of the proper index.

285. (1) On receipt of a pension payment orders the Treasury Officer shall deliver the pensioner's portion to the pensioner and keep the disbursers portion carefully in such manner that the pensioner shall not have access thereto.

(2) The District Treasury Officer may by order authorise the Treasury Officer (Headquarters) posted in the District Treasury to renew Pension Payment Orders without reference to the Accountant General in cases in which pensioner's portion of pension payment Order is lost, worn or torned or the entries on the reverse of either the pensioner's or the disbursers portion are completely filled up. In case, the Treasury Officer (Headquarter) is absent due to leave or otherwise the aforesaid power of renewing the pension payment Order without reference to the Accountant general shall be exercised by the District Treasury Officer himself. the renewed Pension Payment Order shall bear the old number, date and facsimile of signature of the issuing officer and the old Pension Payment Order if available, shall be retained by the District Treasury Officer for a period of three years and shall be destroyed thereafter. A note of the issue of the new pension payment order shall also be made in the "Remarks" column of the register (Form PTR 49). On the death of a pensioner, the Pension Payment Order shall after payment of the arrear of pension be returned to the Accountant General with a report of the date of death of the pensioner. The Treasury Officer shall return these documents to the District Treasury Officer concerned for the aforesaid purpose.

(3) On the renewal of a pension payment order, the portion of the original order containing the facsimile of the pensioner's signatures or his thumb impressions, as the case may be, and the copy of his photograph where it is kept, shall be cut off from the old and pasted on the renewed pension payment order before the latter is signed by the Disbursing Officer.

286. In issuing a pension payment order, the Accountant General shall-

(i) attach to the order a specimen signatures of the pensioner if he can sign his name in English, Hindi or the official language, otherwise the thumb and finger impressions of his left hand or, where this is not possible due to physical incapacity, the thumb impressions of his right and finger or toe impressions being duly attested by the Head of the office concerned or by some other responsible person; and

(ii) paste a certified copy of the pensioner's photograph of passport size of the Disbursers portion of the pension payment order and in case of Government employees governed by the Family Pension Scheme, 1964, of his wife or her husband also, as the case may be:

Provided that the aforesaid provisions shall not apply in the case of-

- (i) Pardah-nashin ladies.
- (ii) Persons who are in receipt of family pensions granted under the wound and Extraordinary Pension Rules or the Liberalised Pension rules;
- (iii) Persons who hold Government titles; or
- (iv) any other person specially exempted by the Government from the operation of this rule.

287. In the case of pension payments made at sub-treasuries as provided in rule, 283, a register of pension order shall be maintained in the sub-treasury also.

REGISTER OF PENSION PAYMENT ORDERS

288. (1) The register of pension payment order maintained by the Treasury Officer in form PTR 49 shall serve as an index to the files of orders referred to rule 281. After seeing that a new order is correctly entered in his register, the Treasury Officer shall put his initials in the column of "Name of Pensioner" and rule a red ink line across the page below the entry. The column of remarks will be blank as long as the order of payment is in force; but when both portions of the orders are returned on account of death of pensioner, or application for transfer, or otherwise, resulting in removal of the pensioner's name from the list of pensioners under his payment, the date and cause of return shall be entered in 'Remarks' column under the disbursing officer's initials.

(2) In the case of sub-treasury, if the authenticated copy of the Treasury Officer's half only be returned on account of non-appearance of a pensioner, the date shall be entered in red ink and on reclamation this date shall simply be struck out. When both the authenticated copy of the Treasury Officer's half and the pensioner's half are transmitted for a renewal in consequence of damage, or otherwise, or the authenticated copy of the Treasury Officer's half in case of loss of the counter part the date may be entered in pencil in explanation of the incompleteness of the file of orders.

Note- The pension payment orders will ordinarily be filed in one series for the whole district, but the Accountant General may allow filling by the sub-treasury series when this course is found more convenient.

289. (1) On receipt of an intimation about the death of pensioner prompt action shall be taken to record the fact in the register referred to in rule 288 and on the disburser's portion of the pension payment order.

(2) In the case of pensioners whose pension are paid by money orders under the provisions of rule 303, the necessary note shall be made on both portions of the pension payment order.

290. Pensions which are not granted for life, but are subject to special conditions, i.e., when they are to cease on marriage, or at a given age or under other specified circumstances, shall not be entered in the same register with other pensions, but shall be recorded in special registers to be kept for the purpose. All Pension payment orders of such pensions shall bear the letter "S" in addition to the number.

Additional columns shall be opened in such registers to show clearly and precisely the special limitations and conditions attached to each pension of this category.

#### TRANSFER OF PENSIONS

291 (1) The Government or the Accountant General may in application and on sufficient cause being shown, permit transfer of payment of pension from any treasury in the State to another treasury inside or outside it.

(2) Treasury officer may transfer pension on sufficient cause being shown from one treasury to another within the State subject to the following conditions. :-

(i) If at the time of transfer the pension payment order is renewed on account of the original having been lost, the fact of its having been renewed and the circumstances leading thereto shall be intimated to the Treasury officer of the district to which the payment is transferred.

(ii) The transfer to the payment of pensions applied for by the pensioners proceeding to hill stations for summer months only shall not be allowed in any case.

(iii) A copy of the letter effecting the transfer shall invariably be supplied to the Accountant General .

(iv) The payment of such pensions shall be entered on a separate page of the relevant pension schedule giving the name of the district from which the pension has been transferred.

Note In the case of Civil Pensioners residing in Nepal who apply for transfer of pension from one pension disbursing officer to another, the submission of pensioner's half of the pension payment order may not be insisted upon at the time of effecting the transfer of pension, the transfer being done on the strength of the disburser's half of the pension payment order. The pensioner's half shall be collected by new pension disbursing officer from the pensioner when he first reports to receive his pension and forwarded to the Accountant General concerned under intimation to the old pension disbursing officer.

#### SECTION IV-MANNER OF PAYMENT DUE DATE

292. (1) (i) Monthly pension bills, when presented by a pensioner at the counter of the Treasury or Sub-Treasury, may be passed seven days before the last working day of the month or any other day declared to be Pension Disbursement day by affixing stamp 'Not payable before-----' (monthly Pension Disbursement date):

Provided that in the event of the death of a pensioner before the last working day of the month or any other day declared to be Pension Disbursement day, the pension bill so passed shall be returned by the legal heir(s) of the deceased pensioner to the District Treasury Officer or the Treasury Officer (in the case of District Treasury /Sub-Treasury) along with a copy of the Death Certificate of the deceased pensioner so as to enable him to process the claim of arrears of pension of deceased pensioner:

PROVIDED further that each pensioner shall file an affidavit or give an undertaking for refund of the excess drawal or for adjustment of any overpayment made to him on the above account from the dues of pension or increase in pension or arrears of pension which may accrue in the event of death and the affidavit so filed or undertaking so given shall be kept by the District Treasury Officer or the Treasury Officer concerned in his safe custody," and

(2) Pensions fixed at monthly rates shall be paid monthly on and after the first day of the following month. Non-service pensions shall however, be paid half-yearly in the months of June and December, except in special cases where the competent authority has authorised such pensions to be paid monthly. All charitable allowances which are little more than subsistence allowance shall ordinarily be paid monthly :

Provides that when there is a variation in the rate of pension consequent on the disbursement of the commuted value of a portion thereof, pension for the broken part of the month may be paid at the original rate before the end of the month.

Note 1 ,- See also rule 10.11 of the Punjab Civil Services Rules, Volume II

Note 2. – If the first day (including Sunday) of the following month other than the month of April is a public holiday on which pensions are not disbursed at the treasury, the payment of pensions may be made on the last working day of the month to which the pensions relates except in the case of pensions for the month of March, which shall be paid only on the first working day of the succeeding month.

Note 3 See also explanation below rule 5(5)

293. A Treasury Officer may authorise payment of a pension payable under proper authority at his head quarter or any of the outlying treasuries subordinate to his district treasury or any transfer the payment of a pension from such subordinate treasury to the district treasury, or from one subordinate treasury to another such treasury in the same district.

#### PAYMENT OF CLAIMS

294. As a rule , a pensioner must take payment in person after identification by comparison with pension payment order. A pensioner specially exempted by the competent authority from personal appearance, a women pensioner not accustomed to appear in public, or a male pensioner who is unable to appear in consequence of bodily illness or infirmity

may receive his or her pension upon the production of a life certificate signed by a responsible officer of Government or by some other well known trustworthy person.

Note- If a pensioner paid on pension payment order in Form Pen 10 of Punjab civil services rules, Volume II , is not known to the Treasury officer, he may be required to produce a life certificate or other evidence of identity.

295. (1) A pensioner who produces a life certificate signed by any person specified hereunder is exempted from personal appearance : -

- (i) a person, exercising the powers of a magistrate under the criminal procedure code ;
- (ii) a Registrar or Sub-Registrar appointed under the Indian Registration Act ;
- (iii) a Gazetted Government employee ;
- (iv) a Police Officer not below the rank of Sub-Inspector- in charge of police station;
- (v) a post master, a departmental sub-postmaster or an Inspector of post offices;
- (vi) a Class I Officer of the Reserve Bank of India, an officer ( including Grade II officer) of the State Bank of India or its subsidiary.
- (vii) a Pensioned Officer, who, before retirement, exercised the powers of a Magistrate;
- (viii) a Block Development officer, Munsif, Tehsildar or Naib-Tehsildar;
- (ix) a Head of a village Panchayat, Gram Panchayat, Gaon Panchayat or an Executive Committee of a Village;
- (x) a Member of parliament, or of State Legislature or of Legislature of Union Territory Government/Administration.

In the case of a pensioner drawing his pension through a public sector bank, the life certificate may be signed by an officer of a public sector bank. In the case of pensioner residing abroad and drawing his pension through any other bank including in the Second Schedule to the Reserve Bank of India Act, 1934, the life certificate may be signed by an officer of the Bank.

(2) A pensioner not resident in India may with the permission of Reserve Bank of India draw his pension in India through a duly authorised agent possessing a legally valid power of attorney, who must produce a life certificate on each occasion, unless the duly authorised agent has executed an indemnity bond to refund over payments in which case he has to produce the life certificate at least once a year.

(3) A pensioner not resident in India in respect of whom his duly authorised agent produces a life certificate signed by a Magistrate, a Notary, a Banker, or Diplomatic Representative of India shall be exempted from personal appearance.

(4) A pensioner of any description resident in India shall be exempted from personal appearance if he draws his pension through a duly authorised agent (vide rule 235 ) who must produce at least once a year a life certificate signed by any of the persons mentioned in sub-rule (1).

(5) The pension of an officer drawing his pension through an agent who has executed a bond to refund over payments shall not be paid on account of a period of more than a year after the date of the life certificate last received and the Accountant General and Treasury Officer shall be on the watch for authentic information of the deceased or any such pensioner and on receipt thereof, shall promptly stop further payments.

(6) When a pensioner is minor or is for any other reason incapable of managing his own affairs, and has no regularly appointed manager or guardian or when no such manager or guardian is nominated by the sanctioning authority, the competent authority may on application by or on behalf of the pensioner and subject to such conditions as he may impose declare any suitable person to be the manager or guardian for the purpose of receiving, on behalf of the pensioner pension due to him, and payments of pension may be made to such manager or a guardian in the same way as to the original holder provided sufficient proofs are

forthcoming at the time of each payment of the original holder being alive and eligible to receive the pension for the period covered by the payment. Such declaration may, at any time, be revoked or altered at the discretion of the competent authority.

296. (1) Where owing to old age or infirmity or in consequence of some physical disability it is not possible for a pensioner to present in person, to the Treasury Officer, a declaration electing to have his pension paid by money order, the Treasury Officer may accept instead written declaration signed by the pensioner, which is duly verified by a Gazetted Government employee, Magistrate or a justice of peace or a Tehsildar or Block level Officer, under his seal of office. The officer verifying the declaration shall specify the circumstances in which he holds that it is not possible for the pensioner to present the declaration in person to the Treasury Officer.

(2) Should a pensioner be physically incapable of signing the declaration referred to in sub-rule (1), the Treasury Officer may authorise payment to the pensioner on production of a certificate from the Civil Surgeon of the District or any other Medical Officer to the effect that the pensioner is alive but is unable to sign such declaration. In such a case the pension may be paid to the heir not being a minor who would receive payment of the arrears of pension in the event of the pensioner's death, provided it is certified by the Competent Authority that the person claiming to be the heir is in fact the heir and continues to be the heir throughout the period for which he draws the pension

#### FORM OF PENSIONS BILLS AND CONNECTED CERTIFICATES

297. Pensioners receipts may be taken either on separate bills, which bills may be attached to a schedule for each kind of pension, or, if few in number, may support separate entries in the cash book and list of payment, in a form similar to form PTR 51 for all on account of each class of pensions. On the latter plan the receipt of each pensioner appearing personally shall be taken in the column provided for that purpose, while separate receipt shall be appended in support of the charges on account of those paid at subordinate sub-treasuries. If payment is made to another person authorised to receive it, the name of the payee shall be entered in the separate receipt. On all such documents shall be entered the number of entry in the bill.

(1) A life certificate must accompany every pension bill which is not personally presented, except in the case of pensioners not resident of India specified in sub-rule (2) of rule 295(2). When payment is made on a life certificate it shall be made only for months completed on or before the date of the certificate.

Note.- It is not necessary that the life certificate shall be in respect of the date on which the pension bill is presented for payment, if that happens to be later than the signature of the pensioner on the bill.

(2) Whenever doubts exist in regard to a life certificate submitted under sub-rule (2) of rule 295 (2) by pensioner residing out of India and drawing pension in India, the Treasury Officer shall be justified in asking the pensioner to furnish such evidence as will satisfy him that the signature to the certificate is authentic. In such cases it would be well to ascertain, if possible, why the pension is drawn in India.

(3) Where the determination of pension cannot be fixed for a precise date, the pensioner's receipt shall be accompanied by a life-certificate duly signed by any of the authorities mentioned in sub-rule (1) of rule 295(1).

Note.- In the case of female pensioners whose pensions are terminable on their marriage, or remarriage, the certificate in Form PTR 52 shall not be necessary for the month of December, as the pension bills for that month will be supported by a declaration in Form PTR 53,-vide sub-rule (4).

(4) A declaration in Form PTR 53 shall be obtained yearly from women pensioners whose pension is terminable by their marriage, and shall be attached to the bills for pension paid for the month of December.

(5) Every pension disbursing officer shall submit to the Accountant General, a statement showing particulars and date of last payment of pensions in respect of the cases of failure to furnish the declaration referred to in sub-rule(4) in the month of January.

(6) A certificate of non-employment in Form PTR 51 ( Printed in English, Hindi, and Punjabi) shall be signed by all pensioners. In the case of a pensioner drawing his pension through an agent ,(vide rule 235) the certificate modified accordingly may be signed by the agent; provided that the pensioner shall himself, once a year, a certificate covering the period for which pension has been drawn on the basis of the agent's certificate. If a pensioner who is required to sign the certificate gets employment either permanently or temporarily in a Government establishment or in an establishment paid from a local fund, during the period for which pension is claimed, he shall furnish the necessary particulars therein, and the Treasury Officer shall ascertain and report whether the rules regarding such re-employment have been duly observed.

(7) In cases in which pensioners in receipt of pension granted for political considerations do not appear in person to receive a payment of their pensions, if the disbursing officer entertains any doubt which he has no convenient means of removing he shall refer the case to Government through his immediate superior for order. Payment of the pension, however shall not be suspended pending the result of such reference.

(8) The payment of pensions due to deceased pensioners shall be regulated in the manner specified in rule 311.

#### CHECKS TO BE APPLIED BY THE DISBURSING OFFICER

298. On appearance of a pensioner claiming payment of pension, his personal marks shall be checked by the disbursing officer and the signature to the receipt compared with the facsimile of the signatures pasted on the original payment order if a pensioner cannot sign his name, his thumb impression on the receipt shall be compared with the original impression already taken on the Treasury Officer's half of the pension payment order. Except in the case of women pensioners who do not appear in public, the disbursing officer may make payments to pensioners on the strength of the resemblance between the pensioner and his photograph pasted on the disbursing officer's half of the pension payment order pending the final reconciliation of any question which may arise about identification marks.

Provided that the identification by personal marks shall not be insisted upon at each payment by the Treasury officer if he has on a previous occasion personally conducted this verification and is otherwise satisfied about the identity of the pensioner :

Provided further that in the case of physically handicapped pensioners who are unable to sign or put their thumb impression and in the case of purdahnashin ladies, acquittances by seal mark attested by some well-known and respectable person may be accepted in lieu of signature or thumb impression.

Note 1. – In case where pension is drawn through authorised agents (who have indemnified Government against over payments ) personal appearance of the pensioner is not necessary even on the first occasion.

1. The Assistant Treasury Officer posted at District Treasuries may be authorised to make payment of (i) pensions to all types of pensioners,(ii) gratuities, (iii) pension on first appearance and (iv) pension during April each year.

2. Where Assistant Treasury Officers have not been posted to any District Treasury, the Treasury officer may authorise the superintendent Treasury to pass for payment pension bills of only non-gazetted, pensioners excluding payment of gratuity: Provided that the payment of pension on first appearance on receipt of pension payment order from Audit office or from

any other pension Disbursing Officer and payment of pensions , during April each year shall continue to be made under the signature of the Treasury Officer.

299. In payment of pensions to women who do not appear in public special care shall be taken in the identification because too much risk of fraud is involved in such case. The descriptive rolls, when originally prepared, and the periodical certificate of the continued existence of such women, shall be attested by two or more respectable persons of the town village or pargana.

300. The Treasury officer shall also satisfy himself on the following points in making the payment of pensions :

- a) That the number of the Pension payment order and the amount of pension, as entered in the receipt correspond with entries on the pension payment in the file kept in the treasury and that the reverse of this order shows that pension is due for period covered by the claim.
- b) That if the pension has lapsed the arrears are not passed for payment without further orders.
- c) That in the case of illiterate pensioners the certificate of non-employment has been explained verbally to the pensioner each time the pension is disbursed. In this case the Treasury Officer shall also satisfy himself by such enquiry as may be possible that the pensioner has not been employed either permanently or temporarily.
- d) That in the case of special pensioners no payment is made beyond the time specified or except under the conditions stated in the pension payment order.
- e) That the pensioner's half of the pension payment order is produced invariably with the claim for payment.
- f) That when a pension payment order is renewed in consequence of the pensioners half having been lost, no payment is made on the half alleged to have been lost.

301. When a pensioner draws his pension through another person, the disbursing officer shall take special precautions against fraudulent presentation of claims and satisfy himself of the existence of the pensioner and of the identity of the payee before any payment is ordered and if he feels any suspicion he shall refer it to the pensioner before payment.

302. Every payment shall be entered on the reverse of both portion of the Pension Payment Order and attested by the signature of the disbursing officer. In the case of pensions paid at sub-treasury to which only a copy of the Order with the Treasury Officer's order thereon is supplied under rule 283, the Sub-Treasury Officer shall make the entry on the Pensioner's portion of the order and on his copy, while the Treasury Officer at the District Treasury shall, from the connected voucher, make the necessary note on the original of the order.

Note.- The provisions of this rule will not be applicable in respect of pensioners drawing pension from public Sector Bank.

#### PAYMENT OF PENSION BY POSTAL MONEY ORDER

303. The payment of pensions not exceeding two hundred rupees a month may be made by postal money order at the option of the pensioner. When this mode of payment is adopted the following provisions shall be observed:-

- (1) A pensioner who elects to have his pension paid by money order shall present in person to the Treasury Officer a declaration to that effect with his copy of the pension payment order. The treasury officer shall then identify the pensioner as laid down in rule 298. After this has been done, he shall paste the declaration and both halves of the pension payment order in a separate file headed "Pension payable by money order". On a date, during the last week of a month, except the month of March, the Treasury Officer concerned shall arranged

to remit the pensions, recorded in the file mentioned above, through Postal Money Order, by subscribing the same as "Not payable before the first proximo", after deducting the money order commission if the amount of pension exceeds one hundred rupees per month. Entry of each payment shall be made in the table at the back of the pension payment order concerned (both copies) and attested by the Treasury Officer when he signs the money order forms after carefully comparing the three documents. The pension for the month of March, payable in April, will, however, be remitted on or after the 1st day of April only.

Note 1.-If a pensioner applies for his pension to be remitted to him quarterly instead of monthly, his request shall be granted by the Treasury Officer and his pension shall be remitted by Postal Money Order quarterly after subscribing on the Money Order form as "not payable before the 1st proximo", as under:-

**Pension for the month(s) of:**

April, May and June	.. in the last week of June,
July, August and September	.. in the last week of September
October, November and December	.. in the last of December.
January, February and March	.. on or after the 1st day of April.

For this purpose the Treasury Officer shall maintain separate files of pension Payment Orders on which payment is to be made quarterly headed "pension payable quarterly by Money Order".

**Note (2)** Pension (including provisional pension, family pension and political pension, upto one hundred rupees per month may, however, at the request of the pensioner be remitted to him by postal Money Order at the cost of the Government. The charges on account of money order commission may be shown as a distinct item in the bills relating to such claims, debiting the expenditure thereof to the minor head "Other Expenditure" under the major head "266- Pension and Other Retirement Benefits". When such a Money Order is returned undischarged the full amount of pension remitted (minus the postal commission) shall be debited to "Post Officer". (See sub-rule 10 infra);

(2) In order to minimise the risk of fraud, the Treasury Officer shall compare the signature on the Money Order receipt every month with the pensioner's signature on the pension payment order. The Treasury Officer shall also satisfy himself once a year in such manner as he thinks desirable that the pensioner is actually alive. In token of having done so, he shall endorse on the schedules of payments for the month of April each year a certificate to the effect that he has satisfied himself that the pensioners were actually alive on the dates on which the pensions were remitted to them.

(3) In cases where determination of a pension cannot be fixed for a precise date, the Treasury Officer shall, before remitting the pension for December and June, obtained from the pensioners the certificates in Form PTR 52. In the case of female pensioners whose pensions are terminable on their marriage or remarriage, however, before remitting their pensions for December only the biannual declaration in Form 54 specified in rule 297 above may be obtained.

(4) (a) When a women pensioner files a declaration electing to receive pension by money order, the Treasury Officer shall supply blank form of both certificates sufficient for a year and instruct the pensioner clearly as to the submission of the forms in question. The Treasury Officer shall supply the pensioner in December every year with forms enough for the ensuing year.

(b) The Treasury Officer shall warn the pensioner that her pension will not be remitted until the necessary certificates received. In cases where necessary certificates have not been received the Treasury Officer shall take steps to obtain them before remitting the pension.

(5) Some village official or other suitable subordinate agency, such as the Police, shall be made responsible for reporting promptly to the Treasury officer the death of any pensioner whose pension is paid by money order.

(6) It shall not be necessary to prepare separate pension bills for such payments. The payments shall be shown in a separate schedule which will serve as voucher. A certificate in the following form in the handwriting of the Treasury Officer shall be endorsed on the schedule:-

"certified that I have satisfied myself that all payments noted in the schedule have actually been remitted by money order".

Provided that an additional certificate in the following form shall be added in the schedules for January and July each year:-

"Certified (1) that I have obtained from each pensioner a declaration that he had not received any remuneration for serving in any capacity under Government or under a Local Fund during the past six months; and (2) that in all cases where determination of pension cannot be fixed for a precise date, I have obtained the certificate in Form PTR 52 or the declaration in Form PTR 53, as the case may be."

The words " or the declaration in form P.T.R. 53 as the case may be", appearing in the certificate above will be added in the certificate attached to the schedule for January only,- vide rule 297.

(7) The amount to be remitted shall not be paid to the post office. The money order forms shall be sent to the Post Office in cash but by transfer to the credit of the post office with a certificate by the Treasury Officer that the amounts of the Money Orders and the fees thereon have been credited to the post office in the Treasury Accounts by transfer.

(8) The Treasury Officer shall watch for the money order receipts for all remittances shown in the special file and shall also compare the signature in these receipts with the specimen signatures on the Treasury Officer's halves of the pension payment orders.

(9) In every month's schedule, the Treasury Officer shall furnish the following certificate:-

" Certified (1) that I have satisfied myself that all pensions included in the schedule for the previous month have been paid to the proper persons, and (2) that I have obtained all money order receipts in support of these payments and filed them in my office."

10. On a money order being returned the net amount of the money order (minus the postal commission) shall be debited to the post office, and shall be shown as a distinct item in the cash-book and in the monthly Cash Account. A note of the amount returned shall also be made against the pension payment order concerned. When the amount, less money order commission, is repaid to the pensioner, a note to that effect shall be made against the former remarks.

Explanation.- All remittances through Post Offices shall be made by book adjustment. When the money is remitted it shall be shown as 'debit' to the deposit account and when it is received back it shall be shown as 'credit' to that account.

The provisions specified in sub-rule(1) shall also apply mutatis mutandis to payments of pensions authorized to be made at a sub-treasury under rule 293.

#### PAYMENT OF COMMUTATION MONEY

304. The payment of the commuted value of the portion of a pension can be made upon the authority issued by the Accountant General only to, and upon the receipt of, the person legally entitled to receive it, and not otherwise.

305. (1) The amount of gratuity as determined by the Accountant General (Accounts and Entitlement) Punjab shall be intimated to the Head of office of the retired Government

employee who there upon shall issue a sanction indicating the amount of gratuity so determined by the Accountant General( Accounts and Entitlement) Punjab and the particulars of the said employee to whom it is payable with copies thereof endorsed to the Treasury or Assistant or Sub-Treasury Officer concerned for authorising payment and to the Drawing and Disbursing Officer for drawal and disbursement of the amount. Copy of the sanction will also be endorsed to the retired Government employee and to the Accountant General( Accounts and Entitlement), Punjab.

(2) On the basis of the sanction, issued under sub-rule (1) of the Drawing and Disbursing Officer shall present a bill in the Treasury or Sub-Treasury as the case may be, and draw the amount of gratuity in lump sum for disbursement to the retired Government employee under proper acknowledgment. The Treasury or Assistant Treasury Officer, as the case may be shall enter the sanction received in the Treasury or the Sub-Treasury in a register and pass the bill presented by the Drawing and Disbursing Officer;

Provided that the provisional or anticipatory Death-cum-Retirement Gratuity sanctioned by the competent authority in respect of a retired Government employee shall be drawn by the Drawing and Disbursing Officer in Form P.T.R. 48 and disbursed to the retired Government employee.

Note.- The above provisions for the drawal and disbursement of anticipatory Death-cum-Retirement Gratuity shall also apply mutatis mutandis to the drawal and disbursement of Provisional Death-cum-Retirement Gratuity to the family of a deceased Government employee and Death-cum-Retirement Gratuity payable to the family of a deceased Government employee shall be drawn and disbursed by the Drawing and Disbursing Officer.

(3) The communication issued by the Accountant General (Accounts and Entitlement) Punjab, conveying the amount of gratuity in respect of a retired Government employee shall remain in force for a period of one year only. In case sanction is not issued and the amount of gratuity is not drawn by the Drawing and Disbursing Officer within the aforesaid stipulated period of one year from the date of issue of the said communication, the same shall require to be revalidated from the Accountant General,( Accounts and Entitlement), Punjab, which shall again be valid for a period of one year."

F.D.Notification No.4-(5)-1-FCD-86/9051, dated, Chandigarh 7th August, 1987.

#### **SECTION V- PERIODICAL IDENTIFICATION OF PENSIONERS**

306. (1) On the first appearance of a pensioner on or after the first day of April each year, the disbursing officer shall take before him, an impression of the thumb and all the fingers of the pensioner's left hand on the pension bill. The pensioner shall then be identified from the particulars given in the disbursing officer's half of the pension payment order. Identification shall also be made by an examination of the impressions given on the bill with those pasted on the pension payment order or by a reference to the pensioner's photograph where one is pasted on the Disburser's portion of the Pension Payment Order if the pensioner cannot be identified by other means with absolute certainty;

Provided that the literate pensioners, who can sign their pension bills, may be exempted from affixing their thumb and finger impression, on their pension bills, When, however, such a pensioner cannot be identified by other means with absolute certainty it would be open to the disbursing officer to take the impression on his pension bill for examination with those pasted on the pension payment order.

(2) Illiterate persons who are exempted from personal appearance under rules 294 and 295 shall give the thumb and finger impression on their bills in the presence of the person who grants the life certificate.

(3) On the renewal of a pension payment order, the original impression shall be cut off from the old, and attached to the new order.

(4) A pensioner of any description resident in India who draws his pension through a duly authorised agent

( who has indemnified Government against over payment shall produce, at least once a year, a life certificate signed by any of the persons mentioned in sub-rule(1) of 295, but shall not be required to appear in person before the Treasury Officer for the purposes of rules 298, 306 and 307.

307. (1) In all cases referred to in rules 294 and 295, the Treasury Officer shall take precautions to prevent imposition and shall, at least once a year, require proof independent of that furnished by the life certificate, of the continued existence of the pensioner.

(2) For ' the purposes of sub-rule (1), he shall, save, in cases of exemption from personal appearance granted by the Commissioner require the personal attendance and due identification of all male pensioners who are not incapacitated by bodily illness or infirmity from so attending and in all cases where such inability may be alleged he shall require proof thereof in addition to the proof submitted of the pensioners' existence.

(3) When a male pensioner is specially exempted by the Commissioner from personal appearance, the fact shall be noted on his pension payment order by the Treasury officer.

(4) In all cases of non-appearance of a male pensioner, a note shall be made on pension payment order of the form in which proof was given, within each year, of the pensioner's continued existence, e.g., "Pensioner visited the \_\_\_\_\_ to \_\_\_\_\_-" and the initials of the treasury Officer shall be put against the note.

Note 1.- The treasury Officer is personally responsible for any payment wrongly made. In cases of doubt he shall consult the Accountant General.

Note 2.- The Treasury Officer may, at his discretion and for the reasons to be recorded, privately identify and verify the continued existence of a pensioner, and dispense with his personal appearance required under this rule but this power shall be exercised only in special cases such as those who held high offices before retirement.

Note 3.- If the Treasury Officer entertains any doubt as to the identity of a police pensioner, he may require the local Inspector of Police to identify him. The inspector would then be responsible for the correct identification of the pensioner.

Exception.- In a case where a pension claim submitted by a pensioner is supported by a life certificate granted under the provisions of sub-rules (1) and (2) of rule 295 by a Gazetted Officer, whose specimen signature is on record with the Treasury Officer or by a Government Officer exercising the powers of a Magistrate under the Code of criminal Procedure, 1974 (Act of 1974) or by a Registrar or Sub-registrar appointed under the Registration Act 1908 under their respective seals of office, personal appearance of the pensioner at the treasury will not be insisted upon. The Treasury Officer, however, in all cases of doubt, will be competent to obtain proof of the existence of the pensioner independent of that furnished by the life Certificate.

308 Tehsildars shall be furnished with lists of non-service pensioners resident in their respective jurisdiction, and when fresh pensions are granted, the necessary particulars shall be communicated to them for inclusion in their lists to enable them to become acquainted with ' the pensioners' residence in their jurisdiction and to satisfy themselves that they are in existence.

In cases of exemption of male pensioners from personal attendance to draw their pensions, the tours District Officers or other Officers may be taken advantage to verify their continued existence.

309. When a half-yearly pensioner fails to apply for his pension for two consecutive half years or when a monthly pensioner fails to apply for his pension for six consecutive months,

enquiry shall, at once, be instituted at his home through the Tehsildar to ascertain the cause of the failure to apply for pension and such further measures shall be adopted as the result of the enquiry may suggest.

310. "Pensions for political considerations" and "charitable allowances" not drawn for six years and other pensions not drawn for three years cease to be payable at the treasury without the prior sanction of the Accountant General. Arrears of pensions due in the case of a deceased pensioner also cease to be payable by the Treasury Officer, if they are not claimed within one year of the pensioner's death.

Note.- This rule applies to Jagir Pensions and to allowances payable to men on non-effective service or to widows of deceased persons in connection with the President Police Medal (formerly Kings Police Medals). See also rule 10.13 of the Punjab Civil Services Rules, Volume-II.

#### SECTION VI- UNDRAWN PENSION AND ARREARS

311. (1) Subject to any rule made or order issued by the Government in this behalf, the payment of arrears of pension due in respect of a deceased pensioner shall be regulated by the following rules:-

(a) Pension can be drawn for the day of pensioner's death; the hour at which death takes place shall have no effect on the claim.

(b) On the death of a pensioner, payment of any arrears actually due may be made to his heirs, provided that they apply within one year of his death. The heirs cannot be paid thereafter without the sanction of the authority competent to sanction pension to be obtained through the Accountant General.

Provided that, if the arrears do not exceed five hundred rupees and the case presents no peculiar features, the Accountant General may pass the order for making payment of the arrears on his own authority.

(c) Subject as provided in the preceding clauses, the provisions of rule 228 shall apply to payment of arrears of pensions due in respect of a deceased pensioner, as they apply to payment of arrears of pay and allowances due in respect of a deceased Government employee except that, in the event of the pensioner's death after the commencement of pension, the power vested in the Head of Office concerned shall be exercised by the Collector of the treasury from which the pension was last drawn.

Note.- The arrears due in respect of a deceased pensioner who, immediately before his death, was being paid provisional pension through the Head of Office concerned, shall also be payable in accordance with the provisions of this rule on the finalisation of the pension claim.

(2) Any person claiming as the heir of a deceased pensioner shall be required to produce the pensioner's portion of the Pension payment Order has been issued, the copy of the order in which the Sanction to the pension was communicated to the pensioner or the heir.

(3) After payment of the arrears of pension, both portions of the pension Payment Order shall be returned to the Accountant General, with a report of the date of the death of the pensioner, except in the case of pensioners governed by the Family Pension Scheme, 1964, in which case the pensioner's portion of the Pension Payment Order will be returned to the widow/widower and the disburser's portion will be retained by the Treasury Officer.

#### REPORTS TO ACCOUNTANT GENERAL

312. (1) In addition to the returns mentioned in rule 61 the Treasury Officer shall submit to the Accountant General every six months statement of cases of failure to draw pension. The statement shall be prepared in two parts. One part will show the names of all pensioners who

have not drawn their pensions for six years in the case of "Pensions for political considerations" and "Charitable allowances" and for three years in the case of other pensions. The other part shall show the names of pensioners other than those included in the first part who have not drawn their pensions for more than one year. The reason for the non-drawn, if known, shall be stated against each name.

(2) The Treasury Officer shall sort out cases of pensions which have ceased to be payable at the treasury (vide rule 310) by examining the files of Civil Pension Payment Order every month and return his halves of the Pension Payment Orders to the Accountant General alongwith the statement mentioned above.

313. (1) Treasury Officers shall furnish the Accountant General annually on the 1st September, with a list of all retired Government employees of gazetted rank drawing pension from the Treasury whose death within the preceding twelve months have come to their notice.

(2) The list referred to in sub-rule (1) shall give the following particulars:-

(1) Name.

(2) Service or post.

(3) Date of death.

Note.- In any case in which the Treasury Officer considers a verification to be necessary regarding the actual incident of the death of a civil pensioner to draw his pension, he may refer the matter to the Station House Officer of the Police Station or a revenue officer not below the rank of Tehsildar/ Naib Tehsildar having jurisdiction over the place where the pensioner was last residing, for making necessary verification.

314. When a pension ceases to be payable during the life time of a pensioner, both portions of Pension Payment Order shall be returned by the disbursing officer to the Accountant General after making the last payment and with a note recording the reasons for the cessation of the pension.

315. The liability of pension to attachment by a Civil Court is regulated by section 11 of the Pension Act, 1871 (Central Act XXIII of 1871) which runs as follows:-

"No pension granted or continued by Government on political considerations, or on account of past services or present infirmities or as a compassionate allowance, and no money due or to become due, on account of any such pension or allowance, shall be liable to seizure; attachment or sequestration by process of any court in India at the instance of a creditor for any demand against the pensioner or in satisfaction of decree or order of any such court.

#### CHAPTER VII- MISCELLANEOUS PAYMENT,

##### REFUNDS OF REVENUE

316. Refunds of revenue can be drawn only on the demands and on the receipt of the person entitled to receive them after production of proper authority. In cases where moneys on account of revenues due to Government were received and credited to Government account by a departmental officer or where these were credited at a treasury with which he is in account and the refundees request for payment through such a departmental officer, the departmental officer shall draw the amount on his receipt and make payment to the refundees concerned. However, on no account these may be drawn to the lodged in a deposit account pending demand.

Note1.- Scheduled Banks may be exempted from the obligation of personal appearance, if the voucher is duly discharged by an officer of the bank, whose power of attorney and specimen signature are both on record with the Treasury Officer of the treasury concerned or the bank furnishing an indemnity bond and taking other safe guards considered necessary to secure the interest of Government, as security against any loss in case of overpayment.

Note 2.- Heads of Eductaional Institutions who are drawing and disbursing officers may draw refunds of tuition fees recovered in excess from the students on their own receipts. Full particulars of actual claimants and amounts due to them would be given in the bill. Provisions of rule 260 would apply and the officers drawing refunds would be personally responsible for proper disbursement and maintenance of records of acknowledgement of actual payees.

Note 3.- Payments on account of refunds shall be recorded by the Treasury Officer in a register in Form PTR 54. In the column "Miscellaneous refunds" only those items will be entered which cannot be recorded under any other column in the form.

317. Government Officers, who have to make payments for refunds of revenue in cases where moneys on account of revenue were received and credited to Government account by them, shall at the request of the refundees make payment of such claims as are upto fifty rupees from out of permanent advances or imprests which they may be permitted to hold under the orders of the competent authority subject to recoupment on presentation of refund bills.

318. (1) Refunds are paid through vouchers on form PTR 55. The Government employee who receive the amount shall fill in columns 1 to 5 of the said form and sign the certificate at the foot, while the Treasury Officer or the Sub-Treasury Officer as the case may be, shall verify the credit by means of particulars in columns 4 to 5 and affix his signatures in column 6 in token of his having done so.

(2) Where under the provisions of rule 316 and 317, a departmental officer is required to draw the amount for refund of revenue, he shall prepare a bill in form PTR 55 duly supported by the original challan with which the money was credited to Government account or by a duly attested statement showing the names of the refundees, the amounts to be refunded and the number and date of the challan with which the money was originally deposited and the amount, if any, already refunded in cases where the amounts received from more than one person were credited by a single challan by him and present it at the treasury after acknowledging the receipt thereof in the space provided for claimants signatures after scoring out the words "Claimant's Signatures". The Treasury Officer shall then make the payment to the departmental officer after verifying the credit in the manner indicated in sub-rule (1).

319. Unless otherwise provided by any law or rule or departmental regulation, an order for the refund of revenue shall remain in force for a period of three months only from the date on which it was issued and no payment shall be made on its authority thereafter unless it is got revalidated by the sanctioning authority.

#### **INVESTMENT BY GOVERNMENT**

320. Bills for Government's investments in a Company, Corporation or similar autonomous organisation shall be drawn by the drawing officer in the office of the sanctioning authority by presentation of simple receipt in a form similar to Form PTR 24, duly supported by a copy of sanction for such payment. the drawing officer shall obtain cheques, in case the Treasury Officer makes payment by cheque or bank drafts wherever necessary and make arrangement for payment.

#### **INTEREST ON GOVERNMENT DEBIT**

321. The procedure with regard to payment of interest on different forms of Government securities shall be regulated by the rules and orders contained in this behalf in the Government Securities Manual issued under the authority of the Government

#### **PROCEDURE FOR LAND ACQUISITION OFFICER SPECIALLY APPOINTED UNDER THE ACT**

##### **COMPENSATION FOR LAND**

322. A Government employee who is specially employed for the work being invested with the power of a Collector under the Land Acquisition Act, 1894, and placed at the disposal of

the Department of Public Works shall be regarded as public works disbursing officer and shall be supplied with funds in the manner specified for the works outlay of Public Works Officers, the expenditure being accounted for under the rules in the Financial Hand Book No.3-Departmental Financial Rules.

Note.- The Department of Finance may authorise any Land Acquisition Officer to make all or any of his payment by cheque on the treasury, provided no inconvenience is caused to the payees in consequence of the property being situated at a distance from the treasury.

323. When the land is taken up by the Collector or other Civil Officers not specially employed for the work, such Collector or civil officer shall not be a Public Works disbursing officer but draws money for payment due under his award from the Civil treasury.

324. In making the payments due under the award, the Collector shall take from each person to whom payment is made a receipt in Form C (Specified in Appendix 12 to the Punjab Financial Rules), containing a reference to the particulars entry in the award on acquittance roll in Form CC (Specified in appendix 12 to the Punjab Financial Rules) may be substituted for separate receipt in Form C. Such receipt shall be the Treasury Officer's voucher for the payments.

Note.- In the case of land acquired for the Department of Public Works by private negotiations, the officer who settles the price, shall draw up Form A specified in appendix 12 of the Punjab Financial Rules, and this Form shall be made the basis of the subsequent payment and audit.

325. The Treasury Officer shall have no concern with the award or with the award statement; he shall make the payments on the authority of the Collector, or other officer assessing compensations. The Collector may either draw the amount to be disbursed to each payee separately, in which case he shall countersign the receipt in Form C specified in appendix 12 to the Punjab Financial Rules and make it payable at the treasury to the payee, altering the words "paid in my presence in cash/by cheque to pay" or he may draw the total amount to be disbursed by him under the award on his own receipt as an advance and after making payment forward the receipt of the payees to the Treasury Officer in adjustment of the advance. In the former case, an advice list of the forms passed for payment shall be sent to the Treasury Officer, who in turn shall send weekly an advice of orders paid.

Note.- See also note below rule 13 in appendix 12 to the Punjab Financial Rules, Volume-II.

#### DISCOUNT ON STAMPS

326. Discount upon stamps shall be allowed to certain classes of vendors under fixed rules, and shall be given by deduction from the purchase money.

Note:- The vendors give receipts attached to a schedule in the treasury accounts. The charge shall be admitted on a certificate of the Treasury Officer to the following effect:-

Certified that the discounts have been allowed according to the sanctioned rates.

(For rates of discounts see Part III Chapter V of the Punjab Stamp Rules, 1934)

#### COMMISSION TO REGISTRARS

327. Commission to Registrars shall be drawn under departmental rule upon vouchers which exhibit the free upon the commission is claimed, in such a form as to be capable of verification by comparison with the treasury accounts. In cases in which commission is calculated on the number of documents registered the bill shall be passed on a certificate of the District Registrar or other Controlling Officer.

Note:- For rates of commission payable to registering officers who are entitled to commission and for full instructions on the subject see Chapter I of the Punjab Registration Manual.

#### PAYMENTS TO THE RESERVE BANK

328. Bills for sums payable to the reserve Bank, e.g., bills in connection with floatation of new loans, management of Public Debt. etc., shall be countersigned by an officer of the Department of Finance before the payments against such bills are made.

**Note.-** The Reserve Bank is authorised to debit to Government account in advance of the submission of consolidated bills for expenses incurred in connection with the floatation of Government loan, payments which it may make to bankers, etc., on account of brokerage, subject to the condition that it accepts the responsibility in the event of any excess payment being made. The advance so made shall be adjusted against the final bill of the said bank.

#### REFUND OF FEE RELATING TO PRINTING AND TRANSLATION CHARGES IN THE HIGH COURT

329. The refund voucher of fees relating to printing and translation prepared in the High Court shall, after pre-audit by the Accountant General's office, be forwarded to the treasury nearest to the payee's place of residence. Where the payment is desired by money order, the fact shall clearly be stated in the refund bill and the Treasury Officer, instead of issuing a notice shall remit the amount immediately by money order at payees expense. In other cases, the Treasury officer shall be guided by the ordinary rules relating to refunds.

Note.- In cases where the fine recovered by the lower court is allowed to be refunded by a higher court, the refund voucher in the proper form issued by the higher court be got verified by the court which recovered the fine and then the Deputy Commissioner shall countersign the refund voucher before the amount of fine recovered is refunded to the person concerned.

#### REFUNDS OF CANAL REVENUE

330. (1) Refunds of canal revenue not exceeding twenty five rupees in amount may be made by means of postal money orders and amount too small to be remitted by money orders shall lapse to Government if not claimed within a reasonable time; provided that the parties entitled to the refunds have been duly informed of the amounts due to them whether above or below one rupee, and warned that if they do not claim them in person by a specified date, these shall be remitted by postal money order or shall lapse, as the case may.

(2) In support of refunds referred to in sub-rule (1) certificate shall be furnished to the Accountant General to the effect that the actual payee's receipts have been received and filed in the office of the Deputy Commissioner.

331. (1) The refunds shall normally be paid out of the permanent advance and recouped on a separate contingent bill (form PTR 44 and classified under head "080-Medical, Punjab Mental Hospital, Deduct- Refunds". But in the case of refunds due to local bodies, the refund voucher shall be prepared in Form PTR 55 and sent to them after verification, from the Treasury Officer for realisation. The refunds due to other Government are made by the Accountant General, Punjab, on the authority of the Medical Superintendent by book transfer.

(2) The Medical Superintendent while drawing the bill shall certify that in all cases in which refunds have been allowed, a suitable note has been kept against the original credit in the personal ledger after verification.

#### REFUND OF EXAMINATION FEE

332. If the amount of examination fees, or any part of it, is to be refunded, a certificate shall be endorsed upon the original receipt by the Secretary to the Board of Examiner or the Secretary, Punjab Public service Commission, as the case may be specifying the amount to be refunded; and the amount so authorised to be refunded shall be paid on presentation of the original receipt so endorsed at the treasury whence it was issued, the recipient giving his receipt below the endorsement.

Note.- When a refund has to be made for part of a lump sum remitted into the treasury on behalf of several candidates in school for which a single collective receipt has been issued, it is essential that the fact of the refund having been made shall be noted against the original

credit in the Departmental accounts, where all sums are entered in detail. The voucher for refunds (form PTR 55) provides for a certificate of such note having been made.

333. If the original amount of fees was paid into the Reserve bank at Calcutta, Madras or Bombay, the refund shall be made by the Accountant General in accordance with the procedure in rule 331.

#### **PAYMENTS FOR STATIONERY PURCHASED BY CONTROLLER OF PRINTING AND STATIONERY, PUNJAB.**

334. Payments, such as for the purchase of stationery by the Controller of Printing and Stationery, Punjab, shall be made under some general or special sanction. If not, provided for by departmental rules, they shall be made upon separate bills accompanied by vouchers and a certificate to the effect that they have been entered in the proper store accounts; the authority (unless it is a general one) under which the purchase is made shall also be quoted.

Note.- In the aforesaid certificate it shall also be certified that the quantities noted in vouchers are correct, the quality is good, the rate paid are not excess of the accepted and the market rates, and that suitable notes of payment have been recorded against the indents and invoices concerned.

#### **PAYMENT OF REWARDS**

335. Any reward payable to an informer may be disbursed upon the receipt of the Deputy Commissioner without requiring the attendants of the actual payee or a receipt from him.

336. In the case of rewards to Patwaries and members of the temporary establishment during settlement operation, a certificate to the effect that the amount of rewards paid upto date does not exceed the amount of fines realised shall be attached to the bill in which rewards are drawn.

#### **ADVANCES FOR THE AGRICULTURAL MACHINERY**

337. Money required for actual disbursement for the purchase of Machinery etc., shall be drawn from the treasury on proper bills and vouched for in the usual manner. The money shall be drawn by the Agricultural Engineer from the treasury when required for actual disbursement, so long as the balance of the advance head does not exceed twenty five thousand rupees.

### **PART VI**

#### **SPECIAL RULES FOR PARTICULARS DEPARTMENTS**

##### **INTRODUCTORY**

##### **LETTERS OF CREDIT**

338. When an officer-in-charge of Public Works or Forest Division regulates the monthly drawings of his subordinate officers by letters of credit, -(vide Rules 354 and 342), the amount of every cheque drawn by the subordinate officers during the month shall without fail be noted by the treasury at the time of passing it under the Treasury Officer's initials (irrespective of the date of payment) on the reverse of the letter advising the limitation, and a balance struck. The entry in the register or schedule of cheques paid (forms T.A. 11 and 13) should, however, appear under the date of actual payment.

Note1.- A letter of credit shall be an authority to honour cheques, and payments shall only be made on cheques drawn against it.

Note 2.- See also note below Rule 429.

Note 3.- The accounts of all Public Works and Forest Officers shall not be closed on the last day of the calendar month. The letters of intimation will, therefore, specify the dates of commencement and termination of the month in each case and the intimations advised therein

shall be held to be applicable to be drawn during the months thus defined. Any undrawn balance shall not be available for drawings in subsequent months.

#### CHAPTER I- DEPARTMENT OF AGRICULTURE AND FORESTS

##### (FORESTS ORGANISATION)

##### REMITTANCES TO TREASURY

339. Remittances by Forest Officers and payments made to them shall be accounted for in the treasury in accordance with the provisions of Articles 102 and 58 of Account code, Volume-II.

##### WITHDRAWALS FROM THE TREASURY

340. The funds shall be supplied to officers in the Department of Agriculture and Forest (Forest Organisation) by means of cheques drawn on treasuries either within or outside their jurisdiction with which the drawing officers may be placed in account by the Accountant General.

Note1.- For refunds of earnest money deposited by contractors, see rules relating to "Refunds of Deposits."

Note 2.- For cheques received in payment of the value of service postage stamps, see relevant rules.

341. When Government employees of Departments other than the Department of Agriculture and Forest (Forest Organisation ) are authorised to incur charges on account of the latter Department, they shall be so as Forest Disbursers, they can, therefore, obtain funds from the treasury for such expenditure only under the rules applicable to the Government employees of the Department of Agriculture and Forests (Forests Organisation).

342. The Treasury Officer shall cash, against the drawing account of a Divisional Officer, of the Department of Agriculture and Forest (Forest Organisation) a cheque drawn by a Government employee holding charge of a Forest Sub-Division or Range:

Provided that he has received from the conservator of Forests instructions to that effect in writing. Such instructions shall empower the officer personally and shall specify the extent to which he may draw. Such Government employee shall not use the same cheque book as the Divisional Officer of the Department of Agriculture and Forests (Forests Organisation).

343. Cash may, if required, be obtained by Government employee of the Department of Agriculture and Forests ( Forest Organization ) by cheques drawn on the sub-treasuries subordinate to the district treasury with which they are placed in account by the Accountant General. The departmental officer shall in such cases advise the District Treasury Officer from time to time of the probable amount of his drawing on each sub-treasury in order that funds may, if possible, be duly provided. He shall also communicate to the Sub-Treasury Officers through the Treasury Officer, the number of the cheque book to be used.

Note.- Rule 357, applies mutatis mutandis here also.

#### CHAPTER II-DEPARTMENT OF PUBLIC WORKS

##### REMITTANCES TO TREASURY.

344. Whatever sums are paid into a treasury by an officer of the Department of Public Works, or on his account shall be carried to the credit of that department in the civil account, and not to a separate deposit account.

Note :- This rule applies also to deposits made at the instance of the Department of Public Works by municipalities or other local funds or local bodies, to meet the cost of works to be carried out by that departments. In this case the accompanying challan (vide Punjab Treasury Rule 120) shall state clearly the name of the Public Works Division to which the amount is creditable and of the work to which the deposit relates.

345. All receipts on account of the Department of Public Works shall be recorded in a register in Form T.A 10-(vide Article 57 of Account Code, Volume II), care being taken to show remittances received from departmental officers and their subordinates separate from those received from others on their account. An extract from this register shall be made and sent to the Accountant General with the cash account as a schedule of receipts (see also Punjab Treasury Rule 110).

346. (1) This rule and rules 346 to 357 apply primarily to officers of the Department of Public Works. These rules shall also apply to Special Land Acquisition Officers and other officers not belonging to the Department of Public Works who may be authorised to incur expenditure against the grant for Public Works. These rules, however, shall not apply to charges for construction (petty) and repairs executed by officers which are not treated as expenditure of the Department of Public Works.

(2) The Treasury Officers shall be prohibited from issuing any money for the disbursements of officers acting as Public Works Disbursers except in accordance with these rules.

347. When an officer of another Civil Department is authorised to incur charges on account of the Department of Public Works against the grant for public works, he shall do so as a Public works Disburser.

#### **DRAWINGS FROM TREASURY.**

348. Funds shall be supplied to officers of the Department of Public Works in two ways viz., (1) directly on pay, travelling allowance and contingent bills, and (2) by means of cheques. The two classes of payments will be registered separately in the treasury.

349. The expenditure on account of pay, travelling allowance and personal advances in the Divisional Offices of the Department of Public Works shall be incurred in the same way as in the other departments, but the following provisions shall be special for the Department of Public Works:-

(a) Treasury Officer shall each cash bill of public works officers only if the latter have been placed in account with them specifically for these purposes by a written authority from the Accountant General,

(b) Non-Gazetted Government employees' bills present for encashment may at the option of the drawing officers, be paid wholly in cash or partly in cash and partly by (a) cash orders on sub-treasuries or (b) Reserve Bank Government drafts on other districts. Such bills shall be accompanied by a memorandum signed by the drawing officer and specifying separately the amounts required in the several forms referred to in this rule.

Note.- Expenditure on Contingencies of the divisions of the Department of Public Works shall be drawn through cheques.

350. Separate establishment pay bills shall be prepared by the drawing officer for each of the establishments specified below the entries relating to each section of establishment, e.g., the upper subordinates, draftsmen, clerks, etc., being grouped separately in each bill:-

- (1) One for all permanent members of the subordinate establishments on a State scale;
- (2) One for all other permanent establishments;
- (3) One for all temporary establishments on the State Scale; and
- (4) One for all other temporary establishments.

(see also Rule 248)

351. For claims of travelling allowance, a single bill shall suffice but entries shall be grouped according to section as in the case of establishment bills.

352. All charges incurred by the Chief Engineers and Superintendent Engineers and other special officers (Not being Divisional Officers of the department of Public Works), and their subordinates shall be drawn on bills like those of other officers and not through cheques.

However, the number of separate establishment bills specified in rule 350 may be reduced in those cases in consultation with the Accountant General, who shall specify the sections into which bills shall be divided.

#### PAYMENTS BY CHEQUES

353. (1) Divisional Officers and other officers of the Department of Public works may be so authorised by the Accountant General, may draw cheques on specified treasuries within their jurisdiction and thus obtain the funds required by them for departmental disbursements not covered by the bills cashed directly at treasuries. No letters of credit shall be issued specifying the limit upto which cheques may be drawn during the month.

(2) Without making previous arrangements through the Accountant-General, no officer shall be authorised to draw cheques on a treasury situated outside the limits of the State, even though his own jurisdiction may extend beyond those limits (See also Rule 30(2).

#### SUBORDINATE OFFICERS

354. (1) A Divisional Officer of the department of public works authorised under rule 353 to draw cheques on the treasury may empower any of his Sub-Divisional Officer to draw against his own account on any treasury inside or outside the jurisdiction of the Sub-Divisional Officer. Separate accounts for Sub-Divisional Officers shall not be opened either at the district treasury or at a sub-treasury. The cheques drawn and paid under the authority of the Divisional Officer shall be charged off in the same way as if drawn by himself. If a Divisional Officer considers it necessary for the maintenance of efficient control over the disbursements of his division to set a monthly limit on the drawings of any of his Sub-Divisional Officers, he may do so, fixing either a standing limit or a fresh limit either every month or whenever necessary. All such limits may be raised or lowered subsequently. Intimation of every limit, when fixed or changed shall be sent both to the Sub-Divisional Officer and the Treasury Officer concerned. If a Divisional Officer has intimated any limitation on the drawings of a Sub-Divisional Officer for any month, the cheques drawn by the latter during that month shall be noted, irrespective of the date of payment on the reverse of the letter advising the limitation. The entry in the register of cheques paid shall, however, appear under the date of actual payment.

(2) The limit referred to in sub-rule (1), when fixed shall be for the account month of the Sub-division and the dates of the commencement and termination of the month shall be specified in the intimation to the Treasury Officer. Any undrawn balance shall not be available for drawings in subsequent months.

(3) At the option of the Divisional Officers, the limitations referred to above may not be intimated to the Treasury Officer, if the check exercised by the Divisional Accountant over the sub-divisional cash accounts after the expiry of the month, is considered sufficient for the purposes of the Divisional Officer.

355. When funds are required for a Sub-Divisional Officer or divisional Officer at treasury outside the limits of the Division, the latter shall get himself placed in account with that treasury with the sanction of the Accountant General to be obtained through the Superintending Engineer, and then draw or empower his subordinate to draw against his account. Funds shall not be made available for such a purpose by means of Reserve Bank Government Draft.

Note.- This rule is intended to be applied with special care and only to cases of real necessity. Payments to contractors shall as far as conveniently practicable be made by cheques on the nearest treasury and a stipulated to that effect shall be inserted in the contract agreement where necessary.

356. Funds may also be obtained by the Divisional Officer or his Sub-Divisional Officer, from sub-treasuries by means of cheques. The rules given above will apply mutatis mutandis in this case also.

357. When a cheque is presented at a sub-treasury in excess of the balance available out of the monthly limit of drawings of Sub-Divisional Officer, the Sub-Treasury Officer shall immediately report the fact to the Treasury officer of the District Treasury by telegram, if necessary, for instruction before finally refusing payment of the cheque.

358. If the system of Letter of Credit is introduced to regulate the drawal of funds by cheques by officers of the Department of Public Works under the sanction of the Department of Finance, the following procedure shall be followed instead of the procedure indicated in rule 353 to 357:-

The Divisional Officers and Public Works Officers, who may be so authorised may draw payment by bills and cheques on specified treasuries. A Divisional Officer, so authorised, may empower any of his Sub-Divisional Officers to draw cheques against his own account, on the treasury on which he himself is authorised to draw or on a sub-treasury subordinate to the said treasury. The cheques so drawn shall be charged against the account of Divisional Officer concerned but will be noted against the allocation made to the Sub-Divisional Officer concerned. The Chief Engineer of the branch concerned shall communicate to the amount division-wise under each head of account separately to be spent during a quarter to the Treasury Officer in the prescribed proforma with a copy to the Divisional officer concerned. The Divisional officer may allocate funds to each Sub-Divisional Officer under him under advice to the Treasury Officer, who shall communicate the same to sub-treasuries as may be necessary. The Treasury Officer or the Assistant Treasury Officers as the case may be, shall note the amount authorised in a letter of credit register in which separate pages shall be earmarked for each Divisional Officer, and other Drawing Officer to whom the funds have been allocated. The Treasury Officers or the Assistant Treasury Officer as the case may be, shall maintain a record of the allocation made and cheques issued there against. The cheques issued by the Officers of the Department of Public Works shall be encashed by the Treasury Officer or the Assistant Treasury Officer, as the case may be, before encashment at the bank. The unutilised balance of a quarter can be utilized in the next quarter without any authority from the Chief Engineer or the Department of Finance. However, undrawn balance shall not be available for utilisation after the close of the financial year. The amounts authorised through Letters of Credit shall not be exceeded in any case.

**Note.-** For drawal of Service Postage Stamps, the Punjab Financial Rules will apply.

**Note 2.-** For details about the system of Letters of Credit, in respect of all the branches of Department of Public Works, the relevant Appendix K of Volume II of this book may be referred to.

### **PAYMENT BY CHEQUES**

359. Payments made on cheques shall be recorded in the register of cheques paid in Form T.A. 11; but no entries shall be made in the column for "balance", there being no letters of credit.

(See also Article 104 of the Account Code, Volume II)

### **PASS BOOK**

360. The amount of each cheque paid shall be recorded also in a pass book or list of cheques cashed in Form P.T.R.56, which will remain with the Divisional Officer of the Department of Public Works, and be sent by him periodically to be written up by the Treasury Officer from the register of cheques paid, details of cheque paid at the Bank or at a Sub-Treasury being taken from the daily sheets.

Note 1.- A Divisional Officer at the headquarters station shall send his pass book to be written up every week; that of a Divisional Officer at a distance may be forwarded at longer

intervals, but the dates shall be fixed. A Divisional Officer, having banking accounts with two treasuries shall, of course, have two pass books.

Note 2.- It is not necessary that each entry in the pass book shall be initialled by the Treasury Officer. It is sufficient if he signs at the end of each month when the balance is struck off.

Note 3.- In the pass book, the number of the cheque book shall be noted at the top of each page. When cheques issued out of more than one book are entered on any page, the entries in the column "Particulars" of the pass book, shall distinguish the cheques of each book, but the book number need not be repeated in respect of each cheque.

#### **MONTHLY SETTLEMENT**

361. The Treasury Officer shall arrange to have a monthly settlement very early in the month with the Divisional Officer; he shall have the pass book written up in respect of cheques cashed during the various months and return after signature the consolidated receipt sent to him by the Divisional Officer for the whole of the remittances sent by him and his subordinates during that month. He shall also furnish the Divisional Officer with a certificate of total issues as follows:-

" I hereby certify that the total issues made from this Treasury drawn against the account of Shri \_\_\_\_\_  
Officer-in-charge \_\_\_\_\_, Division during \_\_\_\_\_, 19\_\_\_\_, amounted to Rs. \_\_\_\_\_ (in words) \_\_\_\_\_."

#### **LAMBARDARI FEES FOR COLLECTION OF WATER RATE**

362. (1) The Sub-Treasury Officer shall, before signing the payment order in the Lambardar's receipt, see that-

- (i) it is signed by both the tehsildar and the actual payee;
- (ii) it is duly stamped in case the amount involved exceeds twenty rupees;
- (iii) full particulars showing village, name of the canal division to which it appertains and the name of harvest for which the claim is made are entered therein.

(2) The Sub-Treasury Officer shall further see that no cash payment is made, but that the amount is paid by deduction from the amount of the challan to which it relates. Fees withheld under the orders of the Deputy Commissioner of subsequent payment will be an exception to this general rule.

#### **PART VII PUBLIC DEPT**

#### **SECTION-I PERMANENT AND TEMPORARY LOANS**

363. The procedure to be followed by Treasury Officers and the public Debt officers in making payments in respect of the principal of any loan when it falls due shall be governed by the rules contained in Chapter VIII of the Government Securities Manual and supplementary instructions issued by the Government in this behalf.

#### **SECTION II- FLOATING DEBT**

#### **TREASURY BILLS**

364. The Treasury Bills shall only be paid on maturity at the office or branch of the Reserve Bank from which they were issued. After payment the discharge bills shall be transmitted to the Accountant General or the Treasury Officer, as the case may be, in the same way as other paid vouchers.

#### **SECTION III- OTHER OBLIGATIONS PROVIDENT AND OTHER FUNDS**

365. (1) Premia or subscriptions to the Post-Office Insurance Fund may be recovered by deduction from pay bills of the subscribers or in cash in accordance with rules of the Fund.

Such premia or subscriptions shall in no circumstances be received at the treasury, payment in cash being permissible at Post Offices only.

(2) Subscribers to the post office Insurance Fund, who have retired from service and whose pensions are to be paid in India may be allowed the option of deducting their premia or subscriptions from pension bills. The Accountant-General, while issuing the pension payment under or other authority for payment of pensions, shall in such cases note the amount of the monthly deductions on the Pension Payment Order or other authority, as the case may be. The insured person, however, shall be personally responsible for entering the correct amount to be deducted in the pension bill and if he fails to do this on any occasion, it shall be open to him to pay the amount into the post office.

366. A detailed list of the subscription realised on behalf of each fund showing the date and amount of each receipt and the name of the person on whose behalf it is paid in, shall be submitted by the Treasury Offices with the cash account. This list shall be a copy of a register maintained in the treasury.

367. (1) Advances from the Provident Fund permissible under rules of the fund, shall be drawn on form P.T.R. 57, the bill being supported by a copy of the sanction, duly attested by the head of the office. The bill may also, if so desired, be endorsed in favour of the subscriber after having his signature attested on the bill provided the amount of the advance exceeds one thousand rupees. the subscriber may re-endorse the bill in such a case to his banker or messenger for collection, however, the condition specified in rule 159 shall be applicable mutatis mutandis. Payment may be made on the authority and responsibility of the officer sanctioning the advance, without the previous authority of the Accountant General, provided that the bill is supported by a certificate that the advance is covered by the balance at the credit of the Government employee concerned.

(2) Payment, when authorised, shall be made only on the personal receipt of the depositors or, when he is absent from India, on that of his duly authorised agent. In the event of his death, payment shall be made only to his legal representative.

(3) Withdrawals from a fund, when permissible under the rules of the fund, to meet the payments towards policies of life insurance or subscriptions to a family primary fund may be made, as and when required, by Heads of Offices for their subordinates on their own authority and responsibility, without previous reference to the Accountant General except in the case of first withdrawal for the payment of premium which shall be made on the authority of the Accountant General. The bills shall be prepared in the same manner as for advance mentioned in sub-rule(1), and the particular regarding the policy or policies on which premium or subscription is to be paid shall be noted on the bills.

In all such cases, the drawing officer shall be responsible for seeing that there is no overdrawing, and a certificate in the following form shall be recorded by him on the bill presented at the treasury or any other office of disbursement:-

" Certified that balance at credit of the subscriber, on the date of withdrawal covers the sum drawn on his bill."

(4) The bills in which the first premium is drawn shall contain an additional certificate to the effect that the details of the policy have been communicated to and accepted by the Accounts Officer of the office of the Accountant-General. The details which include the name of the insurance company, policy number and amount and date of premia, etc., shall be passed on to the head of office to which the Government employee is subsequently transferred and note of the drawal of the premium recorded on the last pay certificate by the Head of Office issuing Last Pay Certificate.

Note 1.- Withdrawals from provident Fund by officer and staff serving abroad for payment of insurance premia in India may be remitted by the Reserve bank of India draft.

Note 2.- An intimation shall be sent to the Treasury Officer by the Accountant General as and when an insurance policy is reassigned or gets lapsed or in other contingencies involving non-payment of premia.

Note 3.- No final payment shall be made without the authority of the Accountant General.

Note 4.- Disbursing Officers are authorised to make payments on account of advances on the authority and responsibility of the officer sanctioning the advance without pre-audit by the Accounts Officer.

Note 5.- So far as the provisions of this rule relate to preparation, signing and presentation of bills, these shall not apply to cases, in which the Accountant General makes final payment of the Provident Fund balance outside his jurisdiction under rule 368.

368. When the final payment of the balances at the credit of the subscriber to Provident Fund is to be made outside the jurisdiction of the Accountant General, who maintains the Provident Fund Account of the subscriber, the Accountant General, shall instead of issuing a special seal authority on another Accountant General for arranging the payment, make payment to the payee by a crossed bank draft. For this purpose, the Accountant General, shall intimate the amount payable to the payee and also send a form as given below to be filled in by him. On return of the form of the receipt, duly signed by the payee, a bank draft shall be purchased by the Accountant General and sent to the payee by registered post.

Received payment of Rs. \_\_\_\_\_  
(Rupees \_\_\_\_\_)  
only being accumulation in my \_\_\_\_\_  
Provident Fund.

Station \_\_\_\_\_ Signature \_\_\_\_\_  
Date \_\_\_\_\_ Address \_\_\_\_\_

369. The balance in the provident fund of a gazetted subscriber may be paid at the treasury nearest to the place where he is residing.

## PART – VIII DEPOSITS

### SECTION I- INTRODUCTORY

370. (1) Money received at the treasury for deposit in the public account shall generally be classified according to the department through which they are received. The usual classes being-

- (1) Revenue Deposits;
- (2) Criminal Courts Deposits;
- (3) Civil Courts Deposits;
- (4) Personal Deposits.

(2) There shall also be other classes of deposits, such as deposits of fees received by Government employees for work done for private bodies, deposits for work to be done for public bodies and individuals. Unclaimed Provident Fund Deposits, Deposits of police Clothing and Equipment Fund and Public Works Deposits etc.

Provided that other classes of Deposits may be added under the special orders of the Accountant General.

371. These rules shall not apply to departments which are not under the audit control of the Accountant-General whatever sums are paid into a treasury by Government employees of

such Departments, or on their account, shall be carried to the credit of the Department concerned in the accounts.

## SECTION II- GENERAL RULES AND LIMITATIONS

372. No money shall be received for deposit in the public account unless they are such as by virtue of any statutory provision of any general or special orders of the Government are required, or authorised to be held in the custody of the Government. Subject as aforesaid, it shall be the duty of the Treasury Officer to see that save as expressly otherwise provided by these rules no money shall be credited as a deposit except under the formal order of a Court or other competent authority, and also, if the amount could be credited to some known head in the Government account, to make representations to the Court or authority ordering its acceptance or in whose favour the deposit was received.

Note.- Government Promissory Notes or other security deposits (not being cash) received must on no account be credited as deposits.

373...(1) The following items shall not be treated as deposits, namely:-

(1) The amount of pay, pension or other allowances on the ground of the absence of the payee or for any other reason; as per rule such amount should not be drawn till the claimant appears;

Provided that when a pension is granted to several persons jointly, it may not be drawn on the appearance of one claimant only, and payment of his computed share made and the balance may be placed in deposit.

(2) The amount of fines on the ground that appeal is pending, such funds shall be credited at once to Government and refunded, if necessary on order of the appellate court.

Provided that the amount of compensation fines (including costs in criminal cases) due to an injured party, and not to the Government, may be kept in deposit, both in appealable and non-appealable cases till these lapse under the ordinary rule.

(3) The amount of refunds whether of stamps or of other receipts pending demand by the payee.

(4) The amount of sale proceeds of unclaimed property.

Explanation.- Under section 26 of the Police Act, 1861 (Central Act No.5 of 1861), the property itself has to be kept for six months for appearing by any person and establishing his right to the same but under section 27 of the said Act, the money realised by sale is at once at the disposal of the Government and shall be taken to the credit of Administration of Justice.

Provided that in the case of property left by persons dying in estate and without heirs the Courts shall secure and hold such property for certain periods in accordance with the local law.

Note 1.- If unclaimed property be perishable and be sold because it cannot be kept in or if it be sold for the benefit of the owner or because its value is less than ten rupees, its proceeds shall be held for six months in deposit, but the circumstances shall be clearly stated under "nature of deposit" in the deposit register.

Note.2- Money belonging to prisoners in jails shall not be held for long terms by the Jail authorities but shall be paid into the treasury at convenient intervals.

Note3.- The Department of Home Affairs and Justice (Police Organisation) should have no deposits except security and earnest money deposits which shall be paid into the treasury as revenue deposits. Unclaimed property found by, or delivered to a police officer shall be made over to the Magistrate under this rule.

(2) Money tendered as personal deposits by private individuals or by Government employees acting in other than their official capacity, and funds of quasi-public institutions even though, like certain dispensaries, they are aided by Government, may not be accepted as personal deposits at a treasury without the special permission of the competent authority for the opening of a banking account with the treasury. The jewels or other property received for

custody and restoration in kind shall also not be brought on the deposit account though the value has been stated in money;

Provided that the money tendered by or on behalf of wards and attached estates and estates under Government management may be accepted at a state treasury for credit as personal deposits.

(5) The amount of proceeds of sales of old stores or other Government property, which are to be credited to government at once.

(6) The amount of licence fees recovered in advance from excise contractors, which shall be taken direct to the head "Excise".

(7) The amount of receipts in connection with the Trijunction pillars;

(8) The amount of land revenue and cesses collected in one tehsil on account of another tehsil or district; and

(9) The amount of receipts for which full particulars are not shown, which are to be credited as "unclassified items" of the Department concerned.

### SECTION III-REVENUE DEPOSITS

#### RECEIPTS

374. (1) Revenue deposits shall be the deposits made in Revenue, Criminal and civil Courts, other than Small Cause Courts, or in connection with revenue administration, (see rule 390). The Revenue Deposits shall include:-

(1) Civil Court decree money;

(2) Compensation fines (including costs) payable to injured parties in criminal cases, both appealable and non-appealable, till they lapse, under the ordinary rule;

(3) Cost of stamp in partition cases when it is known that the amount will not be disbursed immediately;

(4) Recoveries on account of cost of chowkidars uniforms;

Note.- Where there are extensive transactions, a Personal Ledger Account may be opened for them.

(5) Chowkidari collections;

(6) Jagir money;

(7) Pre-exemption money;

(8) The net sale-proceeds of unclaimed impounded cattle ( for three months only and if no claim be made within this period they shall be credited to Government);

(9) Undisbursed amount of compensation for land taken up for public purposes;

(10) Redemption money;

(11) Sale-proceeds of confiscated property;

(12) Undisbursed portion of patwaris share of mutation fee(Temporarily).

(13) Tehsildari cess only when the amount cannot conveniently be paid at the time of collection;

(14) Pechotra payable to Lambardaris; In special cases only.

(15) Sarpanchi allowances;

(16) Earnest money deposits made by intending tenderers of Department (including the Department of Agriculture and Forests);

Note.- No previous authority of the departmental Government employee to receive this money is necessary, but the depositor must state the designation of the Government employee in whose favour he makes the deposit; and that designation must be stated on the receipt given by the Treasury Officer.

(17) Advance deposits in cash by temporary cultivation lessees in colony areas;

(18) Other amount received by Government but payable to private persons;

(19) Security payment made under rule 6(10) of the Punjab Liquor License Rules, 1956 and also tender fees under rule 6(6) *ibid*;

- (20) Money realised from villagers on account of the pay of Forest Guards;
- (21) Security Deposits when tendered in cash by the keeper of Printing Presses and Publishers of Newspapers under the relevant Act;
- (22) Payment in advance made to the School of Art by private persons and institutions for the execution of orders placed by them with the school;
- (23) Publication charges in insolvency cases;
- (24) Election money deposits;
- (25) Probate in letter of administration and succession certificate Fess;

Note.- The amount credited into the treasury on account of cost of court fee stamps required for succession certificate shall be drawn on revenue deposit repayment voucher which shall be prepared not in favour of the applicant but in favour of the office incharge of the treasury or sub-treasury who will credit the amount by transfer credit to the head "430- Stamps and Registration Fees-B-Stamps Judicial-(b)-sale of Stamps". and issue the stamps in the name of the applicant;

- (26) Security money of students of school of Arts;
- (27) One-Fourth or one-fifth of auction or sale money of attached properties;
- (28) Commission fees;

Note.- The credit challans shall be kept in a separate file duly numbered in series for the whole year and the number assigned to each challan will be the same as that given to the receipt item in the Deposit register.

375. Deposits received at the treasury shall be recorded in treasury accounts in accordance with the directions contained in Articles 64 and 65 of the account Code Volume II:

Provided that where the treasury business is conducted by the Bank; the register of deposits are kept in the Treasury Office and the Bank shall only receive the amounts tendered in accordance with rule 121 and credit them under their proper designation.

#### **REPAYMENT**

376. (1) Refunds of deposits shall be made only on the receipt signed by the person entitled to them after production of the authority. However, in cases where moneys on account of revenue deposits were received and credited to Government account by a departmental officer or where these were credited at a treasury with which he is in account and the depositor requests to receive the repayment of deposits through such a departmental officer, the departmental officer shall draw the amount on his receipt from the treasury and make payment to the payee concerned. The Treasury Officer will before making the payment to the departmental officer verify the availability of the credit in the manner stated in sub-rule (2) below.

(2) A person claiming refund of deposit must produce an order of the court or authority which ordered acceptance of the deposit. The Treasury Officer shall compare the order with the entry in the register of receipts and, if the balance be sufficient, he will take the Payees receipt, make payment and record it at once under his initials, both in the register of repayments and in that of receipts, noting in both also the date and the amount of the repayment. If there is not a sufficient balance at credit of the particular item, the Treasury Officer shall endorse this fact on the order and return it to the person presenting it.

(3) Except as provided in sub-rule (1) earnest money deposits will be refunded only under the authority of an order endorsed upon the original deposit receipt of the Treasury Officer, by the departmental officer in whose favour the deposit was made. It must be borne in mind that no part payment shall ever be made. If, however, the departmental officer desires that the deposit, instead of being refunded, be carried to the credit of Government, he will

return the receipt with his direction, where upon the Treasury Officer will make the necessary transfer on the authority of this voucher.

377. In order to avoid the inconvenience and risk which accompany the payment of money upon proceedings recorded in the Punjabi language, and to ensure caution in the issue of such orders, the Government has directed that every order issued by a court or office for the payment of money from a Government treasury shall be in English. Unless the presiding officer is unacquainted with that language. If the disbursing Officer does not understand English, and the officer ordering the payment does, the order for payment shall be both in the Punjabi and in English.

Note 1.- Form P.T.R. 58 has been prescribed for the repayment order and voucher of deposits repaid. This form shall be on coloured papers bound like a cheque book with machine numbers inscribed thereon and printed in Punjabi and English. The bound books shall be kept in the double lock of the Treasury Strong Room and issued by the Treasury Officer concerned on requisitions from the indenting officers and treated as cheque books.

Note 2.- A deposit repayment voucher must in no case be prepared at the Treasury or Sub-Treasury office and the repayment shall never be authorised by the treasury or Sub-Treasury Officer "for" the Judge, Magistrate or Collector.

Note 3.- Deposit repayment orders will remain in force for a period of one month after which no repayment will be made on its authority unless it has been revalidated.

Note 4.- As a safeguard against fraud the authority ordering payment shall enter the name and address of the payee after the words "passed for payment", thus payment for payment to ....." in form PTR 58.

Note 4.- Where under the provisions of sub-rule (1) of rule 376 a departmental officer is required to draw the amount for payment of a deposit, he will prepare a bill in Form PTR 58 duly supported by the original challan with which the money was credited to the Government account or by a duly attested statement showing the names of the depositors to whom the repayment is to be made, the amount to be repaid and the number and date of the challan with which the money was originally credited and the amount, if any, already repaid if the amounts received from more than one person were credited by a single challan by him and present it at the treasury after acknowledging the receipt thereof in the space, provided for "claimant's signatures" and after scoring out the words "Claimants signatures". The Treasury Officer will then make the payment to the departmental officer after verifying the availability of the credit."

On the production of lapsed deposit repayment order the authority which originally granted it may, if satisfied that the person producing it is entitled to receive payment, revalidate the order by writing on it:-

Renewed.

(Signed).

Date \_\_\_\_\_

The fact and date of renewal shall be noted on the original departmental record of the repayment order.

#### **PAYMENT AT SUB-TREASURY**

378. When the officer-in-charge of the sub-treasury has occasion to place in deposit an item, which, according to rule, should be so dealt with, he may also be empowered to repay it on his own authority without formal authority from the district treasury.

379. Deposits repayable at a sub-treasury shall not be made payable at the district treasury except in very rare cases to avoid inconvenience to depositors. If in any case it is considered desirable to make payment in this manner the district treasury shall first inform the Sub-Treasury Officer concerned that payment is being made at district treasury and obtain an

assurance that payment has not been made at the sub-treasury. After the payment has been made the Sub-Treasury Officer shall be directed to make the original entries in the receipt register as paid. Similar procedure shall be followed in a case in which it is considered desirable to make payment at a sub-treasury of deposits repayable at district treasury.

380. (1) Deposits not exceeding five rupees unclaimed for one financial year, balances not exceeding five rupees of deposits partly repaid during the year then closing and all balances unclaimed for more than three complete financial years shall, at the close of March in each year, be credited to the Government of deposits and balances thus lapsing, the Treasury Officer will submit to the Accountant General immediately after 31st March a list prepared in accordance with the directions contained in the Account Code Volume II.

**Explanation.-** For the purpose of this rule, the age of a repayable item or of a balance of it may be reckoned as dating from the time when the item or the balance, as the case may be, was initially deposited. Except that in case of deposits the detailed accounts of which are maintained by the departments (e.g. Department of Public Works and the Department of Agriculture and Forests etc.) themselves and not by the treasuries, the age of any repayable item shall be reckoned with reference to the provisions in the concerned departmental regulations.

(2) Balances in the Personal Deposits Accounts do not lapse to Government if outstanding for more than three complete financial years. In cases, however, in which the Personal Deposit Accounts are created by debit to the Consolidated Fund of the State the same shall be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund of the State, the Personal Deposit Accounts being opened next year again, if necessary, in usual manner. If a Personal Deposit Account, not being a Personal Deposit Account created by debit to the consolidated Fund of the State is not operated upon for a period of five complete financial years the same shall be closed by the Treasury Officer by credit to the receipt head of the Department concerned in the account for March on the strength of an adjustment voucher prepared by the Treasury.

(3) All items on account of Sheriffs Petty Accounts irrespective of their amounts will remain current for three complete financial years and lapse to Government only on the expiry of that period. The Presiding Officers of the Courts concerned will certify on the statements showing the amounts which shall lapse to Government on the expiry of three years that all such amounts have been included in the Statements.

(4) The total of the list referred to in Article 127 of Account Code. Volume II, shall be deducted in the plus and minus memorandum from balance shown at credit of the particular class of deposits, the list itself, signed by the district officer, being forwarded to the Accountant General. This duty may be delegated by the district officer to a Gazetted Government employee of the district staff, not being the Treasury Officer.

**Explanation.** – For the purpose of this rule, the age of a repayable item or of a balance of it may be reckoned as dating from the time when the item or the balance, as the case may be was initially deposited.

381. The Government may, in relation to any particular class of deposits, issue orders varying or relaxing any of the conditions or limitations specified in rule 380.

382. (1) Deposits, the detailed accounts of which are not kept at the Treasury and which are credited to Government under rule 380 shall not be repaid without the sanction of the Accountant General, who will authorise payment on ascertaining that the item was really received and was carried to the credit of the Government as lapsed, and that the claimant's identity and title to the money are certified by the officer signing the application for refund.

The amount of the bill wherever necessary be paid to the departmental officer on his receipt as provided in sub-rule (3) below. Where the depositor requests to receive the refund through the departmental officer, the application for refund shall, on the basis of such

request, be sent to the Accountant General who will after due verification, authorise the payment to the departmental officer as provided in sub-rule (3) below.

(2) Deposits, the detailed accounts of which are kept at the Treasuries and which are credited to Government under rule 380, may be refunded without the sanction of the Accountant General. The Treasury Officer shall before authorising refund in such cases, ascertain, that the item was really received and is traceable in his records, was carried to the credit of the Government as lapsed, and was not paid previously, and that the claimant's identity and title to the money are certified by the officer signing the application for refund.

The amount of the bill, wherever necessary be paid to the departmental officer on his receipt as provided in sub-rule (3) below.

(3) The application for sanction will be made in form PTR 59. There must be separate applications for deposits repayable to each person and it will be used as the voucher on which the payment is to be made and submitted to the Accountant General with the list of payments in which it is charged.

As neither the Treasury nor the Audit Officer has any means of verifying a claimant's title to a refund in such cases, the responsibility for such verification shall devolve on the authority who signs the application for refund in form PTR 59.

In cases where moneys on account of deposits were received and credited to Government by a Departmental Officer or where these were credited at a treasury with which he has an account and where these deposits have lapsed to the credit of the Government under rule 380 and where the depositor requests to receive the refund thereof through such a departmental officer, the departmental officer shall draw the amount on his receipt in form PTR 59. The Treasury Officer will make the payment or obtain the sanction of the Accountant General and make the payment to the Departmental Officer.

Note 1.- The following statements of lapsed deposits shall be submitted by each Treasury to the Audit Office in form T.A. 49 after the thirty-first day of March as required vide article 127 of Account Code, Volume II, namely:-

(1) Statement of lapsed deposits as received from small Cause Courts and Courts maintaining Sheriff Petty Accounts.

(2) Statement of lapsed deposits the detailed accounts of which are kept at the Treasury.

Office Copy shall be maintained in the form of a register Proper notes of repayments shall be made in the office copy of the lapsed deposit statement and in the case of deposits referred to at item 2 above, in original receipt register also.

Note.2- The Authority issued by the Accountant General will be valid for three months from the date on which it was issued after which no payment shall be made on its authority unless it is revalidated.

Note 3.- Sanction to the refund of Lapsed Deposit referred to in sub-rule (2) above issued by a competent authority will remain in force for a period of one month after which no payment will be made on its authority unless it has been revalidated.

Note 4.- The amount of lapsed deposit refunded shall appear in the treasury accounts as a miscellaneous refund and not as a repayment of deposits.

383. All sums collected through tehsil agency as land revenue payable to non-resident jagirdars who fail to come for their money within one month of the date of collection of Jagir revenue, shall be drawn by the Tehsildars for remittance to the payees by money orders, the money order commission being deducted from the amount to be remitted. The receipts for the amounts remitted, given by the post office at the time of issue of the money orders, shall be sent to the district treasury along with the deposit vouchers on which the money was drawn. The actual payee's receipts subsequently obtained through the post office shall be sent to the district treasury for transmission of the same to the Accountant General.

384. In the case of Jagirdars who are unable to appear in person in consequences of bodily illness or infirmity. The Government shall allow payment of the Jagir money upon the production of a life certificate signed by a responsible gazetted Government employee or by some other well known and trust worthy person. The disbursing officer shall, however, take precautions to prevent imposition and must at least once year require proof, independent of that furnished by the life certificate of the continued existence of the jagirdar. Rules 294, 295, 306 and 307 may be followed as a parallel.

385. Extract registers of deposits received, registers of repayments of deposits, plus and minus memoranda, quarterly certificates, clearance registers, statements of a lapsed deposits, etc., shall be prepared and submitted to the Accountant General in accordance with the directions contained in Articles 105 to 107, 111, 124, 125 and 127 of Accounts Code, Volume II.

Note 1.- Old items transferred from one clearance Register to a second one,- vide Article 125 of Account Code, volume II, shall be carefully watched by the District Officer. Such items in the ordinary course lapsed at the end of two years for which the latter register is current. They shall not be allowed to be carried forward to a third Clearance Register without the special sanction of Accountant General.

Note 2.- It is not intended that Clearance Register shall be used in District Offices.

Note 3.- The outstanding balances of the Sheriff's Petty Accounts shall be included by the Treasury Officer in the Revenue Deposit State Clearance Register, and the lapsed items of Sheriff's Petty Accounts in the lapsed statements of Revenue Deposit "State".

#### SECTION IV- CIVIL AND CRIMINAL COURT DEPOSITS .

##### RECEIPTS AND REPAYMENTS

386. The deposits of Civil and Criminal Courts other than deposits of Small Cause Courts and Sheriff's Petty Accounts shall be treated in accounts as Revenue Deposits.

The deposits of small Cause Courts and Sheriff's Petty Accounts shall be accounted for under " Civil Courts Deposits" and "Personal Deposits", respectively.

##### MAINTENANCE OF ACCOUNTS

387. Each item of deposit shall be separately paid into and drawn from the treasury, upon documents passed by the presiding officer and setting forth the particulars necessary for the entries in the deposit registers kept at the treasury. The register of receipts and repayments shall be kept and the monthly and annual returns and lapsed list shall be submitted by the Treasury Officer in the manner prescribed for revenue deposits, although all the sets of registers and returns at the treasury must be kept separate from those of the revenue deposits. See also Article 71 of Account Code, Volume-II.

Note.- Other detailed instructions for the deposit accounts of these Courts have been given in Chapter 10 of Volume-II, part II of the High Court Rules and Orders.

388. There are two methods by which the civil court and criminal court deposits shall be repaid, namely:-

(i) When each deposit is separately paid into the treasury, repayments shall be made upon vouchers in form P.T.R. 58 passed by the presiding officer and setting forth the particulars necessary for the entries in the treasury Registers; and

(ii) When the civil courts and Magistrate merely bank with the Treasury, remitting without detail their gross deposit receipts for credit in a personal ledger, repayments shall be made by cheques on the treasury which shall be taken to debit of the same personal account.

Note.- The second method is followed only in the case of small cause courts.

389. All deposits shall be paid into and held at the court. The detailed provisions for the maintenance of deposit Accounts of Courts and the Courts of Small Causes shall be as under, namely:-

(1) A register shall be kept up at the Court in Form T.A.20 of all deposits paid into the Court.

(2) All payments made from these deposits shall be entered in a separate register (Form T.A.21) and also in the appropriate column of the Register of Receipts (T.A.20).

Each transaction of receipt of payment shall be initialled by the Registrar appointed under section 12 of the Provincial Small Cause Courts Act, 1887 (Central Act IX of 1887).

(3) The payment shall be made by the Court to the claimants entitled thereto from the sums brought to credit in the Register of Receipts mentioned in clause (2) above without the intervention of the Treasury Officer except under the special circumstances mentioned in clause (5) below.

(4) Whenever the sum in possession of the Court is in excess of one thousand rupees such excess shall at once be remitted to the treasury, accompanied by a challan, which shall show the gross receipts, and the payments made under clause (3), since the last surplus was remitted, and the surplus collections then remitted with the challan which will be returned to the Court, receipted by the Treasury Officer.

(5) If at any time the claim of a creditor before the Court shall exceed the balance held by it, the Court shall exceed the balance held by it, the Court shall issue a cheque (Form P.T.R. 58) for such claim on the Treasury officer against the surplus collections remitted to the Treasury.

(6) On the fixed "latest date" each month, each Court shall close its Deposit Registers for the month, and enter subsequent transactions in the same Register with those of the next month. In the month of March the fixed "last date" will be the thirty-first. In other months such a date will be fixed by the Deputy Commissioner as will secure the inclusion of each month's transactions in the district treasury Accounts for the month.

(7) On the "latest date" each Court shall, without fail, report to the treasury Officer the receipts and the payments made under clause (3) which may have taken place since the last surplus balance was remitted to the Treasury, and furnish him with a certified Memo. of the closing balance in the hands of the Court. If any surplus balance is to be remitted on that date, the certified Memo. of the closing balance shall be attached to the challan, the other information being given on the challan itself.

(8) The gross receipts and payments on account of Civil Deposits, as reported by the Courts from time to time in their challans and in the Memo. sent to the Treasury as mentioned in clause (7), together with the payments made on cheques by the Treasury Officer under clause (5), shall be brought on the books by the Treasury Officer and the accounts kept in Form T.A. 20 prescribed for personal Deposits, which shall be designated as "Civil Courts Deposits" in order to distinguish them from personal Deposit proper.

(9) The surplus collections remitted by the Courts shall not be entered in the Cash Book of the Treasury Officer, as these will be virtually brought on his books by crediting and debiting the gross receipts and payments of the Courts. These will be treated in the same way as remittances from Sub-Treasuries to the District Treasury.

(10) The balances in the hands of the Courts will form a portion of the Treasury Balances and will be entered specifically by the Treasury Officer in the Cash Balance Report and in the Cash Account like balances of Sub Treasuries.

(11) As soon as the register of a month are closed, the Court will submit to the Treasury officer the following, namely:-

(i) an extract (in form T.A. 43) from the Register of Receipts of Deposit which shall be written up by day, so that there may be no delay in sending it at the close of the month.

- (ii) a list of Repayments of Deposit made during the month in Form T.A.21 or 44, supported by receipts of the payees duly stamped, when in excess of twenty rupees. This list will include payments made by the Court under clause (3), and payments made by Treasury officers on cheques under clause (5), the number of cheques being noted in column 4, and the word "Cheques" in column 7 of the Register of payments; and
- (iii) a duly signed Memorandum of Adjustment in the following form:-

Rs.

A.- Opening balance Deposits received...\_\_\_\_\_ during the month of \_\_\_\_\_ as shown extract from Deposit Register of Receipts submitted.

.....\_\_\_\_\_ Total .....\_\_\_\_\_

Rs.

B.- Deposits repaid during the month as .... \_\_\_\_\_ list submitted.  
Balance in Court which I have verified as correct Balance in Treasury.

..... \_\_\_\_\_

Total: \_\_\_\_\_  
\_\_\_\_\_

(Signed \_\_\_\_\_)

Care shall be taken to see that total of A is equal to the total of B as it ought to be.

(12) The returns received from the courts will be transmitted to the Accountant General in original and the cheques paid by the Treasury Officer shall be attached to the returns, with a covering list showing the number and account of each cheque.

(13) On the last working day of each financial year, the entire balance in the custody of the Court shall, without fail, be remitted to the treasury at such an hour as to admit of its being included in the Accounts for March as a balance at the Treasury.

(14) At the commencement of each financial year, each court shall furnish the Accountant-General, through the Treasury officer with a list of balance still outstanding of the Civil Court's Deposits of the second preceding year and those of the last preceding Clearance Register but one which are not allowed to lapse to Government in Form T.A. 43 with suitable changes in the heading and a statement of Lapsed Deposits in form T.A. 49 . The deposits reported for lapses shall be excluded from the Clearance Register.

**Note.-** When the list of lapses is made up by the Court, notice of the amount must be sent to the Treasury Officer to enable him to deduct the amount in the personal ledger.

#### SHERIFF'S PETTY ACCOUNTS

390. The Sheriff's Petty Accounts shall be made up of the numerous petty sums received by Civil, Revenue and Criminal Courts from parties to suits or other judicial proceedings for immediate disbursement in full( as for diet money of witnesses commission fees, etc.) The receiving courts shall record and deal with these petty deposits; with the same care and formality as with others. At the treasury these deposits shall be treated like Personal Deposits; but the system of accounting followed in the courts shall be more or less similar to that of deposit transactions of Small Cause Courts. For details see Chapter 9 of High Court Rules and Orders, Volume II, Part II.

Note.- No voucher shall be required in support of repayments but a certificate to the effect that the accounts are maintained in proper form and are in order, and that payments have been made to the rightful parties, and their receipts taken and are with the nazir , and have been so cancelled that they shall not be used again to support a second claim against Government shall be required from each Senior Sub-Judge for all petty sums repaid by his court. If the Senior Sub-Judge takes the responsibility on himself to give the certificate for all the courts it will be Sufficient.

#### SECTION V- PERSONAL DEPOSITS RECEIPTS AND REPAYMENTS

391. Special banking accounts shall be kept for certain classes of Deposit transactions of a public or quasi-public nature ( such as receipts and payments on account of wards and attached estates and estate under Government management) for which it shall not be necessary to treat each disbursement as made against a particular receipt. The account kept for them in the treasury shall be of the nature of banking deposit account. These accounts shall be called Personal Deposit Accounts.

392. Moneys tendered by Government Officers acting in their official or any other capacity and funds of quasi-public institutions even though like certain dispensaries which may be aided by Government, shall not be accepted as Personal Deposits under the Personal Ledger Account at a Treasury without the special permission of the competent authority for the opening of a banking account with that Treasury. Such permission shall not be granted except after consultation with the Accountant General and unless the authority granting the permission be satisfied that the initial accounts of moneys to be held in such Personal Ledger Accounts are properly maintained and are subject to audit.

The competent authority shall scrutinise the proposal for the opening of a Personal Ledger Account thoroughly before referring the case to the Accountant General, with a view to ensuring that the number of such accounts is not unnecessarily multiplied and shall further see that those cases, where the moneys can conveniently be either credited to the final heads of accounts or accounted for under Reserves and Reserve Funds, are not referred to the Accountant General.

Note 1.- Under Article 284 of the Constitution of India all moneys received by or deposits with any officer, employed in connection with the affairs of the state, in his official capacity shall be required to be paid into the Public Accounts of the State. In view of these provisions, Bank Accounts, outside the Public Account of the State, shall not be opened.

Note.2- In connection with the opening of a personal ledger account for departmental purpose at a treasury the following information shall invariably be furnished to the Department of Finance with the proposal for communication to the Accountant General:-

- (i) nature of transactions intended to be covered by the personal ledger account;
- (ii) the manner in which the funds will be provided for initially in the personal ledger account and in the case of personal ledger account to be opened with Government money, the major, minor and detailed heads of account to which the expenditure will be debited;
- (iii) the head of account to which the transactions of the personal ledger account will be booked;
- (iv) the financial limit on the individual personal ledger account;
- (v) the arrangements for the local audit of transactions of the Personal Ledger Account.

Information in respect of item (iii) will be supplied by the Department of Finance when referring the proposal to the Accountant General.

Note.3- The personal ledger account already opened at one treasury shall not be transferred to another treasury or a sub-treasury under the jurisdiction of the same treasury except with the approval of the Department of Finance.

393. (1) Unless in any cases the Government directs otherwise withdrawals shall be allowed only on cheques signed by the responsible administrator of the deposit account concerned. The charges in the Treasury accounts shall be supported by the original paid cheques. Withdrawals shall on no account be allowed to exceed the balance of credit in the Deposit Account.

(2) Unless in any case the Government directs otherwise the cheques for withdrawals from a Personal Deposit Account/Personal Ledger Account may be paid by the Bank direct, that is without the intervention of the Treasury Officer, subject to availability of balance in the said account.

Note. - In the case of Personal Deposit Accounts the withdrawals shall also be permissible on cheques signed by another gazetted Officer, authorised by the Disbursing Officer, operating on the account during the latter's absence on leave or on tour. On return to headquarters the Disbursing Officer shall satisfy himself that no fraudulent payment has been made during his absence and record a certificate to this effect, in token of his having accepted the responsibility for such payments.

394. Rules relating to the recording of personal deposits transactions in the personal deposits accounts and in the register of personal deposits, and to the submission of monthly and other returns connected therewith have been given in articles 68, 70, 108 and 126 of the Account Code, Volume II. A sufficient number of sheets of Form A & t shall be bound up into a volume at successive sets of pages assigned to several Accounts.

**Note 1.-** In the case of personal deposit Accounts (Article 68 of the Account Code, Volume II), it shall not be necessary to transfer the Accounts to a new volume with a new year, but if there be no page available when it is necessary to open a new account or carry forward an old one, all unclosed accounts shall be simultaneously carried forwarded to a new volume.

**Note 2.-** If there be a large number of transactions on the same day, a balance in the personal deposit account need not be struck after each transaction but the Treasury Officer, if there be any possibility of an overdrawal, shall be totalling the items of receipts and refunds and striking the balance whenever necessary, satisfy himself that the balance is not overdrawn. The Treasury Officer shall invariably, however, strike a total at the end of each day's transactions.

**Note 3.-** In the case of Minor's Estates of which the District Judge are ex-officio guardians under section 18 of the Guardians and wards Act, 1890 (Central Act VIII of 1890) and section 2(3) of the Government Management of Private Estates Act, 1892 (Central Act X of 1892, there need not be separate account of each minor, but a separate account shall be opened for each Government employee who acts as guardian of one or several minors' estates. These orders shall not apply to estates under the Court of wards for each of which separate account shall be maintained.

395. A Pass Book in Form P.T.R. 60 shall be kept for each personal deposit account.]

It shall be the duty of the Administrator of the fund to see that the Pass Book is sent to the Treasury Officer at least once a month and balanced.

The Pass Book shall remain in the personal custody of the administrator and not of the official concerned either with the paying in or paying out of money or checking the account.

396. The Treasury Officer shall be responsible for seeing that the entries in the Pass Book are correctly made and at the end of each month the entries on each side of the pass book are totalled and the balance struck and agreed with the treasury account. The District Treasury Officer may by order, authorise the Treasury Officer (Head quarter) posted in the District Treasury to sign on the pass book of the administrator of the fund, referred to in rule 395, in case the Treasury Officer (Headquarter) is absent due to leave or otherwise the Pass Book of the Administrator of the fund shall be signed by the District Treasury Officer.

.Note.- To ensure accuracy in accounts each sub-treasury shall on the last working day of the month submit to the district treasury a statement (in duplicate) showing the month's receipts and payments and the closing balance in respect of each personal deposit account maintained at the Sub-treasury. At the district treasury these figures will be checked and a copy of the statement shall be returned to the sub-treasury with a certificate recorded thereon to the effect that the figures shown in the statement tally with the record of the district treasury. On receipt of a copy back from the district treasury these will be kept in a separate file in chronological.

#### SECTION VI-DEPOSIT OF FEES

397. The fees received by Government employees for work done for non-Government bodies or private persons shall be accounted for as below:-

(i) In cases where a Government employee is permitted to retain the whole of fee, he shall collect it himself and the Government accounts will not be concerned with the transaction.

(ii) in cases where recoveries from the private bodies are divisible between the Government and the Government employees concerned.-

(a) If the exact amount of the fees and the distribution of shares between the government and the government employees are known beforehand, the share due to the Government shall be credited as miscellaneous receipt of the department to which the Government employee belongs, and the rest shall be collected by the Government employee himself. The Government's share shall be paid into the treasury, as far as possible, by the body or person paying the fee;

(b) if the amount of the fees or the shares are known only approximately before hand, the fees shall be credited to the head "Deposits of fees received by Government employees for work done for private bodies" pending final settlement, when the share due to Government shall be credited as revenue of the department to which the Government employee belongs and the rest shall remain under the deposit head for disbursement to the Government employee as laid down in Rule 398. The Accountant General will while returning the bill duly authorised for payment,- (vide Rule 398) advise the Treasury Officer to credit the State share of the fees to Government as a miscellaneous receipt of the department to which the government employee belongs.

Note.- These rules are intended to be applied to cases in which the whole or a share of the fees as such is payable to the Government employee doing work for private bodies or persons. They shall not be applicable to cases, e.g. , fees levied for overtime work in departments where it is in existence, where a Government employee undertakes the work as a part of his official duties although in view of the extra work involved and in consideration of the fees realised, he is remunerated by a share out of these receipts. In such cases the fees realised shall be adjustable as departmental receipts and the disbursement to the Government employee as departmental expenditure under "Allowances Honoraria, etc."

398. In cases where recoveries from the private bodies are divisible between the Government and the Government employee concerned the amounts due to the Government employees concerned must be drawn on regular bills in the following manner:-

The head of office or the drawing and disbursing Office may claim the amount due to the Government employee on a bill specifying therein the authority sanctioning the payment of fees and forward the bill to the Accountant General through the Treasury Officer concerned who will furnish necessary details of the credit in the Treasury accounts. the Accountant General will, after verifying the credits, authorise the payment and return the bills to the Treasury Officer who will pay it by debit to the deposit head.

#### SECTION VII-DEPOSITS ON ACCOUNT OF POLICE FUND

399. These deposits shall consists of moneys for clothing, and equipment funds. They shall be accounted for like Personal Deposits.

Detailed rules relating to these deposits have been given in the Police Rules, Volume I.

400. The sums remaining unclaimed for a period exceeding six months shall be transferred to deposits at the end of each year and thereafter dealt with according to the rules governing "Revenues Deposits."

## **EXISTING PROVISIONS**

### **SECTION IV-DEPOSITS AT SUB-TREASURIES**

401. (1) In respect of deposits made at sub-treasuries, the procedure laid down in Articles 57 to 77 of the Account Code shall apply.

(2) The Treasury shall distinguish deposits credited into sub-treasuries and repayable there by making use of a separate account for each sub-treasury, in addition to the serial number of each entry).

402. Deposits credited at a Treasury but paid at a sub-treasury on orders given by the Treasury Officer will not be entered in the Deposit Register, but recorded as distinct items in the Day-Book and the Siaha.

### **SECTION X-LOCAL FUND**

#### **EXPLANATION**

403. (a) The expression "Local Fund" denotes-

(1) revenues administered by bodies which by law or rules having the force of law come under the control of the Government, or proceedings generally, or to specific matters such as the sanctioning of their budgets, sanction to the creation or fixation of leave, pension or similar rules;

(2) the revenues of any body which may be especially notified by the Government as such.

(b) The main classes of Local Funds are-

(1) District Funds.

(2) Municipal Funds

(3) Other Funds-]

(i) Town and Bazar Funds.

(ii) Educational Funds(including Athletic Fund).

(iii) Other miscellaneous Funds.

(iv) Village Panchayat Fund.

(c) Unless the contrary appears from the context, the rules in this chapter shall apply primarily to the treatment of Local Funds by the treasury, and not to the maintenance of accounts in their own offices.

Note.- The expression "Local Body" as used in this Chapter means the authority legally entitled or especially entrusted with the management of a local Fund.

#### **RECEIPTS AND PAYMENTS**

404. Unless permitted by the Government, or by law, local bodies shall ordinarily be obliged to place their funds in the treasury, if there is one near the local body concerned.

Note.- The provisions regarding the custody and investment of Municipal Funds are contained in sections 54 and 55.

### **MAINTENANCE OF ACCOUNTS AT TREASURIES**

405. The account of local fund at the treasury shall ordinarily be a pure banking account, and the money shall be deposited in it with specification of the nature of receipt or expenditure. The Treasury Officer shall need only see that the voucher or receipt is from the proper officer and that the amount does not exceed the amount at credit of the banking account.

Note.- If the charges of any Local Fund are, under any special orders, drawn from the treasury on detailed bills or receipts charged by the Treasury Officer in the accounts, the deductions on account of income tax, fund subscription, etc. shall be made in the entries.

406. Payment in excess of the balance at the credit of the fund shall not under any circumstances, whatsoever be made from the funds of Government previously obtained.

407. Money shall be drawn from the treasury on account of Municipal Fund only upon cheques signed by an authorized officer.

behalf of the Committee under the account rules of the local body as amended from time to time.

408. Payments from a fund shall be made only at the treasury or sub-treasury where the running account of the

409. all disbursements from District funds shall be made by Treasury Officers only upon cheques signed by

Zila Parishad. As the accounts of Zila Parishad are kept at the district treasury, payments on cheques will not be made if cheques have been made payable there by the District Treasury.

410. The transactions of all Local Funds, shall be recorded in accordance with the provisions of Articles 73 and 74

The following provisions shall also be observed by treasuries in keeping accounts of Local Funds:-

(1) Details of transactions of Local Funds shall not be included in the public accounts.

(2) Where the treasury business is conducted by the Bank the accounts of Local Funds shall be kept at the treasury. The treasury shall pay the amounts in accordance with rules 121 and 366 and shall credit or debit them under their proper designation.

(3) Receipts in respect of Municipal Funds shall be accepted at a treasury or sub-treasury other than that with which the

(4) The amount on account of local rate which shall ordinarily be tendered along with land revenue shall be taken from the Panchayat Samiti, as the case may be, by the revenue authorities. At the close of the month, the Tehsildar concerned shall prepare a Form FBA-15 prescribed in sub-rule(3) of rule 27 of the Punjab Panchayat Samitis and Zila Parishads (General) Finance Rules, 1964, from the revenue register, showing collections of local rate during the month and supply a copy of the same to the Zila Parishad, with a view to get the consolidated treasury receipt verified from the concerned treasury.

The Treasury shall keep a separate record of local rate figures in the Dakhila Register; each Sub-Treasury shall keep local rate receipts separately in its daily Siaha.

(5) If by mistake a sum of money is credited to a wrong Municipality or the amount of a cheque drawn by the Municipality on the account of another Municipality, the necessary correction shall be made by the Treasury in the Treasury account by a transfer debit and credit. The amount debited to a Municipality, in order to correct an amount wrongly credited to the Municipality which is corrected by a credit entry, shall be supported by a certificate of the Treasury Officer. The certificate which the amount has been debited in excess of the aggregate amount of the cheques drawn by the Municipality shall be countersigned by the Accountant General as a vouchers for the excess debit.

(6) Unless it be expressly authorised by law, proceeds of taxes fines or other revenues levied or collected shall not be appropriated direct to a local fund without passing them through the Consolidated Fund of the State whether or not the fund is raised from the start for purpose of the fund.

(7) Subject to the provisions of relevant acts and rules made there under, adjustments with local bodies in respect of amounts raised or received by the Government on their behalf will be made in such manner and on such dates as may be approved by the government.

#### **PLUS AND MINUS MEMORANDUM**

411. A plus and minus memorandum shall be prepared and submitted to the Accountant-General as specified in Code, Volume-II.

Note.- a detail of separate account showing the gross total receipts and the gross total disbursements of each Local Fund shall be submitted to the Accountant General with the cash account and second list of payments. As this detailed Statement shall be in the form of a Statement it shall not be necessary to show these receipts, payments and balances again in the separate plus and minus memorandum.

#### **VERIFICATION OF BALANCES**

412. The balances at credit of each Local Fund shall be verified at the end of the year by the Treasury Officer or an employee or committee administering the Fund, and it shall not be necessary for the Accountant General to make any entries in the payments for such Local Fund except where the Local Fund has banking account with more than one treasury and sub-treasuries. The Balance on the Accountant General's book shall be the balance acknowledged by the Government.

#### **PASS BOOKS**

413. The provisions of rules 395 and 396 relating to maintenance of pass books for personal deposit accounts shall apply to the pass books of local funds.

## ATTACHMENTS ORDERS ISSUED BY CIVIL COURTS

414. Whenever an attachment order issued by a Civil Court against a local body is received for execution by the Officer, the amount involved shall forthwith be charged to the funds of that body and an intimation to that effect shall be sent to the Officer concerned.

## ADJUSTMENT OF CONTRIBUTIONS PAYABLE TO OR BY LOCAL BODIES

415. All contributions (whether fixed or fluctuating) payable to or by such Local Bodies (Zila Parishads, Committees) as bank with Government Treasuries, shall be adjusted in the Accounts Office by book transfer to the account of the Local Bodies concerned.

As this arrangement applies only to those Bodies which bank with Government treasuries, the system of Cash Accounts shall be followed in the case of those Local Bodies, which have been permitted to bank with private banks.

Intimation of the book adjustment when made in the Accounts Office shall be given to the Treasury Officer of the Local Bodies concerned with a view to make suitable amendments of the subsidiary registers and plus and minus accounts of the treasury and for making the necessary records in the pass books of the Local Bodies affected. Whenever the balance sheet is prepared in the instance of the Accounts Office, necessary entries shall invariably be made in the banking account in red ink so as to show the adjustment relating to cash transactions and the Accounts Office letter intimating the adjustment shall be quoted as authority for the adjustment entries.

Unless otherwise specified in the conditions governing the grants payable by the government shall be made each financial year.

## MISCELLANEOUS

416. (1) A local Fund shall be required to pay in advance the estimated amount of charges to be incurred or Government on account of the Fund unless any of the following arrangements have been authorised by the Government:

- payments as made by the Government may be debited to the balances of the deposits of the Local Fund in the Accounts Office;
- recovery from the Local Fund may be postponed till the time when the Government has to make payment to the Local Fund;
- payments may be made as advances from Government funds in the first instance, pending recovery from the Local Fund.

Note.- In cases where a Local Fund has to pay for medicines supplied, but its liability cannot be accurately known because of supplies not being available from the Civil or Defence Department by the thirty first March, the Local Fund may be allowed to pay on March a sum roughly estimated as the value of the medicines. Any short or excess recovery shall be readjusted in the Accounts Office.

(2) Any amount due to Government by Local Body including any amount overdue for payment in respect of which adjustment from any non-statutory grant sanctioned for payment to it. The authority giving or countersigning a bill shall be observed as far as possible.

417. Service stamps shall not be used by employee or any Government employee while acting in a capacity as President or Secretary of a Local Fund Committee:

Provided that a Government employee while acting in connection with the affairs of the Local Fund may, in the absence of the Government, make use of service stamps.

Note.- Telegraphic messages the charges for which are to be borne by Local funds, shall be classified as "Private" and "Government".  
418. Pass books shall be supplied to local bodies free of cost from the nearest district treasury on indent. Cheques shall be drawn on local bodies on payment from the District Treasury Officer concerned.

## PART IX

### LOANS AND ADVANCES

#### SECTION I-GENERAL

##### INTRODUCTORY

419. The rules in this part shall apply to loans and advances of different classes, which are granted out of funds under the heads "Loans and Advances by the State Government" and "Advances Repayable" except in so far as they are governed by other parts of these rules or in any departmental regulations.

## MODE OF DRAWING AND REPAYMENT

420. Subject to the provisions of rules 422 to 424 contained in, bills for loans and advances shall be drawn by authority sanctioning payment of loan or advance. The bill shall be presented at the treasury supported by a copy of the case the Treasury Officer makes payments by cheques or Bank drafts, the drawing officer shall obtain cheque arrangements for payment.

421. A personal advance to a public employee shall be repaid, either in cash or by deduction from his pay or to be.

In repaying an advance, the memorandum presented at the treasury or the pay bill, as the case may be, must state the advance, or otherwise give sufficient particulars for its identification. The recoveries of advances through Schedules of recoveries of advances in Form P.T.R. 61, separate schedule shall be attached for the different types of advances to the particular treasury where the advance was made shall not be necessary.

Note.- Refunds on account of sums recovered from Government employees erroneously or in excess pertaining to Advance, Festival Advance, Recreation Advance etc. detailed accounts of which are not maintained by the Accounts Officer, in the intervention of the State Accountant-General by the Drawing and Disbursing Officer just like other payments and advances, observing the necessary formalities.

## SECTION II-SPECIAL RULES APPLICABLE TO DIFFERENT CLASSES OF LOANS AND ADVANCES REVENUE ADVANCES

422. The following special procedure is prescribed for drawing revenue advances which include takavi, improvement Acts, and any other advances which Revenue Officer shall be allowed or directed to make in connection with Flood or Famine, under any Act of the Legislature or under any order of Government Revenue advances will be issued for the purpose and countersigned by the collector of the district or other duly authorised officer.

Note.- Takavi advances may be made either direct to the parties concerned and on their receipt (stamped when received) bills to Government employees disbursing takavi. In the former case, the charges shall be supported by actual receipts required for the Revenue Officer by a certificate from the Collector or other duly authorised officer to the effect that the proper parties and their receipts duly taken and filed in the Revenue Office. In the latter case, the following safeguards shall be observed:

(1) No Government employee disbursing takavi shall be allowed to draw a second abstract bill without producing receipts for amounts already disbursed from the last advance taken, any balance left shall at the same time be refunded into the treasury. In case shall the submission of the detailed bill be delayed beyond the end of the month following that in which the advance was drawn.

The disbursing Government employee shall take the receipt of the payees on the spot as soon as the advances are drawn. In case of the detailed bill that the advances were duly sanctioned by them and paid in their presence.

Payee's receipts need not be sent with the detailed bill and their names need not be shown in it.

(2) Collectors shall specify a money-limit for the amount which can be drawn on abstract bills by each Government employee in the circumstances of each case.

423. In repaying a loan or advance, the memorandum presented at the treasury must state the original date of the loan or otherwise give sufficient particulars for its identification. If the amount repaid includes interest as well as principal, the interest shall be specified and if the repayment is a fixed periodical amount, including both interest and principal, the orders fixing the amount of the repayment shall be attached.

424. The bills on which these advances are drawn shall be accompanied by a copy of the sanction for the payment of the advance by the authority and a certificate recorded after due verification by the said authority to the effect that the requirements for the grant of advance have been complied with. Funds for the grant of advances to employees will be made available to the Accounts Cell) under advice to the treasury Officer on the basis of the sanction issued by the competent authority with the sanction of the Accountant-General.

The bills for loans and advances to Government employees shall be drawn and disbursed by the heads of the departments. The Treasury officer will ensure, before passing such bills, that the bills presented at the Treasury are in order and that a letter of Department of Finance communicating availability of funds.

Note.- Payment of advances for passage overseas will be regulated by rule 6.4 of the Punjab Financial Rules, 1953.

## PART X

### PROCEDURE AT TREASURIES ON WHICH THE BUSINESS IS CONDUCTED BY THE BANK

#### SECTION I-GENERAL

425. At places where there are branches of the State Bank of India, which act as agents of the Reserve Bank of India, the treasury business shall be conducted by those branches of the Reserve Bank of India act, 1934 (Central Act II of 1934) the treasury business shall be conducted by those branches of the Reserve Bank of India.

426. The following rules for the guidance of Collectors and Treasury Officers and the officers of the Government treasuries banking with such branches, including information on most points likely to arise but in cases of unusual usage hitherto observed at the local treasury will be followed. The term "Collector" includes the officer in the designation he may be called.

## SECTION II- WITHDRAWAL AT THE BANK CIVIL CHARGES

427. Bills for pay and allowances of Government employees and contingent expenses will be presented to the Treasury Officer for examination. The Treasury Officer, if he approves and passes the charges, will endorse on the bill an order to pay and the bill will be recorded in a register of payment orders issued kept at the treasury for the purpose and will be numbered, dated and signed by the Treasury Officer. to the presenter to be taken to the Bank for payment in accordance with the treasury Officer's order. The bank will be bound to this order and for obtaining upon the bill a proper discharge from the payee. this discharge must be in addition to the bill.

Note.- When payment is desired wholly or partly in Reserve Bank Government draft or bank draft, a formal application in the manner in which it is desired, shall also be indicated in the drawer's receipt on the bill. If the Treasury Officer is satisfied that a Government draft or bank draft is permissible, he will specify clearly in the pay order the manner in which payment is to be made.

428. (1) There will be no objection to the drawer of a bill endorsing it for payment to a messenger and who is responsible for seeing that the endorsement is signed by the drawer of the bill and for taking the acknowledgement of the bill to him. a mere second signature of the Drawing Officer is not sufficient nor shall the endorsement "received payment" be sufficient. The drawing officer must in such cases specially endorse an order on the bill to pay a specified person as "Pay to the order of" and when payment is made to the person specified in the endorsement the signature of the Government employee shall be protected. the bank shall also be protected if it pays the money to the person specified in the endorsement.

(2) When a Drawing Officer, say "A", is or is likely to be away from his headquarters on tour and does not appear, a Sevdar or messenger will be sent to bank on the particular date to receive payment and endorses the bill to "B", a cashier or nazir or other ministerial Government employee "b" shall not re-endorse the bill in favour of "C" through him. If the bank pays to the Sevdar "C" and obtain his receipt and the Sevdar "C" misappropriates the amount, the bank shall make good to the Drawing Officer "A" the amount so misappropriated by the Sevdar "C" for "A" had not endorsed of bills in this manner shall not, therefore, be in order. (see also rule 159(b).

(3) Care shall be taken that vouchers sent to the Collector are conspicuously marked by the bank with the words "paid" to lead to documents being paid twice, in the event of their falling into unscrupulous hands.

Note.- all vouchers and bills passed by treasury Officers and the local Accounts Officers for Payment at the branches, etc., being non-negotiable instruments warrant special precaution on the part of the bank in the matter of identification. Where permissible all such vouchers shall normally be presented by the payee personally at the bank. To facilitate business in cases where it is not possible for the payee to appear at the bank, the bank may, in special cases, be allowed to disburse payments of such claims when presented through messengers who can be identified provided the messenger produces a specimen of payee's signature as recorded thereon.

## DEPARTMENTAL PAYMENTS

429. (1) Officers of the Department of Public Works shall draw funds either by bills or by cheques.

(2) Bills will be cashed by the Bank only on payment orders endorsed thereon by the treasury Officer.

(3) Cheques shall be presented direct at the bank unless provided otherwise. An Officer-in-charge of a division shall, however, regulate the drawings of his Sub-Divisional Officers by letters of credit issued by himself. See also rule 159(b).

(4) Letters of credit issued by officers-in-charge of division in the Department of Public Works shall be cashed at the bank observing the specified limitations. Cheques not covered by letters of credit will be cashed without any limitation. Pre-audit cheques issued by the Accountant-General shall be cashed at the bank.

Note.- Where funds under a letter of credit are required only at headquarters, the original letter of credit shall be retained at the Bank, but if funds are required both at the headquarters and at a sub-treasury, the Treasury Officer will retain the original letter of credit at the sub-treasury and the bank of the amount to be drawn against it at headquarters.

430. Officers of the Department of Agriculture (Forests) shall draw funds only by cheques which are presented in accordance with rules 342 and 343 shall apply mutatis mutandis.

#### REFUNDS

431. Refunds of revenues, fines etc. will be made by the bank on bills bearing a payment order signed by the Treasury Officer.

#### DISCOUNT ON SALE OF STAMPS

432. Discount on sale of stamps.- Discount on sale of stamps is allowed by deduction from the amount paid by the bank on bills received and brought to account, the receipted challan being the payer's authority for receipt of the stamps from the bank.

#### INTEREST ON PUBLIC DEBT

433. Government Promissory Notes for debts on which interest may be due shall be presented alongwith the Treasury Officer or the Sub-Treasury at which these are encased. The treasury officer or the Assistant Treasury Officer shall make necessary examination of record as required under the rules contained in the government Securities Manual, will forward the same to the payee for presentation at the Bank in the following form:-

Pay to \_\_\_\_\_ rupees being interest for \_\_\_\_\_ half year \_\_\_\_\_ at \_\_\_\_\_ per cent due \_\_\_\_\_ on Government Securities for \_\_\_\_\_ rupees.

Treasury Officer.

#### DEPOSIT PAYMENTS

434. (1) Repayments of deposits standing at the credit of individuals in the Collector's, Magistrate's or Judge's account shall be made by the officer on whose registers these are and by whom the usual check registers will be kept. Persons claiming repayment shall apply to the officer who received them, who, after examining the check register and making the necessary record, shall make payment at the bank. A Magistrate's or Judge's order must be taken to the Treasury Officer for affixing pay order on the bill, unless the bank keeps a personal ledger account for the deposits of each court.

(2) Each Court shall duly intimate from time to time to the bank the amount of lapsed deposits to be debited to the Court Book.

#### PAYMENT OF DRAFTS

435. Reserve Bank drafts and Reserve Bank government drafts shall be drawn upon and advised to the bank in accordance with the instructions issued by the Reserve bank.

#### CURRENCY OF PAYMENT ORDERS

436. Payment orders shall be valid only for such time, not exceeding ten days, as may be fixed by the treasury officer. After the time they will be refused payment by the bank, until revalidated by the Treasury Officer.

#### ADVICE CERTIFICATES AND TREASURY RETURNS

437. Rules 124 and 125 apply mutatis mutandis in the case of payment also.

#### SECTION-III DAILY ACCOUNT AND RETURNS

438. The books and accounts to be kept by the bank will consist of the following, namely:-

(i) the scroll cash book, being the primary record;

(ii) a daily account of the receipts and payments, made up for despatch to the Treasury Officer;

(iii) an account in the general ledger, in the name of the Government of Punjab' and

(iv) a pass book (containing the total of daily receipts and payments made in the Bank against the balance sheet) to be forwarded to and returned by the Treasury Officer.

Note.- Separate books and accounts shall be kept for Central transactions,- vide Article 42 of the Account Code, Volume II.

439. In the scroll cash book shall be entered all receipts and disbursements on account of Government. The entries, which deductions have been made, will appear in this book, and the total of each side will form the daily entries in the pass book.

440. In the daily account such payments and receipts shall be classified as may be directed by the Accountant-General. The entries may fit in with the forms prescribed for accounts kept at the treasuries. The daily account shall be prepared every day in every case may be, after satisfying himself as to its accuracy shall docket and forward it to the Treasury Officer with the entries and with all the appertaining vouchers at the close of the day. The net amount of payments shall only be entered, and the amount of a bill, the daily account shall show only the amount paid after deduction and not the gross amount.  
Article 43 of the Account Code, Volume II.

Note 1.- It is of importance that these documents be secured in a locked box when sent by the Manager or Agent.

Officer, in order that there may be no possibility of any alteration or abstraction of any paper before they reach the  
Note 2.- With the concurrence of the Accountant-General the daily accounts shall be submitted on the morning of the day instead of the close of the same day but the transactions shall invariably be incorporated in the treasury account at the bank.

Note 3.- See also note below rule 438 and sub-rule (1) rule 428.

441. The Register of daily receipts and payments shall have five columns for (1) the date. (2) the total receipts of the day, (4) the initials of the Manager or Agent, and (5) the initials of the treasury Officer. It shall be written up at the Treasury Officer (vide Rule 440) the entries being certified by the initials of the Agent in the Fourth column. The receipts and disbursement columns of the daily account, agree their totals with the figures entered in the register. The Officer initialling in the fifth column of the register in token of his verification, shall return the register to the Agent the same day.

Note:- See also note below rule 438.

#### SECTION –IV MISCELLANEOUS REGISTERS OF ORDERS FOR PAYMENT

442. (1) The Treasury Officer shall maintain a register of orders for payment separately for each drawing and the specimen signatures of the drawing and disbursing Officers shall be pasted at a prominent place in the register.

(2) Every bill received at the treasury shall be entered in the register of tokens in form P.T.R. 63.

(3) The register of objected bills shall be maintained in form P.T.R. 64 and separate pages shall be allowed for the officer.

#### DAILY POSTING OF ACCOUNTS

443. When the daily account with the challans and vouchers is received from the Bank, the account shall first be checked with the vouchers which support it. Then the vouchers which have already been approved and registered by the Treasury Officer in the register of orders for payment, that is, the date of discharge will be noted against the entries in the register. Then the net amount shall be posted from the daily account, with its challans and vouchers, into the cash book, either direct or through some subsidiary account as specified to be done by the Department of Finance ( Treasury and Accounts). The net difference between the total debit and credit shown in the daily account shall then be posted in a subsidiary register in accordance with the provisions of Article 96(iii) of the said code.

Note.- see also note below rule 438 and note 2 below Article 43 of the Account Code, Volume II.

#### ADVICES OF RECEIPTS AND PAYMENTS

444. Advices of receipts or payments shall be prepared in the treasury and not in the Bank ( see also rule 124).  
( For treasury returns see rule 125).

#### OPENING OF THE BANK ON DAYS ON WHICH THE TREASURY MAY BE CLOSED FOR PUBLIC BUSINESS

445. (1) The bank shall be kept open for the transaction of the treasury business on all the recognised holidays. See also paragraph 11 of the agreement between the Governor of Punjab and the Reserve Bank of India these Rules.

(2) Treasury Officers shall be authorised to arrange that the Bank shall transact business on Government holidays. If the treasury may be closed for public business, but the bank is open to ordinary business, provided that every formality shall be completed for the transaction on a day on which the local treasury as well as the bank is open to business.

#### RULES FOR THE RECEIPT, CUSTODY AND DELIVERY BY GOVERNMENT TREASURIES OF DUPLICATE KEYS OF STRONG ROOMS AND CHEST OF THE BANK CONDUCTING TREASURY BUSINESS

446. (1) If the bank at which Government Treasury work is conducted wishes to deposit the duplicate keys of the strong rooms of the government Treasury, the Agent or the other officer in charge of the bank shall personally deliver a sealed packet containing the keys to the Treasury officer in charge of the District Treasury and obtain his receipt.

(2) The receipt of the Treasury Officer shall merely acknowledge the receipt of a sealed packet and the Treasury Officer shall satisfy himself that the seals are in tact.

(3) On receipt of the sealed packet, the Treasury Officer shall place the same in double locks and enter the same in the register of valuables. Such register shall contain a column for description in which the Treasury Officer shall note the description and the date of consignment to double locks.

(4) The sealed packet shall not be taken out of double locks except on personal application by the Agent or other officer-in-charge by the Branch Khazanchee ( or Head Shroff or head Cash- keeper or his duly appointed Naib). On such joint application the packet to the Agent or other officer and Khazanchee (or head Shroff or Head Cash-Keeper or his Naib) only given by him for the sealed packet under sub-rule (2) as well as obtaining the joint receipt of the Agent or other officer-in-charge or Head Cash-keeper or his Naib) for the packet.

(5) The Agent or other officer-in-charge of the bank shall periodically, and in any case at periods of not less than six months, open the sealed packet in the double locks of the treasury and shall satisfy himself that the seals are in tact.

(6) The Treasury Officer shall verify, periodically and in any case at periods of not less than six months, the seals and satisfy himself that the seals are intact. He shall also verify its presence whenever there is a change in the charge. On outgoing and incoming Treasury Officers shall personally hand over and take charge of the sealed packet and shall comply with rule (3) to this effect.

#### CONDUCT OF BUSINESS IN THE EVENT OF DEATH OR SUDDEN INCAPACITATION OF AN AGENT OF THE STATE BANK OF INDIA OR ITS SUBSIDIARIES.

447. In the event of the Agent of a branch of the State Bank of India or any of its subsidiaries which conduct business suddenly incapacitated for duty and it being not possible for the State bank or its subsidiary to make immediate business at the branch, the Government official named hereafter shall, provided the concerned bank has by prior arrangement, take charge at once:-

(a) visit the Bank in person, take over the keys of the strong room and other receptacles of treasure, notes or bullion and properly secured and direct the guard to report to him;

(b) telegraph information of the occurrence to the local, Head Office/Head Office of the concerned Bank; and

(c) arrange for the due transaction of urgent treasury business at the branch.

The responsibility for performing the functions herein stipulated shall, in the first instance, be primarily that of:-

(i) the collectors or District Officers at the District Head quarters.

(ii) The Sub-Divisional Officer /Mamlatdars/Tehisldars and Sub-Divisional and Taluka or Tehsil Head quarter, as the case may be.

The concerned Government official shall on no account take any action in regard to the Bank's private business or other business which is not of urgent nature may remain in abeyance till a responsible official of the concerned Bank takes charge.

When it is impossible for the concerned Government Official to take the action mentioned above in person, he may delegate his function in this connection to any other Government official not below the rank of confirmed Sub-Divisional Officer or its equivalent; he shall nominate such Government official for this purpose specially on such occasion when he is not within the reach of the branch; he shall nominate such Government official for this purpose specially on such occasion when he is not within the reach of the branch.

Neither the Government nor any Government employee will incur any responsibility either to the State bank or to any third party by reason of anything done bonafide under these instructions. The Government official concerned shall not be liable for keeping as a bailee, or the keys of the strong room, etc. taken over by him and the accounting for the cash and other valuables in the strong room.

#### ARRANGEMENT OF CONDUCT OF GOVERNMENT BUSINESS AT TREASURY PAY OFFICES.

448. Arrangements for the conduct of Government business at the Treasury Pay Offices of the State bank of India and the Treasury Officers concerned therewith are given below:-

The State bank of India will transact the banking business of the Government at its Treasury Pay Offices as at its branches in the same manner as at its branches and sub-branches subject to the following restrictions:-

##### I- PAYMENT OF VOUCHERS, CHEQUES, TELEGRAPHIC TRANSFER, RESERVE BANK GOVERNMENT DRAFTS FROM THE TREASURY PAY OFFICES.

1. All Government vouchers, cheques, drafts, etc., for payment (including telegraphic Transfers, reserve Bank Government Drafts) will first be passed by the Treasury Officer and endorsed with a definite order to pay as follows:-

To the Clerk-in-charge, State Bank of India,

\_\_\_\_\_ Treasury Pay Office.

Pay Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ in words).

Dated \_\_\_\_\_

Signature  
Treasury Officer.

They will then be returned to the presenting parties for encashment at the Treasury Pay Offices.

## II- PAYMENT INTO THE TREASURY PAY OFFICES ON GOVERNMENT ACCOUNT.

2. All challans, Reserve Bank Government drafts and reserve Bank Drafts requisitions, etc., in respect of credits to Government accounts shall be scrutinised by the Treasury Officer who will satisfy himself that they have been correctly and completely- classed and classified.  
To

The Clerk-in-charge, State Bank of India  
\_\_\_\_\_Treasury Pay Office.

Correct: accept and grant, receipt.

Signature  
Treasury Officer.

Exception.- In the case of Department of Printing and stationery the challans in respect of credits to Government accounts shall be sent to the State Bank of India direct and not through the Treasury Officer.

Note 1.- Cheques for sums not exceeding five hundred rupees will be signed by the Accountant only.

Note 2.- For the endorsement mentioned in paragraphs 1 and 2 above rubber stamps shall be used by the Treasury Officer.

## III- DAILY ACCOUNTS

3. Government account debit and credit scrolls shall be maintained by the Treasury Pay Office in triplicate. At least one carbon copy of the treasury Pay Office. Government scrolls, embodying particulars of the day's transaction on the Treasury Pay Office, shall be forwarded to the Treasury Officer, together with the relative vouchers, in a locked box, one to the Clerk-in-charge and the other by the Treasury Officer. The Treasury Officer shall compare the vouchers with the relative lists to the Treasury Pay Office, duly signed by him in token of their correctness retaining the others for his reference. The Treasury Pay Office shall invariably be incorporated in the treasury accounts under the date on which they take place.

4. The total daily receipts and disbursements at the Treasury Pay Office shall be reported by the Bank Accounts Section of Reserve Bank through the Central Accounts Office of the State Bank at Calcutta. The same shall be reported to the daily statement of transactions under "Reserve Bank Deposits State" now being received by the Government of India.

## IV-CURRENCY FACILITIES

### (A) GENERAL

5. The bank will receive free currency facilities at the Treasury Pay Offices, and will, therefore, pass on the same to its branches and sub-branches subject to the following restrictions:-

(i) No telegraphic transfers shall be issued by or on the Treasury Pay Office. These will be issued by or on the relative coding and decoding of the telegraphic advices will be done by the Treasury or Sub-Treasury Officer and he will, however, perform the necessary cash and clerical work under the orders of the Treasury or Sub-Treasury Officer.

(ii) State Bank drafts issued by the Treasury Pay Office will continue to be subject to a limit of five thousand rupees.

(iii) Regulation 9 of the schedule bank's regulations will not operate at the Treasury Pay Office.

### (B) ISSUE OF RESERVE BANK DRAFTS AND RESERVE BANK GOVERNMENT DRAFTS

6. In the case of Reserve Bank Government Drafts and Reserve Bank Drafts the same procedure shall be followed. Reserve Bank Government Drafts and reserve bank Drafts shall be issued by the Treasury or Sub-Treasury Officer. In the case of drafts the relative advices shall be prepared at the Treasury Pay Office and signed by the Clerk-in-charge. Requisitions duly passed by the treasury Officer and shall be forwarded by the Clerk-in-charge to the Treasury Officer for signature of the Clerk-in-charge and return. The relative advices despatched by the Treasury Pay Office.

## V-CURRENCY CHEST

### (A) GENERAL

7. The currency chest will be under the safe custody of the Treasury Officers, who shall be entirely responsible for the same connected therewith. The State Bank of India will consequently share no responsibility for the examination and balance at the time of deposit in or withdrawal from the currency chests, and the Banks employees shall have no access to the chest. The account shall be maintained according to the provisions contained in Rule 144.

8. The balance in the chest at the end of each month shall be verified by the District Collector, or if he is not a subordinate of the District Staff present at the head-quarters not being the Officer-in-charge of the Treasury, in accordance with the following provisions:

9. The State Bank shall be responsible for the money which is drawn from the currency chest from the Government shall have no responsibility for its custody whatever the amount may be once it has been withdrawn from the chest.

The bank shall be responsible to make adequate arrangements for the transport between the treasury and the chest. The treasure to be withdrawn from or deposited into the currency chest. The Government shall not be responsible for the loss of treasure when such treasure is in transit, whatever may be the amount of the treasure.

#### (B) WITHDRAWALS FROM THE CURRENCY CHEST.

10. The Treasury Pay Offices may withdraw from the deposit into the currency chests such sums as may be required for the amount of withdrawal from the currency chest.

Withdrawal from the currency chest on account of Treasury pay Office shall be made by the Treasury Officer. The amounts and denominations of notes and coins required, which must be signed by both the clerk-in-charge of the Treasury Pay Office and include the name of the Bank's Cashier to whom payment is to be made. The Cashier named in the requisition shall be the Cashier of the Treasury Pay Office of the Bank's Cashiers who shall be authorised to receive each remittance from the Treasury Pay Office. Changes in the Cash Department Staff authorised to receive these cash remittances will invariably be notified and duly verified specimen signatures of any fresh Cash Department employees appointed shall similarly be furnished. Requisitions shall be written in words as well as in figures.

11. The cash detailed in the requisitions shall be made over to the bank's Cashier named therein against his receipt. The receipt checked by him, shall be locked in the Bank's Remittance Box(es). There shall be two padlocks on such box(es) one to be retained by the treasury Officer and the District treasurer (or his agent) and the originals by the Clerk-in-charge of the Treasury Pay Office, respectively. On no account shall the keys of the remittance box(es) be carried by the Cashier or Guard.

Note.- The provisions contained in rule 446 regarding custody of duplicate keys in government treasuries shall apply to Treasury Offices. Treasury Officers and District treasurer (or their agents) concerned shall see that the duplicate keys of the remittance boxes under this rule shall on no account leave their possession.

#### ( C ) DEPOSITS INTO THE CURRENCY CHESTS

12. Remittance of cash for deposit in the currency chest shall be sent by the treasury Pay Office to the Treasury Officer accompanied by a Bank Cashier, who shall bring with him a memorandum in duplicate signed by the Clerk-in-charge of the Treasury Pay Office showing details of the remittance. When the remittance has been shroffed and verified as correct by the Cashier, the Treasury Officer shall endorse the original of the memorandum with the words "Received from the State Bank of India Office, the within mentioned remittance totalling Rs. \_\_\_\_\_ (Rupees in words \_\_\_\_\_) dated \_\_\_\_ .

Sd. \_\_\_\_\_ and handed it over to the Bank's Cashier accompanying the remittance, retaining the duplicate.

#### (D) ADVICES OF WITHDRAWAL FROM THE DEPOSITS INTO THE CURRENCY CHEST

13. The usual advices shall be sent to the Currency Officer, and the Agent, State Bank of India of the parent branch, the signature of the treasury Officer, District Treasury (or his agent) and the Clerk-in-charge of the Treasury Pay Office.

The Currency Chest Slips ( Form P.T.R. 65) in respect of deposits into and/or withdrawals from the currency chest from the Office will be sent the same day to the Currency Officer, by the Treasury Officer.

### VI- RESOURCES OPERATIONS

14. All resource operations i.e. receipts of remittances from Sub-Treasuries and despatch of remittances to Sub-Treasuries will be performed by the Treasury officers.

15. The following procedure will be followed in respect of advices of currency transfers:-

(a) The Treasury officer and the District Treasury (or his agent) and the Clerk-in-charge of the Local Treasury Office shall advise the parent branch of the Bank relating to currency transfers and besides advising the Currency Officer Delhi, direct, of such transfer, Treasury Officer shall advise the parent branch of the Bank and the Delhi branch of the Bank by the next available post.

(b) the agent of the parent branch will advise the currency transfers at the Treasury Pay Offices to the Delhi Branch as the case may be, but the pay office, currency transfers shall be advised as items distinct and separate from currency transfers concerned.

(c) All opposite transactions in respect of amounts withdrawn from or deposited into the currency chest shall be arranged by the parent branches concerned.

#### VII-MISCELLANEOUS

##### (A) CHANCE OF CHARGE

16. Whenever the Treasury Officer is transferred elsewhere, he shall forward to the Clerk-in-charge of the Treasury Office a specimen signature of the relieving Treasury Officer duly verified by him. Similarly, whenever there is a change in the Clerk-in-charge of the Treasury Pay Office, the parent branch shall forward to the treasury officer a specimen signature of the relieving Clerk-in-charge. The specimen signature in each case may be duly verified by the Agent of the parent branch concerned.

##### (B) WORKING HOURS

17. The Treasury Pay Office shall conduct Government business, or withdraw funds from the deposits funds during normal working hours. Everything shall be done by the Bank Officials concerned to ensure that funds to be presented at the Treasury as soon, after 3.00 P.M. daily, as possible.

On all such days when the Treasury is closed for the observance of a local holiday, no Government business shall be transacted at the Treasury Office. The latter shall of course observe only gazette holidays under the Negotiable Instruments Act., 1881 and shall remain ordinarily open to transact business on Bank account of local holidays.

##### GENERAL

18. The Clerk-in-charge of the Treasury Pay Office will work in close co-operation with the Treasury Officer and shall report to him any delay occurs by reason of the necessity of reshuffling cash remittance made between Treasury Pay Office and the Treasury Office.

#### PART -XI

##### TRANSFER OF MONEYS

##### SECTION I- CURRENCY CHESTS, COINS, NOTES AND CURRENCY TRANSFERS, GENERAL

449. Under paragraph 10 of its agreement with the Government,- vide Appendix A, the Bank shall be required to place as the Government may, with the previous sanction of the Union Government specify and to keep the said chests of small coins to provide the currency for the transactions of the Government. On its own part, the Government shall provide the chests and shall be responsible to the bank for the safe custody of these chests, notes and coins and for the supply of small coins and returns as the Bank may from time to time require as to the composition of the balances in these chests and the amount to be drawn from these chests.

##### CUSTODY OF CURRENCY CHESTS AND THE PROCEDURE FOR MAKING DEPOSITS THEREIN AND WITHDRAWALS THEREFROM

450. At place where the treasury business is conducted by the Bank and currency chest is kept in the sole custody of the Bank, the Bank shall be responsible for keeping the sufficient supply of small coin. The bank shall also be responsible for the examination of the chest at the time of deposit or withdrawal from the chest which shall be governed by the following provisions:-

(a) Deposits and withdrawals may be made at any time provided that the amount is not less than ten thousand rupees. In the case of branches of the State Bank of India, an intimation of the total amount deposited or withdrawn shall be sent to the Local Head Office or the Link Branch shall effect opposite payments in respect of these transfers and of its own transfers to and from the Reserve Bank of India.

(b) Every transfer from the currency chest to the bank or vice versa shall be reported to the Currency Officer at the place concerned.

(c) The above rules shall apply mutatis mutandis to sub-treasuries whose business is conducted by the Bank.

Note.- Currency chests shall also be maintained at some branches of the State Bank of India which do not conduct treasury business. A list of such branches is given in the List of Treasuries and Sub-Treasuries in India issued by the Government of India. 451. At treasuries and sub-treasuries whose business is not conducted by the Bank, an entirely separate receipt shall be maintained for the contents of the currency chest, which shall be kept under double locks. One key of this chest shall be held by the Agent of the parent branch concerned.

the sub-treasury, or by such other person as may be selected by him for the purpose, subject to the approval of the Department of Finance. The notes and coins held in the chest shall be kept quite distinct from the treasury balances in accordance with these rules or the instructions of the Currency Officer.

The procedure laid down in rule 144 for receiving money into and giving it out of double locks shall apply to all withdrawals from the currency chest;

Provided that while receiving money into and giving it out of the currency chest, the Treasury Officer shall not issue a Chest Slip to the treasurer, under any circumstances. The Currency Chest Slip shall positively be handed over to the Treasury Office, himself or through his Sevadar to the Accountant.

452. The following provisions shall be applicable to all currency chests:-

(a) Silver-fifty and twenty-five paise, copper, bronze or nickel shall never be deposited in the chest, except in accordance with paragraph 6 of Appendix G.

(b) A currency chest book in Form P.T.R. 66 shall be kept in the chest and the balance proved and signed by the Treasurer in charge of the chest.

They shall satisfy themselves that the transaction has been correctly entered and the balance correctly worked out.

Note.- The chest books shall be retained for three complete financial years.

(c) Transactions should always be in even hundreds of rupees.

(d) Notes may be deposited in a chest in exchange for coins or notes of other denominations or vice versa. These exchanges shall not ordinarily be of small sums and shall be avoided as far as possible during the last week of the month. If they take place during the last three days of the month, the transaction shall be telegraphed to the Currency Officer.

(e) The chest slips shall be despatched to the Currency Officer as laid down in rule 466 and the notes thereon shall be retained in the chest.

Note.- The chest slips shall be destroyed three months after the balances have been verified.

#### VERIFICATION OF CURRENCY CHEST BALANCES

453. The procedure for the periodical verification of the currency chest balances shall be as follows:-

(a) In the case of chests in the custody of the Bank, the Reserve Bank of India shall conduct through its own officers and employees as may be desirable.

(b) At district treasuries whose business is not conducted by the Bank the balance shall be verified at the close of the month by an employee who verifies the treasury balance under rule 146 subject to the conditions therein stated.

(c) At sub-treasuries whose business is not conducted by the Bank the balance shall be verified by the Sub-treasurer at the end of the month the accounts of which are incorporated in the district treasury accounts and a verification certificate shall be submitted to the Currency Officer.

(d) At every change of incumbency of the immediate charge of currency chest not in the custody of the Bank, the outgoing officer shall verify the balance and submit a report to the Currency Officer, the incoming officer and a report of the correctness of the balances of notes and coins sent to the Currency Officer, through the Currency Officer.

(e) The currency chest balances at sub-treasuries whose business is not conducted by the Bank shall also be verified by the Sub-treasurer who verify the treasury balances. A verification certificate shall be forwarded to the Currency Officer through the Sub-treasurer.

(f) The Treasury Officer shall send monthly to the Currency Officer a consolidated verification certificate for all chests in the custody of the Bank, detailing the balance in cash chest, separately, certifying that the balance is correct and stating that certificates of Sub-treasury Officers regarding the correctness of the balance in sub-treasury chests are attached.

(g) The verification report referred to above shall be in Form P.T.R. 67.

Note.- The verification report shall be kept until the next one has been received.

454. The procedure for the verification of balances of currency chests not in the custody of Banks shall be as follows:-

(i) The balances of notes or coin kept in receptacles which have not been operated on since the last verification shall be examined by the verifying officer's seal need not all be examined at each verification, but the examination shall be so arranged that all receptacles for over six months. The seals on the receptacles to be left unverified shall however, be scrutinised every month to ensure that the seals affixed shall be the private seal of the verifying officer or a special seal kept in the custody of the head of the district staff other than the Treasury Officer.

(ii) Silver Coin.- Silver coin shall be verified in the manner laid down in clause (a) of rule 146.

(iii) Notes.- The notes shall be counted in the manner specified in clause (c) of rule 146.

#### SECTION -II Coins

455. Coinage constitute a subject appertaining to the Government of India and the rules and orders issued by the Government of India Act,1906 (Act III of 1906) shall apply automatically to all State treasuries and sub-treasuries. These rules and orders shall be subject to the provisions of the Government of India Act, 1956.

relating to certain subsidiary matters, such as, facilities for exchange, the acceptance of certain kinds of coin and to the Currency Officer have been reproduced for the guidance of the Treasury Officer in Appendix G to these rules.

**SECTION III- CURRENCY AND BANK NOTES.**

456. Under the provisions of the Reserve bank of India Act, 1934 (Act II of 1934) the sole right to issue bank notes and the instructions issued by the Bank regarding the receipt and issue of notes, disposal of forged and defective notes, in and out of circulation have been reproduced in Appendix H to Volume II of these rules for the guidance of and compliance by the treasury officer.

**SECTION IV-TRANSFER OF MONEYS FROM THE TREASURY TO ANOTHER AND BETWEEN THE CURRENCY OFFICER AND THE TREASURY BALANCE AND BETWEEN A TREASURY AND A BANK.**

**NORMAL BALANCES.**

457. The responsibility for maintaining treasury balances at the most economic figure, sufficient to meet local demands for funds, shall rest with the government. As a matter of administration routine, the Currency Officer will continue to maintain the balance above the normal figure specified by the government (Vide rule 458) and shall arrange for the transfer of funds to the treasury if an excess is not immediately brought to notice and rectified.

458. In January each year, the department of Finance will intimate to each Treasury Officer the normal balance to be maintained during the succeeding year. The balances so fixed shall also be communicated to the Currency Officer. Treasury Officers shall carefully see that they do not exceed by any appreciable amount the figure laid down by the Department of Finance.

\*these rules are of a non-statutory character.

Note.- The balance at treasury or sub-treasury where the Government business is transacted by the Bank shall be maintained at a normal level. On hearing from the Department of Finance the normal balance fixed for his district, the Treasury Officer shall maintain the balance at his sub-treasuries during the succeeding year. If during the course of the year the fixed balance at a sub-treasury is exceeded, prompt steps shall be taken to transfer the excess.

460. A report shall be submitted by the Treasury Officer to the Currency Officer, giving the total treasury balance at the end of 21st of each month without any details as to denomination of notes or kind of coin. A copy of this shall be sent to the Department of Finance. A report shall also be sent to the Department of Finance on the last working day of the month in regard to the balance shown in these reports or in the Cash Balance Report ( see rule 461) exceeds by any appreciable amount the normal balance of the district, the reasons for the excess shall be stated.

461. On the first working day of each month, a cash Balance Report in Form P.T.R. 68 shall be forwarded by the Treasury Officer. In districts where treasury business is conducted by the Bank, the report shall show only the details of the cash balance of the branch of the Bank and the certificate shall be modified as shown in the form, but a separate memorandum shall be submitted showing the coin of each denomination and of uncurrent coin of each class held by the Bank, the necessary information being obtained on the last day of each month. The head of the district is responsible for seeing that the Cash Balance Report is submitted on time. Failure to do so shall be a serious treasury irregularity.

Note 1.- When the verification of the cash balance takes place on a date other than of a month, it shall be reported in the form of Cash Balance Report.

Note 2.- On the first of each month, each treasury Officer shall telegraph to the Currency Officer ( 1) the total treasury balance at the end of the preceding month without any details as to denomination of notes or kind of coin and (2)the net amount of "Reserve Bank Deposits" in the account for the preceding month separately under "STATE" and "UNION". No separate report is necessary when the Cash Balance Report itself would reach the officer concerned by the 3rd of the month.

\*These rules are of a non-statutory character.

Note.3- At treasuries where there is a branch of the Bank there shall be no treasury balance and the certificate shall be modified as shown in Form P.T.R. 68.

Note 4.- see also Rule 146 and 147.

462. The total balance shall be stated in words, and its distribution between the headquarters and sub-treasuries shall be shown in amounts held in each in notes, in whole rupees, in small silver, in nickel, and in bronze and copper. The amount of gold shall be shown separately. The portion of the headquarter's balance under double locks, and under the treasurer's single lock shall be stated.

**SUPPLY OF FUNDS TO TREASURIES AND SUB-TREASURIES**

463. The main objects of maintaining currency chests at treasuries and sub-treasuries,- vide Rule 135 (2) are locked up in treasury balances and to facilitate the transfer of funds as explained in the following rules.

464. Under the provisions of the Reserve Bank of India Act, 1934 ( Act II of 1934), the amount of currency which constitute the liabilities of the Issue Department of the Bank, shall not exceed the assets of that Department held in gold and rupee securities.

Notes held in a currency chest shall not be notes in circulation, while coins held in a chest shall be a part of the Bank held against notes in circulation. Assuming that there are no transactions elsewhere, the deposit of notes and the amount of notes in circulation and the deposit of rupees in the chest increase the assets of the Issue Department of the Bank. A currency chest, thus, makes it possible to issue notes elsewhere upto the amount of deposit without exceeding the assets of the Bank.

If, therefore, a transfer of funds from the treasury balance at A to the treasury balance at B is required without the actual remittance of coin or notes by transferring money from the treasury balance to the currency chest, thus, enables the treasury balance at a treasury or sub-treasury to be kept at a low figure as it is a quick way of making a transfer of money from the currency chest. It also obviates the necessity for frequent remittances of funds to the treasury. Money always deposited into the currency chest and made available for use elsewhere pending a convenient occasion for its use.

465. Permanent currency chests shall be maintained at all treasuries and at sub-treasuries where the transaction of business requires an additional facility for the transfer of funds afforded thereby reduces appreciably the locking up of money or the holding of notes. At sub-treasuries where there is not a permanent currency chest, temporary chest shall be opened during the period when the money collected at the sub-treasuries may be available at once for transfer through currency. Treasury Officers shall maintain a chest at sub-treasuries, when required, but they shall report the opening of each chest and the amount of first deposit to the Currency Officer.

466. On each day on which the chest is opened a slip in Form P.T.R. 65 serially numbered and signed by two officers, the Currency Officer or the officer-in-charge of the Bank, as the case may be, must be sent at the close of the day to the Currency Officer.

Note 1.- In the case of chests of sub-treasuries where there is no branch of the Bank, the slip shall be sent in duplicate. The Currency Officer shall retain one copy and send one copy to the Currency Officer.

Note 2.- Detailed instructions regarding the transfers to and from currency chests and the issue of chest slips are given in the following rules.

467. The rules regulating the transfer of funds between treasuries and sub-treasuries are given in the following rules. These rules apply to treasuries at which there is a branch of the Bank and for treasuries where there is no such branch.

#### TREASURIES WHERE THERE IS A BRANCH OF THE BANK

468. The Bank shall be entirely responsible for the provision of funds for meeting Government disbursements at sub-treasuries. The Treasury Officer shall send to the Bank on the last working day of each week a statement of the probable receipts and disbursements on government accounts for the following two weeks, separately, (i) probable receipts and disbursements on government accounts and (ii) probable receipts and disbursements on other accounts. The Treasury Officer shall also inform the Bank at once of any expected receipts and disbursements in rupees in amount as soon as he receives information that the payment shall have to be made.

469. The Treasury Officer shall watch the balances at sub-treasuries where the work is not conducted by the Bank. It shall be his duty to see that as far as possible in order that money may not be locked up unnecessarily. The Bank shall supply funds for maintaining the balances at sub-treasuries and surpluses accumulating at sub-treasuries shall be remitted to the district treasury either through currency or by direct payment. The Treasury Officer shall pay into the Bank.

470. At sub-treasuries where there is a currency chest the transfer of funds shall be made through currency, through the Currency Officer through the agency of the Banking Department of the Bank. The procedure shall be as follows:-

(i) If a Sub-Treasury Officer requires funds he shall withdraw the required amount from the currency chest through the Currency Officer, where necessary, under the existing rules and orders and report the fact forthwith to the Currency Officer. The Currency Officer shall, on receipt of the report, arrange for the necessary opposite payment through his daily memorandum of currency transfers to the Treasury Officer, so that it can reach its destination within twenty four hours) on the day of the transfer. The Currency Officer shall, on receipt of the report, arrange for the necessary opposite payment through his daily memorandum of currency transfers to the Treasury Officer, so that it can reach its destination within twenty four hours) on the day of the transfer.

Notes.- The Currency Officer may, on the recommendation of the Treasury Officer, permit a Sub-Treasury Officer to draw funds from the currency chest without the sanction of the Treasury Officer subject to such conditions as he may impose regarding amounts and the mode of transfer.

(ii) Similarly when surplus funds accumulate at a sub-treasury the Sub-Treasury Officer shall deposit them in the currency chest and report the fact forthwith to the Currency Officer ( by wire, or by letter if it can reach its destination within twenty-four hours) on the day of the deposit. The Currency Officer will arrange for the opposite payment to the Treasury Officer also by post. The Currency Officer will arrange for the opposite payment to the Treasury Officer also by post.

(iii) In districts where a branch of the Bank doing Government business is situated at a place where there is no sub-treasury, the Treasury Officer shall maintain a chest at that place and shall report the opening of each chest and the amount of first deposit to the Currency Officer.

headquarters, the opposite payments in respect of currency transfers at the head treasury and the other sub-treasuries in the same way as explained in sub-paragraphs (i) and (ii) above.

Note.- Chest slips shall be submitted by the Sub-Treasury Officer to the Currency Officer through the Treasury Officer.  
471. At Sub-treasuries where there is no currency chest, transfer of funds shall be made by the remittance of funds to the treasury or vice versa. The Bank provides the funds for remittances to sub-treasuries at the request of the Treasury Officer.  
**TREASURIES WHERE THERE IS NO BRANCH OF THE BANK.**

472. The Treasury Officer shall be responsible for keeping sufficient funds at the district treasury and for making disbursements and at the same time for maintaining the balances as low as possible in order that money may not be hoarded. Funds shall ordinarily take place through currency, currency chests being maintained at sub-treasuries for this purpose and notes shall be reduced to a minimum.

473. The Treasury Officer shall obtain funds outside the district and shall dispose of his surpluses in accordance with the following rules:

(a) The Treasury Officer may at any time deposit surplus funds into the district currency chest and when owing to sub-treasuries transfer from sub-treasuries made in accordance with clause (a) of rule 474 his treasury balance exceeds by any amount the excess shall be deposited into the currency chest.

(b) When the Treasury Officer required funds either to meet disbursements at the treasury or to supply sub-treasuries clause (b) of rule 474 he shall make the necessary transfer from the currency chest to the treasury balance.

(c) Every transfer from the treasury balance to the currency chest or vice versa shall be reported at once by the Treasury Officer (close to headquarters) to the Currency Officer in addition to sending slips in Form P.T.R. 65 as prescribed by rule 474 made at a sub-treasury.

474. Transfer of funds to and from sub-treasuries where there is currency chest shall be made through currency chest at the district treasury or at another sub-treasury so as to retain the total balance in the currency chest of the district treasury as follows:-

(a) When a surplus accumulates at a sub-treasury, the Sub-Treasury Officer shall deposit the surplus into the treasury at the sub-treasury. If the sub-treasury balance exceeds by any appreciable amount the normal balance laid down by the Treasury Officer the excess shall be transferred to the currency chest unless heavy payments are expected to absorb it within the next month. The Sub-Treasury Officer of the slip in Form P.T.R. 65 reporting the transfer the Treasury Officer shall make the necessary transfer from the treasury at the district treasury.

(b) When a Sub-Treasury Officer requires funds, he shall apply to the Treasury Officer for sanction to a transfer from the treasury. If the Treasury Officer considers that the transfer is necessary, he shall make a transfer of the amount from treasury to currency chest. The corresponding transfer from currency to treasury at the sub-treasury. The Sub Treasury Officer shall report to the Treasury Officer when the transfer has been effected.

Note.- The Currency Officer may, however, on the recommendation of a Treasury Officer, permit a Sub-Treasury Officer to make a transfer without the sanction of the Treasury Officer, subject to such conditions as he may impose regarding amounts and time.  
N.B.- It shall be duty of Treasury Officer to see that Sub-Treasury Officers deposit surpluses promptly the currency chest in accordance with paragraph (a) above. If at any time it appears to the Treasury Officer that the balance at a sub-treasury is unnecessary, he shall transfer the surplus into the currency chest.

475. Transfer of funds to and from sub-treasuries where there is no currency chest shall be made by the remittance of funds in accordance with the succeeding rules. Such remittances shall not be made except under the instructions of the treasury Officer.

## SECTION V-REMITTANCES

### KINDS OF REMITTANCES

476. Remittances of moneys standing in the public account of the State shall be of the following kinds:-

(1) Money shall be sent from the Bank to a treasury or vice versa.

(2) Money (including small coin) shall be sent from the Treasury Balance at one treasury to the treasury balance at another. Such remittance shall be used only for remittances to or from sub-treasuries where there is no currency chest and for remittance of small coin and foreign coin.

(3) A transfer of money shall be made between the treasury balance and the currency chest at one place in conformity with the same amount being made at another place.

Note.- Other remittances which do not relate to the public account of the State shall also be governed by the rules

- (i) currency remittances, i.e. , from one currency chest or office to another;
- (ii) from the Bank to the currency chest, or currency office or small coin depot or vice versa;
- (iii) remittance of small coin from a small coin depot or treasury to another small coin depot or treasury.

477. A remittance of any of the kinds specified above shall be classed as a "Local cash remittance" if the two treasuries where the transaction is taken place are situated in Punjab. they are treated as an operation against the balances of the State. If one of the treasuries where the transaction shall be treated as a "Foreign cash remittance" and shall be an operation against the central balances of the State. Code, Volume II.

Note 1.- When there is any possibility that a Treasury Officer will be in doubt regarding the classification of a remittance in his remittance order, whether the remittance is "Local" or "Foreign"

Note 2.- Remittances between two sub-treasuries in the same district or between treasury and sub-treasury sub-treasury shall be treated as local cash remittances and check over these remittances shall be kept by means of the Account's balance-sheet of the Bank at the remitting or receiving treasury or sub-treasury the remittances shall be treated as local cash remittance.

478. Rules 479 to 515 below shall apply primarily to district where there is no branch of the Bank. The modification where there is a branch of the bank has been given in rules 516 to 519.

#### DESPATCH OF REMITTANCES

479. (1) No remittance of cash or notes from a sub-treasury or treasury to a treasury or sub-treasury in another district shall be made except in accordance with the special or general orders of the Currency Officer. when a surplus of coin or notes at a treasury or sub-treasury shall report the details of the surplus to the currency officer and obtain his orders for remittance to another treasury or sub-treasury. coin and notes unfit for issue shall, however, be dealt with in accordance with the provisions contained in Appendix A.

(2) remittances within the district, i.e. between two sub-treasuries in a district or between a treasury and a sub-treasury shall be made under the orders of the Treasury Officer who shall be entirely responsible for such remittances and need not obtain the sanction of the Currency Officer. authority before ordering them.

480. (1) All remittances despatched by rail, river or road shall be escorted by a guard except remittances of nickels which may be sent by rail (vide rule 514).

(2) Immediately on receipt of remittance order from the Currency Officer or as soon as the Treasury Officer has received the order from the treasury, the Department of Home Affairs and Justice (Police Organization) shall be informed of the kind and amount of the remittance and asked for a sufficient escort, which it will supply according to the scale laid down by the Government. Any other arrangements for assistance may be required shall be advised by the despatching office.

(3) The receiving office shall be informed in advance in Form P.T.R. 69 of the particulars of the remittance to be received and arrangements may be made for receiving it.

a remittance shall not be sent at such a time that it will be in transit at the end of a month or that it will reach the receiving office on a gazetted holiday.

481. (1) As soon as a remittance is despatched it shall be entered in the cash-book if it is a treasury remittance.

(2) The Treasury Officer shall advise the Currency Officer of every despatch of a remittance to a place outside the district where it is despatched. If the treasury is so situated that the advice cannot reach the Currency Officer within twenty-four hours the Treasury Officer shall send the advice by telegram. The advice shall state the nature of the remittance and shall give the name of the treasury where despatched.

#### REMITTANCES OF COINS.

482. Coin shall be packed for remittance in stout bags, tied and sealed after a slip in Form P.T.R. 21 has been prepared. The Treasury Officer must satisfy himself generally of the contents of the bags, and must see that the proper number of bags is placed in the remittance.

Note 1.- For remittances to Calcutta and Bombay Mints contents of bags shall be as below:-

Each denomination of coin shall be in a separate bag:-

(a) Under the old Coinage System:-

Denomination	Value per bag	
	Tala	per bag
	Rs.	pieces
Rupees	... 2,000	2,000
½ Rupees	... 2,000	4,000

¼ Rupees	...	500	2,000
1/8 Rupees	...	500	4,000
Nickel 0-8-0	...	250	500
0-4-0	...	250	1,000
0-2-0	...	250	2,000
0-1-0	...	200	3,200
Double pice	...	50	1,600
Single pice	...	50	3,200

(b) Under the Decimal Coinage System:-

Denomination	Value per bag Tala per bag	
	Rs.	pieces
100 Np.	... 2,000	2,000
50 np.	... 2,000	4,000
25 np.	... 500	2,000
10 np	... 200	2,000
5 np	... 100	2,000
2 np	... 50	2,500
1 np	... 20	2,000

Note.- In case of a remittance sent without a potedar the despatching officer shall examine a certain percentage of the ticket of the bags so examined and the special attention of the receiving officer shall be drawn to the necessity of the remitting officer.

483. For journeys by road the bags shall be packed in treasure tumbrels or in large chest placed in carts, at the disposal of the Treasury Officer ; for journey by rail or boat, and also (if convenient) for journeys by road, they shall be packed in boxes of four thousand rupees to six thousand rupees each, nailed down and bound with iron without gunny covering or rope, and nailed together where they cross. every box shall bear the name of the despatching treasury cut into, or painted on it.

Note1.- It is economical, safe and convenient to pack all remittances in patent Venesta Boxes, Special seals and special case shall any molten lead or other metal be poured into the sealing socket.

Note 2.- If in any district for any reason coin remittances are packed in padlocked boxes the rules given in Appendix shall be observed.

Note3.- Remittances of coin from currency offices shall usually be sent in patent remittances boxes. Special instructions dealing with such boxes shall be given by the remitting officer.

484. For military expeditions the treasury bags shall be packed in deal-wood, boxes of the standard pattern, of the approval of the currency officer.

485. To each box, designed for river conveyance or to cross any unfordable stream by a ferry, shall be fastened a rope of bamboo or other floating material the rope of the buoy shall be at least ten yards and the police officer in charge shall never be detached from the box, nor, so long as the box is on board or on any boat, knotted or entangled in any way.

486. Invoices shall be prepared in triplicate in Form P.T.R. 70; one copy shall be retained at the despatching treasury, another shall be sent to the receiving treasury, and the third made over to the escort officer. The weights entered in the invoice shall be checked in the presence of the escort officer.

Note.- Separate invoices shall be prepared for treasury and currency remittances, the word "Treasury Remittance" shall be written in each case may be, being written on the top.

In the case of treasury remittances the invoices shall show separately uncurrent (1) Silver, (2) Nickel and (3) Copper totals for each group of coins.

#### REMITTANCES OF NOTES

487. All notes unfit for issue which may have accumulated at a treasury shall be sent to the Currency Office (or to the Currency Officer), on each occasion on which a remittance of notes or coin is sent to or received from the currency office. The denominations and value of the notes shall be sent by post to the Currency Officer.

488. New notes or notes fit for re-issue shall never be cut for remittance. When the value of the notes to be remitted is less than the value of the notes to be re-issued, the difference shall be made up by the issue of new notes.

rupees and the notes cannot conveniently be included in a specie remittance they shall be sent by post insured. If the value exceeds two thousand rupees the notes shall be sent in charge of a potedar and police guard.

489. The following are the provisions for packing parcels of notes:-

(1) Notes of each denomination shall be arranged in separate bundles stitched by one edge into books of hundred being made into one book. To each bundle of books shall be attached a slip in Form P.T.R. 22 stating the number of notes, bearing the full signature of the official who last counted them and made up the bundles before despatch.

(2) For remittances in charge of a potedar and police guard the bundles shall be packed in parcels of ten bundles in strong wooden boxes which shall be securely fastened and sealed. The boxes shall be weighed in the presence of the potedar. The contents of each box shall be entered in the invoice in Form P.T.R. 70.

490. In the case of remittances sent in charge of a police guard an invoice in Form P.T.R. 70 shall be prepared in triplicate to be given to the receiving officers, one given to the police officer in charge of the escort and the third retained by despatching officer. Each shall sign a receipt on each copy of the invoice stating that he has received the boxes of the marks and weight detailed in the invoice.

#### ESCORT OFFICER'S DUTIES

491. The escort officer will see the boxes of notes and coin weighed or in the case of chests or tumbrels containing gold or silver of bag. He will sign the receipt at the foot of each copy of the invoice; the blanks will be filled up in words, in English, he shall be required to write the number of bags or boxes which he has received in Punjabi on the copy of the invoice. Treasury Officer.

492. The escort officer shall wire to the receiving officer the number of the train (Passenger or Goods) and the date of departure and shall also wire again on route if any change in the train has been made or if anything has occurred to the train.

493. When the escort officer is relieved in the course of journey, he will obtain a receipt for " \_\_\_\_\_ tumbrels containing \_\_\_\_\_ coin to the value of Rs. \_\_\_\_\_ in \_\_\_\_\_ bags \_\_\_\_\_ "or for" \_\_\_\_\_ boxes or for sealed \_\_\_\_\_ coin (or notes) to the value of Rs. \_\_\_\_\_ " When the remittance reaches the addressee the boxes and give a receipt for " \_\_\_\_\_ bags said to contain \_\_\_\_\_ coin to the value of Rs. \_\_\_\_\_ detailed in the invoice said to contain coin (or notes) to the value of Rs. \_\_\_\_\_ ". If any box be of short weight or tampered with, it shall be opened in the presence of the escort officer; otherwise he shall be allowed to return at once.

#### POTEDARS

494. (1) Treasurers shall send in charge of silver coin or note remittances at the expense of the Bank, potedar and police guard. The treasurers is being examined and who will take back the locks and, if convenient, the bags. If the guard be returned, the tumbrels, or chests shall be sent back under his charge; otherwise they shall wait for the potedar.

(2) For coin remittances the following scale shall be followed:-

1 Potedar upto ten lakhs.

1 Potedar for every additional ten lakhs or a fraction of it upto a maximum of three in all.

Note.- The Currency Officer may sanction the deputation of a second potedar for journeys occupying such a long time as to be expected to exercise the necessary supervision.

(3) For note remittances one potedar shall usually be sufficient, but the Currency Officer may sanction the deputation of a second potedar occupying such a long time that one man cannot be expected to exercise the necessary supervision.

(4) In cases of heavy remittances whether of coin or notes, or of both, the Currency Officer may sanction the deputation of a second potedar in addition to the usual escort of potedar.

495. (1) A potedar shall on no account, be sent either to accompany remittance of nickel, bronze or copper coin at the receiving treasury or branch of the Bank.

(2) When the remittance is not at Railway risk, a potedar may accompany a remittance of nickel, bronze or copper coin to watch the detailed examination of such remittance. On receipt of the remittance, the boxes shall be opened in the presence of the potedar which the potedar will be relieved. If, however, any bag containing coins shows signs of damage or of having been tampered with, its contents examined in his presence.

(3) Potedars accompanying remittances of withdrawn silver alloy and pure nickel coins, and remittances for silver coins released by the mint authorities as soon as the number of sealed boxes in the remittance have been checked with the mint, weightments of such coins are recorded by the mint, in their presence. In case of combined remittances from the State Bank of India the accompanying potedars shall be relieved as soon as the number of the sealed boxes

with the relative invoices, and found satisfactory. The opening and preliminary weighments of such remittances shall be deputed by the Local Head Office of the Reserve Bank or the State Bank of India as the case may be. On no account shall any remittance be examined, and tallying of any remittance at the mints.

496. When potedar accompany treasury or currency remittances they shall be furnished by the remitting Treasury Officer with P.T.R. 71 with column 1 to 8 filled in. The Treasury Officer receiving the remittance shall complete the certificate. The certificates shall be attached to all bills for travelling and other allowances, special or otherwise, admissible to the remittance.

497. (1) If the chest, tumbrel or wagon be secured by double locks, one key shall be held by the potedar, and the other by the escort officer. If only one lock the key shall be held by the potedar, but the escort officer shall be responsible for not allowing the chest to be opened on arrival at destination, save in case of a break-down, when the treasure must be removed to another chest or to a tumbrel. For remittances sent without potedars single locks shall be used and the keys shall be entrusted to the escort officer in charge, except when absolutely necessary in the case of a break-down on the road.

(2) When a potedar, as representative of the treasurer, accompanies a remittance, i.e., when he travels along with the remittance for the whole course of the journey. the escort accompanies the remittance because the potedar in himself is not capable of performing the duties that the rules provide for the keys of vans or tumbrels remaining in the possession of the potedar, shall be subject to the responsibility. It shall not be necessary for him to issue any instructions or to interfere in any way in the performance of his duties, but it will certainly be incumbent on him to report any neglect of duty on their part. If in the course of transport the potedar shall arrange for their proper protection and for guarding against the loss of their contents. If in an accident the duties of counting rupees and verifying the correctness of the contents of the broken bag shall fall on the potedar. In the case of one office until it is received into another the potedar shall be entirely responsible. The escorts shall be responsible for the safe arrival, but not be responsible for a shortage in the contents of the boxes unless this can be shown to be due to neglect of the potedar. The potedar shall be in a position to report and to substantiate.

498. Extra shroffs or potedars shall be engaged, whenever necessary, with the special sanction of the head of the office, to accompany remittances, or to take the place of permanent shroffs or potedars who do so. they shall be paid at the ordinary Government and will be entitled to the ordinary and special rates of travelling allowance admissible to permanent shroffs. If engaged from outside the district when it is not possible to procure men locally, they shall be entitled to the ordinary rates for journeys between their homes and the places of their appointment.

#### RECEIPT OF REMITTANCES

499. (1) Immediately on the arrival of a remittance credit for the invoiced amount shall be given in the Cash Book. In the case may be, and in the case of a remittance received from a place outside the district and advice shall be sent to the treasury or currency office from which the remittance has been received and whether it is a treasury or a currency remittance, a telegraphic if a postal advice will not reach the currency officer within twenty-four hours.

(2) The remittance shall then be examined. The first step in this examination shall be the weighing of the remittance by the officer and the treasury Officer and the comparison of this weight with that shown in the invoice. A receipt shall be issued by the officer of this receipt sent by post on the same day to the despatching treasury.

When the weight of each box is not given in the invoice the boxes shall be opened and the contents examined by the escort officer. The infraction of the rules requiring the weight to be stated shall be brought to the notice of the remitting Treasury Officer. If the boxes show signs of having been tampered with, it shall similarly be opened and its contents examined before the escort officer.

If coin or notes received in the remittance are required for despatch to another treasury within a few days, they shall be deposited unopened in the strong room; provided they are in good order and are in the charge of potedar who will be responsible for their final destination.

In all other cases the boxes shall be opened immediately whether remittance is accompanied by a potedar or not. The boxes shall be opened in his presence. Unless the detailed examination of the whole remittance is immediate, the parcels of notes shall be deposited in the strong room under double locks, care being taken as far as practicable to guard against abstraction of coin from remittances which may remain unexamined in the strong-room for some time. If the boxes are secured in a chest or chests, it shall be arranged, when the amount of the remittance does not exceed five lakhs, to weigh the entire contents of each bag by emptying them into the scales before depositing them in the chest. This weighing must be supervised by the Treasury Officer. In the case of larger remittances similar care must be taken, if impossible for practical reasons to examine them in the same detail. The Treasury Officer in such case must satisfy himself that they have not been tampered with the personally picking out a number of boxes and bags from time to time, and having them weighed under his supervision. In the case of remittances exceeding five lakhs, or when it is not found practicable to weigh out small

cover completely all bags forming parts of the remittance with tarpaulins, the notes being secured in a chest or with the lids securely fastened.

(3) The detailed examination of the remittance shall be conducted in the presence of the potedar from the remitting treasury under the supervision of the Treasurer of the receiving treasury or some other responsible person acting on his behalf. The potedar from the remitting treasury, accompanied by a potedar from the receiving treasury, the detailed examination must be made in the immediate supervision of the treasurer of the receiving treasury who shall see that the interests of the remitting treasury are adequately protected.

(4) Every facility must be given to the potedar of the remitting treasury to watch the examination. Any complaint reported at once to the Treasury Officer. If any fraud is suspected, arrangements shall be made for the search of the chest by the potedar of the remitting treasury.

(5) Only such portion of remittance shall be taken out of the strong-room as can be examined during the day. If any portion remains unexamined, the attending potedar shall, if he so wishes, be allowed, at the time of the closing of the office, to open the chest, containing the unexamined portion, or if this is not possible on the outside door of the strong room.

(6) The notes and the coin composing the remittance shall be counted and examined in detail so as to ensure that the number is correct also that each bundle of notes or bag of coin contains the alleged number. In the case of remittances of fresh current coin, bundles of one thousand pieces, the bundles shall be split up into packets of hundred of notes each. Any light weight or deficiency found in the course of the detailed examination of a remittance of current coin shall be separated and dealt with under the rules, while deficiencies whether in tale or due to bad or counter notes or coin shall be dealt with in the manner prescribed in the rules.

(7) As the examination of each bundle or bag is complete the relative slips, in Form P.T.R. 21 and 22 as the case may be, shall be taken out and replaced by fresh slips prepared by the receiving treasury. The slips of these bags and bundles that are found correct shall be made over to the Treasury Officer for immediate destruction, while the rest shall be attached to the remittance and sent to the receiving treasury under rule 502.

(8) The Treasury Officer shall supervise the examination of the remittance generally. He shall put away the keys of the treasury or of the currency chest, as the case may be, following the procedure laid down in rule 500. After the examination he shall send a formal receipt to the remitting officer showing the result of the examination.

500. (1) All contingent charges incurred at the receiving station, such as collie, cart or boat hire shall be paid by the remitting treasury finally in his accounts against the Reserve Bank. The remitting treasury shall refuse to pay such charges. The travelling charges of a remittance are likely to incur in respect of a journey shall be advanced to them by the remitting treasury. If the advance is insufficient, the receiving treasury shall, on application, pay them such further advance as may be necessary. This advance shall be permanent advances but shall be drawn from the treasury and charged in the cash-book. The amount advanced by the receiving treasury to the remitting treasury where it shall be recovered in full on submission of the officer's travelling allowance bills.

(2) In cases where the currency office receiving a remittance grants an advance of travelling allowance to a potedar from a treasury or from the Bank the amount so paid will be noted on the potedar's certificate under the signature of the head of the treasury or the Bank will deduct this amount from the travelling allowance bill of the potedar on the authority of the certificate and will pass on the note recorded on the potedar's certificate and will pass on the net amount of the bill to the Reserve Bank. The Reserve Bank will in no circumstances grant an advance of travelling allowance to a clerk or potedar of the Reserve Bank or to any other person.

501. No time shall be lost in examining a remittance both in order to set the potedar at liberty (and so reduce the cost of the remittance) and also to ensure that any deficiency may be recovered from the remitting Treasurer. To deal with heavy remittances additional shroffing shall be sanctioned of the head of the district who will be paid at such rates as may be fixed by the Government. Men employed in shroffing heavy remittances shall not be entrusted with other work which prevents them devoting their whole time to the examination of the remittance. The amount of coin and notes of each denomination which one man shall examine in a day shall be as follows:-

Coin	Rs.
New Rupees	2,00,000
Old Rupees	8,000
New ½ rupees of the value of	50,000
Old ½ rupees of the value of	4,000
New ¼ rupees of the value of	24,000
Old ¼ rupees of the value of	2,000
New 1/8 rupees of the value of	7,000
Old 1/8 rupees of the value of	1,000
New 4 annas nickel of the value of	18,000

Old 4 annas nickle of the value of ...	2,500
New 2 annas nickle of the value of ...	7,000
Old 2 annas nickle of the value of ...	2,000
New one anna nickle of the value of ...	3,500
Old one anna nickle of the value of ...	1,000
New half anna nickle brass of the value of ...	1,750
Old half anna nickle brass of the value of ...	500
New single pice of the value of ...	750
Old single pice of the value of ...	400
<b>Notes</b>	<b>Pieces</b>
New notes of all denominations ...	15,000
Old Re. 1 and Rs. 2-8 notes ...	6,000
Old notes of higher denominations ...	2,500

### DEFICIENCY OR EXCESS FOUND IN REMITTANCES

502. (1) If any deficiency is found in the detailed examination, and is not immediately recovered from the potedar's cash-book as a distinct item with full particulars and the Treasury officer of the remitting treasury requested to recover the amount from the treasury.

A deficiency discovered at the currency office or at a branch of the State bank will be made good from the Government treasury shown as an expenditure on government account under advice to the remitting treasury. On receipt of the intimations for the recovery of the amount from the treasurer and for its credit in the treasury account. Similarly, a deficiency discovered at the treasury will be made good from the treasury balance under advice of the remitting office, which will credit the amount to Government treasury. The recovery will be watched by the Accountant General.

(2) All excesses above one rupee found in a remittance shall be returned to the remitting treasury through the potedar as far as possible by registered post or by money order, the cost being borne by the remitting treasury. Excesses of one rupee or more shall be returned to the account as receipt of the reserve bank.

(3) Every defect or deficiency discovered during examination shall be entered on the slip pertaining to the bag (Rule 489) concerned and must be specially reported to the remitting officer, the slips being attached to the report. The potedar present to witness the examination he shall be required to attest the entries as they are made, and if he can make no entries the slips shall be delivered to him. Any bad coin or notes which have to be returned to the remitting treasury shall be returned by insured post at the cost of the remitting treasurer. If there is no potedar in charge, the report shall be signed by the officer who personally supervised the examination, and must be sent, together with the attached slip, immediately (or if it is prolonged one, at the close of the day) to the remitting officer. The object of this rule is to enable the treasurer to fix responsibility for the deficiency which he is obliged to make good. If any bag or bundle of notes is found to be in any way short or deficient, an immediate special report shall be sent to the remitting officer.

(4) The provisions in the preceding sub-rule regarding the return of the potedar's slips shall apply also to the provisions of paragraph 28 of Appendix of F to these rules in respect of rupees and half-rupees which have lost more than two per cent, six and one over four per cent and twelve and a half per cent, respectively. In these cases, the number of such ligatures shall be entered on the slips attached to these bags in which they exceed half per cent of their contents and the slips returned to the remitting officer.

(5) When new copper, nickle or bronze coin is received either directly from the Mint or from another treasury, any excess or deficiency found on examination shall be immediately reported and the printed slip of contents shall be corrected accordingly. The report shall state the number of the boxes in which the excess or deficiency was found and the contents of the boxes.

### ADDITIONAL RULES FOR REMITTANCES BY RAILWAY

(I) Previous Notice to Railway Authorities:

503. When large remittances are made notice shall be given some time before hand to the Railway authorities. The waggons of convenient sizes may be brought together.

(ii) Loading;

504. (1) When Government treasure is loaded for despatch by rail the doors on one side of the wagon shall, if possible, be doors that can be opened from outside shall be secured by good padlock.

(2) Small remittances shall not be forwarded by waggons but shall be sent in the same compartment in which the

(3) It shall be the duty of the remitting Treasury Officer to supply the padlocks and there shall be a sufficient number of padlocks so that the remittances are sent by rail. The Treasury officer shall take the receipt of the escort officer for the padlocks. If the Treasury Officer shall return the padlocks through the officer-in-charge of the escort; otherwise, a receipt shall be given to the escort officer as far as possible by parcel-post or by rail or through the post.

505. The Treasury Officer jointly with the Police Officer, who is to travel in charge, shall superintend personally the packing of the treasure and shall hand over to the Police Officer a memorandum of instructions (in Form P.T.R. 72) and as many blank receipts as may be required. The Treasury Officer shall take a receipt for these documents.

(iii) Escort;

506. The escort accompanying the treasure to the station and protecting the loading shall be of the strength which is required for the escort of such a sum by road or for the special purpose, and a new one of the corresponding strength shall meet the escort at the station. During the railway journey, it shall be protected by a guard of reduced strength accommodated in an adjoining baggage van, or in the last compartment of the carriage next adjoining the treasure van; either door of the compartment shall be locked. The strength of these escorts shall also be fixed by the government; there shall never be less than a petty sergeant for every wagon. If the treasure is loaded in more than one wagon, the scale shall allow two men to each. When a wagon containing treasure is loaded, the Station Master, or the guard in charge of the train will warn the police guard in charge of the train. The necessary arrangements may be made to guard it.

507. As the rules for the guidance of the guard (see Form P.T.R. 72) require the men to be constantly on duty, the guard shall be relieved at convenient points, giving to each party, a stage of about twelve hours. The exact length of each stage shall be fixed by the government.

(iv) Through Railway Ticket for Police Escorts:

508. As the railway authorities object to book remittances of treasure beyond the station for which escorts are supplied, the government has consented to the transfer of through tickets, to relieving guards, the Department of Home Affairs and Justice (Police) to issue through passenger tickets for the ultimate destination of remittances on the line of rail to escorts with instructions to make the journey by the shortest route.

It may sometimes happen that such an addition is made to the original remittance at the relieving or transferring station, which necessitate to the employment of an increased guard. In such cases additional tickets shall be procured for the relieving guard where the strength of the escort is increased.

Duplicate railway receipts, as well as invoices of the original and of any intermediate remittance, will be made out for the relieving guard on to each relieving escort, and finally made over to the consignee.

509. Arrangements for the relief of the guard shall be made by the Department of Home Affairs and Justice (Police) in charge, when starting with the remittance shall telegraph to his relieving officer the probable time of his arrival at the relieving station.

(v) Payment of Freight:

510. The railway fare and freight shall not necessarily be paid in cash. For this purpose, credit notes and railway receipts shall be issued which shall bear the entire charges for the remittance. In the case of cash payments the Police or other officer shall advance the amount as an advance to be accounted for afterwards. A requisition shall be made on the railway authorities in the following form:

To the Station Master, Gurdaspur.

Conveyance by railway to Amritsar is required for treasure to the value of \_\_\_\_\_ lakhs of rupees loaded for \_\_\_\_\_ wagons.

Note 1.- The requisition mentioned above must not be confounded with the notice to be sent before hand to the railway authorities for necessary wagons may be provided, - vide rule 503.

Note 2.- treasure shall always be booked through to the final station, and the officer who makes the requisition shall be relieved when he has provided relief for the guard at specified stations.

511. On all railways administered by the State and all railways over which Government may hereafter reserve the right of management mentioned shall be the rates and conditions for the carriage of treasure, including specie, bullion, etc., the property of the Government.

Rates-

(1) The minimum charge per consignment shall be one rupee.

The minimum weight for charge shall be forty kilograms.

(2) Crushed and defaced copper coins shall be charged at full rates

- (3) Fractions of a quintal shall be charged as follows;-
- Not exceeding five kilograms as five kilograms.
  - Exceeding five kilograms, but not exceeding ten kilograms as ten kilograms.
  - Exceeding ten kilograms but not exceeding fifteen kilograms as fifteen kilograms.
  - Exceeding fifteen kilograms, but not exceeding twenty kilograms as twenty kilograms.
  - Exceeding twenty kilograms, but not exceeding twenty-five kilograms as twenty-five kilograms.
  - Exceeding twenty-five kilograms, but not exceeding thirty kilograms as thirty kilograms.
  - Exceeding thirty kilograms, but not exceeding thirty-five kilograms as thirty-five kilograms.
  - Exceeding thirty-five kilograms, but not exceeding forty kilograms as forty kilograms.
  - Exceeding forty kilograms, but not exceeding forty-five kilograms as forty-five kilograms.

Exceeding forty-five kilograms, but not exceeding fifty kilograms as fifty kilograms.

Exceeding fifty kilograms, but not exceeding fifty-five kilograms as fifty-five kilograms.

Exceeding fifty-five kilograms, but not exceeding sixty kilograms as sixty kilograms.

Exceeding sixty kilograms, but not exceeding sixty-five kilograms, as sixty-five kilograms.

Exceeding sixty-five kilograms, but not exceeding seventy kilograms as seventy kilograms.

Exceeding seventy kilograms, but not exceeding seventy-five kilograms as seventy-five kilograms.

Exceeding seventy-five kilograms, but not exceeding eighty kilograms as eighty kilograms.

Exceeding eighty kilograms, but not exceeding eighty-five kilograms as eighty-five kilograms.

Exceeding eighty-five kilograms, but not exceeding ninety kilograms as ninety kilograms.

Exceeding ninety kilograms, but not exceeding ninety-five kilograms as ninety-five kilograms.

Exceeding ninety-five kilograms, but not exceeding hundred kilograms as hundred kilograms.

Escort.- (1) Free conveyance of escort in Class II at the following scale both on the outward, and return journey carried in separate vehicle (other than in reserved passenger compartment or carriage) inspection of whether the es

(a) One man when the consignment of treasure is more than twenty quintals n but less than fifty quintals.

(b) Two men when the consignment of treasure is more than twenty quintals but less than fifty quintals.

(c) Four men when the consignment is hundred quintals and more.

Miscellaneous Additional Rules Applicable to Government Treasury only.

1. Requisition.- (a) When consignments of government treasure are tendered for despatch requisition shall b official consigning or from the person in charge of the treasure.

(b) Freight will be calculated separately on each consignment to station of destination and on the receipt, f be entered.

(c) The number and dates of the paper tickets excess fare receipts and way-bills must also be quoted on th Accounts Officer.

2. Police Escort.- (a) Police escorts of treasure shall be permitted to transfer tickets held by them to relieving

destination.

(b) In the event of two or more consignments of Government treasure being booked to different stations in the same date and by the same train, weighing in the aggregate more than twenty quintals, one requisition only will be issued and shall be entered separately on the requisition, and separate way-bills shall be issued to each of the stations to which the treasure is consigned.

(vi) Coolie hire of the transshipment, etc. of treasure:

512. The loading unloading and transshipment of treasure, while in transit over the Northern Railway, shall be done by the Railway Department, under the supervision of the Potedar in charge and of the Police Guard escorting the remittance, and coolies employed by the Potedars for this purpose. The concession made by the railway authorities shall not, however, be extended to the destination of the treasure. At these places, coolie shall, as heretofore, be employed by the Potedar.

#### TRANSPORT OF TREASURE AT THE DESTINATION:

513. Necessary arrangements for the transport of treasure at the destination shall be made by receiving Treasury Officer at the railway station and inconvenience to the Department of Home Affairs and Justice (Police Organisation). The Police Officer shall not be required to make arrangements for carts and coolies as this is strictly against the rules of the Department of Home Affairs (Police Organisation).

#### SMALL COIN REMITTANCES;

514. Remittance of nickel, bronze or copper coin shall be booked at railway risk, as far as possible.

#### NOTE REMITTANCES:

515. A guard travelling in charge of currency notes shall have the box in the same carriage, and shall sit in the last carriage box under the seat against the outer planking; if the box be too large to go under the seat, accommodation shall be made in the carriage.

#### SPECIAL RULES FOR REMITTANCES TO AND FROM THE BANK:

516. Rules 479 to 515 shall apply mutatis mutandis to remittances to and from the Bank subject to the modifications hereinafter mentioned.

517. (1) When the agent of the bank wishes to remit way surplus notes or coin from the currency chest or from the branch, and desires a remittance of notes or coin to be sent to his branch, he shall report to the local head Office to which he belongs and shall communicate with the Currency Officer and shall order for the remittance to be issued simultaneously by the Currency Officer to the Treasury Officer.

(2) The Agent of the Bank shall supply the Treasury Officer with the notes and coin required for sub-treasuries in cases in which it shall be more convenient to supply a sub-treasury direct from the currency office.

(3) The charges in connection with remittances of coin and notes to and from a branch of the Bank shall be as follows:

518. The provisions regarding packing and despatch of remittances in rules 480 to 497 shall be observed by the Agent of the Bank. Arrangements to the contrary made with the Agent the Treasury Officer shall arrange for the actual conveyance of remittances. The power of sanction the entertainment of extra Potedars vested in the head of the district by rule 497 shall not be exercised where there are branches of the Bank.

The cost of Potedars engaged to deal with heavy receipts shall be borne by the State bank of India, but Potedars engaged to entertain remittances shall be entertained by them at the cost of the Reserve Bank on the scale specified in rule 494 the sanction of the Currency Officer shall be required as specified in that rule.

519. The following provisions shall be observed in the examination of remittances of coin or notes made to the Bank:-

(a) Weighment of boxes shall be made, when practicable, on receipt of a remittance. The result of this weighing shall be given to the officer or Potedar delivering over the remittance.

(b) All remittances shall be examined in a room separate from the general business of the Bank, or if a separate room is not available, at some distance apart from the place where the ordinary banking transactions are taking place.

(c) The contents of each bag of coin shall be emptied into another and passed through the scales Potedars shall be steady before the contents are thrown out.

(d) The treasure shall then be secured in separate chests and kept distinct from other treasure, under the joint supervision of the remitting treasurer's agent until regularly examined and brought to account.

(e) Nothing shall intervene between the remitting treasurer's agent and the bank's examining Potedars in the examination of the treasure. The remitting treasurer's agent shall sit within the

examining Potedars.

(f) Upon completion of examination of a remittance, light weight coin shall be weighed against full weight granted on the spot to the remitting treasurer's Potedar.

(g) Weighing and examining a remittance shall be conducted, separately, not simultaneously; the one shall be commenced except when two Potedars are deputed to represent a treasury.

(h) If the work of weighing or examining be not finished within the day, the bags or parcels of notes not to be placed in chests under double keys, the one to be retained by the remitting treasurer's agent the other by the Bank agent.

(i) The Bank Potedars who commence weighing and examining a remittance shall continue at the same duty till the end of the remittance; or such portion of it as has been taken over for examination, their places shall not be filled up in case of sickness.

(j) When a remittance is not accompanying the remittance shall, before finally leaving the Bank, submit a memorandum of the uncurrent and spurious coins and of any deficiency found after examination of their respective parts.

(1) Should potedars accompanying a remittance find any of the above rules not complied with, or should they detect free a open scrutiny of the proceedings during the report the same to the Bank's agent.

#### CHARGES FOR REMITTANCE OF TREASURE, TELEGRAMS, ETC.

520. All charges in connection with the remittance of treasure such as cart and coolie hire, cost of boxes and travelling allowances of potedars accompanying remittance, railway freight, etc., shall be borne by the Reserve Bank expenditure as detailed in the preceding rules and debit the amount in the treasury accounts with full details supported by vouchers to be paid in cash or through credit notes.

All charges for telegrams sent by the treasury or sub-treasury officers in connection with resource and for authorising or intimating telegraphic transfers, telegrams reporting receipt and despatch of remittance and telegrams for currency and treasury or authorising such transfers shall be debited against the Bank's accounts.

### PART XIII

#### REMITTANCES THROUGH TELEGRAPHIC TRANSFERS, BANK DRAFTS AND GOVERNMENT DRAFTS SECTION I-INTRODUCTORY

521. The Reserve Bank of India, with the concurrence of the Government of India and various State Governments, shall provide facilities throughout India to the public in general, scheduled and non-scheduled banks, indigenous banks and Co-operative banks and also to Government employees on Government Account.

The detailed scheme shall be embodied in the Memorandum issued by the Reserve Bank of India regarding Facilities in India which shall inter alia lay down the different types of drawings, the rates of exchange to be charged, the limits of drawings. Extracts from this scheme in so far as they effect the treasuries and public servants have been published.

522. The person or office that draws ( i.e., issues or grants) a draft shall be called the Drawer; the person or office to whom it is payable shall be called the Drawee, the person or party to whom a draft is granted shall be called the Remitter and the person to whom it is payable shall be the Payee.

#### REMITTANCES BETWEEN PLACES WHERE THE RESERVE BANK HAS ITS OWN OFFICES OR IS REPRESENTED BY BOTH.

523. (1) Drawings by offices of the reserve bank and offices and branches of the State Bank of India on offices and branches of the Reserve Bank shall be regulated entirely by the provisions contained in the scheme referred to in rule 521 which shall also provide for the regulation of those offices and branches.

(2) The provisions governing the issue of Government drafts by the offices of the Reserve Bank of India and offices of the State Bank of India on their own offices and branches have been abstracted in Annexure 'I' to this Chapter.

Note.- A list of the offices of the Reserve Bank of India and of the local head office and branches of the State Bank of India is given in the Schedule to this Chapter.

524. (1) At a place where the branch of the State bank has not full currency chest facilities, or is not conducting currency transfers, Reserve bank drafts or and Reserve Bank Government drafts drawn on or by an office or agency of the Reserve Bank shall be payable at the place where the branch of the State bank has full currency chest facilities.

the treasury agency at such place and the state bank Government drafts (vide Annexure A to this Chapter) shall not

(2) At places where the cash business or the treasury is conducted by Sub-offices of the State bank having in the treasury at ( or sub-treasury) or sub-treasury at such places acting as Treasury Agency of the Reserve Bank bank though the cash and clerical work in connection therewith shall be transacted by the latter under the orders Officers as the case may be (Paragraph 1 and 6 of Rule 448, *ibid*).

**REMITTANCES BETWEEN PLACES WHERE A TREASURY OR SUB-TREASURY EXISTS BUT AN OFFICE OR A BRANCH OF THE STATE BANK DOES NOT EXIST AT ONE OR BOTH ENDS.**

525. Transfers of money on behalf of the Reserve Bank from or to a place where there is no office of the Reserve State bank at one or both ends shall be effected through telegraphic transfers, bank drafts and Government Treasuries, as the case may be, in accordance with the provisions contained in the scheme referred to in rule 521 and

Note 1.- The provisions in the succeeding rules of this Chapter shall not apply to remittances granted to the Defence Department) which shall be governed by the rules issued by the government of India as have been incorporated

Note 2.- All treasuries and sub-treasuries with currency chest facilities, at places where the reserve Bank of India as "Treasury Agencies" of the Reserve Bank for the issue and payment of telegraphic transfers and drafts.

Note 3.- A list of the treasuries and sub-treasuries which issue and cash telegraphic transfers and drafts shall be "List of Treasuries and Sub-Treasuries in India ". issued by the Government of India. From that list it shall be noted treasuries at which there are no currency chests have been given restricted powers to issue and encash drafts. Such shall be treated as treasury agencies to the extent noted therein.

526. Bank drafts and government drafts shall be prepared and on forms specially specified for the purpose by the forms of schedules and advices application forms for telegraphic transfers and drafts, etc. shall be specified by the

527. The government and not the Reserve Bank shall be responsible for any loss in connection with remittance or negligence of the officials at treasury agencies. treasury Officers, shall, therefore, see that the greatest care is taken in transfers and drafts.

**SECTION II- SPECIAL RULES RELATING TO TELEGRAPHIC TRANSFERS AND BANK DRAFTS.**

528. The following conditions shall be applicable to telegraphic transfers and bank drafts:-

(1) A person applying for a telegraphic transfer or a draft shall pay the amount of such transfer together with the cost of telegram or drafts with a formal application in the prescribed form, which may be obtained from the treasury draft is issued. The application form duly filled in shall serve as a challan for the money tendered. The Treasury transmission to the Accountant-General alongwith the daily schedule of Reserve Bank of India Remittances Drawn is demanded by the purchaser of a draft or transfer a memorandum showing the amount of the draft or transfer and issued to him in the form specified by the Bank.

(2) All transfers and drafts shall be payable in legal tender currency, i.e. notes or rupees at the convenience of other words the payee shall have no right to demand payment in any particular form or currency, though in practice possible.

529. Remittances on government Account shall ordinarily be made by means of government drafts but in case where have permitted remittances by telegraphic Transfer at par within the State on payment of the cost of telegrams. A conduct government Business, the State Bank or treasury Agencies shall arrange for sending these remittances by the

Extra State remittances by Telegraphic Transfer shall be charged for at the following rates:-

Upto Rs.5,000	...	1/16 per cent (minimum Re.1)
Over Rs.5,000	...	1/32 per cent (minimum Rs.3.12)

**III-SPECIAL RULES RELATING TO GOVERNMENT DRAFTS**

(i) Money limit

530. No Government drafts shall ordinarily be issued for an amount less than fifty rupees save when it is required for remittance of the surplus of the estates of deceased persons and for payments in connection with securities lodged on behalf of Government. Any other case involving issue of drafts of less than fifty rupees shall require sanction of

(ii) Conditions under which issued.

531. (1)"Reserve Bank of India Government Drafts" shall be drawn for transfer to and from places where the Reserve Bank agencies and shall be issued at par or at a premium according as the remittances is intra-State or extra-State (See

drafts at par shall be issued only under the conditions and in the cases specified in rules 532 and 533 and in such cases as the Government may decide from time to time.

Note.- The consent of the Department of Finance shall not be considered as given to the granting of remittance facilities specified in the rules mentioned above. Copies of orders other than those specified in the rules mentioned above. Copies of orders sanctioning new remittance facilities at par shall invariably be endorsed to the Reserve Bank.

(2) "Government Drafts" shall also be drawn by the offices of the Reserve Bank of India and offices and branches of its own offices and branches as given in the annexure A to this chapter. The draft will be issued at par or at a premium as specified in sub-rule (1) above:-

(3) Government Drafts shall be issued in two forms:-

(i) "Reserve Bank of India government Drafts" to be drawn:-

(a) by and or treasuries where the reserve bank is represented by treasury agencies; and

(b) by the Reserve Bank on its own offices and on branches of the State Bank of India.

(ii) "State Bank of India government Drafts" to be drawn by the state bank of India on its own offices and branches.

Note 1.- Reserve Bank and state bank "Government Drafts" shall be superscribed "On Government Account only."

Note 2.- Drafts shall be marked in the right hand top corner "intra-State" or "extra-State" as the case may be.

Note 3.- See also Rule 529.

532. a Government draft may be issued to a Government employee at par for an intra-State remittance to be used for the payment of any service rendered to Government or in pursuance of his official duties. Government employees rendering such service shall submit with a cash a formal application certifying that the draft is wanted exclusively for bona fide purposes. For the purpose of the remittance, see also rule 528(10). If the Treasury Officer doubts whether the object is really public, he shall refer the matter to the orders of the Deputy Commissioner. Questionable grants shall be reported to the currency officer with a view to his guidance.

533. Intra-State Government drafts shall also be issued at par in the following cases:-

(i) Department of Public Works. ... to Executive Engineers and to Sub-Divisional Officers whether they have drawing accounts or not, for payments to be made outside their divisions but only on public service and not for private purposes or the convenience of contractors. when purchases are effected, or work is done, by one division on account of another, the adjustment shall be made by book transfer.

(ii) Subscriptions for a public or quasi-public purpose. ... The Government when desiring to facilitate the collection of subscription for any public or quasi-public purpose in which it is interested may allow the issue of one Government draft a month, from any district treasury to the local secretary or treasurer of the fund or institution for the purpose of remitting subscriptions to the central body.

(iii) Workmen's Compensation. ... To a Commissioner for Workmen's Compensation in favour of another Commissioner for the remittance of money remaining in his hands or invested by him for the benefit of any party to any proceedings

- pending before him but transferred to another Commissioner in accordance with section 21(2) of the Workmen's Compensation Act, 1923 (Act VIII of 1923).
- (iv) Pay and allowances ... The remittance of pay and allowances shall not ordinarily be a bona fide public purpose, but a Government draft may be granted for the remittances of the pay and allowances of a Government employee deputed beyond the limits of the district in which his pay has to be drawn.
- Government employee of the Department of Public Works may, when presenting bills for the pay and travelling allowance of their establishments, obtain Government drafts on other district treasuries for amounts which may have to be disbursed outside the civil district but within their own jurisdiction. Such drafts may, if the government has so authorised, be made payable even at sub-treasuries under note to Punjab treasury Rule 230.
- (v) For family remittances in the case of Department of Home Affairs and Justice (Police Organisation). ... To Officers and men of the police battalions and police constabulary for remitting money to their families in the form and on the terms provided for sepoy's remittances, the heading of the descriptive roll being altered to suit the case.
- (vi) Refunds of electoral deposits. ... For the remittance of electoral deposits refunded to candidates for the legislative bodies (both Union and State) who are residing in district which are different from those where the deposits were originally lodged.
- (vii) Local Funds. ... (i) To local funds mentioned below and to such additional funds as may be determined from time to time by the competent authority after consultation with the Reserve Bank subject to the condition that the remittances are for bona fide public purposes-
- (1) District Funds including district and local boards funds.
  - (2) Police funds.
  - (3) Chowkidari Uniform Fund.

- (ii) To local boards for investment of the surplus funds in an office of the Reserve bank of India or a branch of the State Bank of India or in any Co-operative Bank authorised, by the Government for this purpose.
- (iii) To Co-operative banks in which the surplus funds of the local boards have been invested for remittances of interest of investments realised for payment to the local boards or municipalities.
- (iv) To municipalities and school boards for remittance of their surplus funds for investment in any Co-operative Bank.
- (viii) Payments of passages of Civil Officers. ... The Accountant-General, for the payment of passage booked by Shipping Co., and agents.
- (ix) General Public. ... At Treasury Agencies for remittance to the office of the Reserve Bank at Calcutta, Madras or Bombay for purchase of Government Promissory Notes. The minimum amount of a draft in such cases shall be five thousand rupees.

Note 1.- In order to ensure that 'government' drafts are used for the purpose for which they are taken, they shall be issued at Calcutta, Bombay or Madras and marked " for investment in Government securities."

Note 2.- Intra-State remittances at par will be made by Government drafts; all remittance at a premium e.g. remittance in will be made by bank drafts and shall be accounted for in the manner given in the Annexure A to these rules.

534. Government drafts shall also be issued for extra-State Remittances on behalf of the government and for 533 and for such other quasi-public purposes as may be determined by the competent authority from time to time exchange specified by the Reserve Bank.

#### SECTION IV- ISSUE OF DUPLICATES OF DRAFTS

535. (1) When satisfactory evidence has been given that a draft has been either lost or destroyed, and an applicant (say, six months) after issue but before it has lapsed ( Rules 541) a duplicate shall, without reference to the current obtained the original, or to the payee, or to the legal representative of either, but no other person. If the draft shall be three months, it shall be necessary for the applicant to produce a certificate of non-payment from the drawee, but a bar to the payment of the lost draft, if presented before the duplicate is paid. The duplicate draft shall not be satisfied himself by reference to the office drawn upon that the original has not been paid. A duplicate draft shall be revalidated by the drawing officer if the period of currency of the local draft has expired. The duplicate shall be original instrument with the same date, the same number, the same amount and the name of the same payee. In Government drafts the duplicate may be issued to the party who obtained the original or to the payee or the legal representative of their providing satisfactory evidence that the original bill has been either lost or mislaid. If a lost Government draft is presented to bankers, the endorsee shall apply for a duplicate through the original payee as required by rule 537.

(2) A duplicate of Reserve Bank "Bank" draft shall not be issued to any one other than the person who applied for the original draft and indemnity in the form given in annexure B to these rules shall be taken from purchaser the original draft irrespective of whether it is current or has lapsed. The letter of indemnity shall be signed by the purchasers and ordinarily by two sureties each of whom the applicant is of undoubted standing and the amount of the draft is small, the production of sureties may be waived, but if the amount is large, sureties shall be taken. If the issuing office has any doubt as to the advisability of dispensing with, the sureties or

purchaser and/or the sureties on the agreement for indemnity he shall refer to the currency officer, at the same time to the means and standing of the parties. The letter of indemnity shall be stamped as an agreement in accordance with the Act, 1899 (Act No.2 of 1899) and shall not be altered. The completed letter of indemnity shall be retained for reference. The officer-in-charge shall be personally responsible for their custody.

In all cases as enumerated above it shall not be necessary for the Treasury agencies to obtain fresh applications from the purchaser. A letter intimating the loss of the original draft and requiring the issue of a duplicate one in lieu thereof shall be issued. 536. In the event of the loss of both original and duplicate a triplicate shall be issued on the same terms as the original draft being certified. Neither duplicate nor triplicate shall be issued without reference to the currency officer if the original draft or triplicate shall be promptly advised to the drawee in order that proper note may be made on the advice originally received. 537. The duplicates or triplicates shall be drawn on exactly the same terms as the original instrument with the same amount, and the name of the payee; so that, if a lost draft has been endorsed, the endorsee must apply for the duplicate to be issued under the signature of the officer-in-charge of the treasury at the time, although he be not the person who issued the original.

Note.- No special form is prescribed for duplicate drafts. When it is necessary to issue duplicates the work shall be done in red ink on the face of ordinary drafts forms and the relative advice forms. The duplicate shall be issued only after the original has not been paid.

Note 2.- For test to be applied to the payment of duplicate and triplicate drafts, see note (2) below rule 559.

#### SECTION V- CANCELLATION OF DRAFTS.

538. No draft shall be cancelled without surrender of the whole set. Thus, if a duplicate or a triplicate has been issued, the original together with the duplicate (and the triplicate if issued) be surrendered. Consequently no refund shall be made. A refund must be obtained and payment taken at the treasury or office drawn on. Although no difficulty shall be made about the cancellation of drafts, it must be clearly understood that other classes of draft shall be cancelled only as an indulgence, and for sufficient cause. A draft which has been charged shall be refunded. For the cancellation of Policemen's drafts see rule 542.

Note 1.- For the procedure regarding the refund on cancellation of the drafts see Rule 570.

Note 2.- If alternation of the name only of the payee is required by the remitter, it will suffice for the drawer to sign the signature and to advise the drawee.

#### SECTION VI-EXCHANGE OF DRAFTS

539. A Treasury Officer may issue a draft in exchange for one drawn on him:-

(i) If on Government account, only if the payee be a government employee and requires the draft to be exchanged on his application;

(ii) in other cases, only if the holder has been removed to the neighbourhood of another treasury or of an office.

Note.- A draft shall be said to be exchanged when the holder being unable to appear and take payment in cash, the Treasury Officer issues an original "Received payment by Government draft on \_\_\_\_\_".

If he can appear and take payment in cash, his obtaining a new draft with the cash paid on the old one shall be regulated by ordinary rules.

#### SECTION VII- UNPAID DRAFTS

540. Drafts which are outstanding for more than six months shall be paid only after obtaining necessary confirmation from the remitter.

#### SECTION VIII.-LAPSE OF DRAFTS

541. Drafts which are not paid before the end of the third account year after that in which they are issued shall be marked kin in the advice. Their payment at the treasury shall be regulated by note (2) below Rule 559. Should any draft be marked kin, it shall be directed to address the currency officer for orders.

#### SECTION IX-GOVERNMENT DRAFTS TO POLICEMEN

542. In the case of Policemen's remittances, the District Superintendent of Police or the Commanding Officers shall issue a draft to the payee direct. Descriptive rolls of the payees duly filled in and signed, shall at the same time be sent to the currency officer.

Note 1.- There shall be no objection if such a course is preferred or is required by departmental rules to the draft being issued to the officer of the district in which the payee resides, who will deliver it to the payee after satisfying himself as to his identity.

Note 2.- See Rule 568 regarding payment of these drafts.

543. These drafts, if not presented for payment before the expiration of six months from the date of issue, shall be marked kin. and if they are presented after that period, payment shall be refused. A draft which has thus become uncurrent may be renewed for the issue of a fresh draft or for the refund of the amount as may be required.

Should such a draft, whether original or duplicate, be lost in transit, report shall be made to the currency officer.

its merits, sanctioning refund to the person indicated if it appears right. when the draft is six months old and, there permitting refund on production of a non-payment certificate from the treasury or office on which it was drawn.

Note.- These drafts shall also be cancelled as provided for in rule 538.

## SECTION X- PROCEDURE AT TREASURIES

### (i) Introductory

544. The receipts and payment on account of telegraphic transfers and drafts drawn by or encashed at the office branches of the State Bank shall not pass through Government accounts and the rules in this section shall not there drafts. The procedure to be observed by Treasury Officers in respect of the issue and payment of telegraphic tra account shall be governed by the following rules but the Treasury Officer shall comply with any general or special in this behalf by the Currency Officer.

545. All transactions connected with the drawings and encashments of telegraphic transfers and drafts shall b accordance with the directions contained in Account code, Volume II, Exchange charged and collected by treasur credited to the Reserve Bank through the accounts submitted to the Accountant General.

The provisions of rule 52 shall apply mutatis mutandis to the rules in this section also.

### (ii) Issue of telegraphic transfers and drafts.

546. In issuing telegraphic transfers the following points shall be kept in view by a treasury office.-

(1) The telegram to the officer making payment of the transfer shall be sent in the Reserve bank's cipher cod India treasury agencies private check signal.

(2) A post copy of the telegram shall be despatched to the paying officer at the same time as the telegram is iss

547. Drafts shall be prepared and signed from time to time as they are applied for, immediately on the receipt o signing them shall not be postponed till the close of office and on no account shall the office be closed till all dr draft shall be signed legibly with the full signature of the Treasury Officer who shall take pains to maintain a unifor

548. If alterations be made in a draft prior to issue, the correction shall be noted in the advice (rule 550) an advice, shall be authenticated by the drawer's full signature in order to prevent hesitation on the part ;of drawee. I carelessly as to enable a stranger, to alter it and fraudulently to obtain payment of a large amount, the drawer and the Treasury Officer drawn upon must remember and apply the numerous defensive checks provided for him, see a

549. At the time of signature of a draft, the Register of Reserve Bank of India Remittances drawn, together with and the book of forms, shall be laid together before the treasury Officer. the Treasury Officer shall initial each en entry in the register at the same time as the signs the draft, after he has satisfied himself that-

(a) the several documents agree;

(b) the authority for issue is sufficient;

(c) the date and office of issue and the name of the payee are legibly and distinctly entered in the body of the dr

(d) in addition to the amount being entered in figures the amount of whole rupees is entered a second time in w or figures; that the words are written continuously without lifting the pen and that when the amount consist of rupe a rupee, the words and with the words "only"; and

(e) a sum a little in excess of that for which the draft is granted, is entered in words across the draft at right ang

Note 1.- "Under thirty rupees" shall mean that the draft is for a sum less than Thirty rupees but not less than tw hundred rupees" will mean that it is for less than eight hundred rupees, but not less than seven hundred rupees.

Note 2.- The cross entry shall not be necessary if the amount in words is types perforated by a special cheque wr

### (iii) Advice of Remittances drawn.

550. An advice of telegraphic transfers and drafts drawn on a particular treasury or the Bank on any partic specified by the Reserve Bank. The advices shall be completed, signed and despatched by the Treasury Officer to in accordance with the directions given in the Account code, Volume II. Advices of drafts drawn on the Bank Agent, as the case may be, of the Bank.

Note.- In the case of two or more sheets being required to advise issue of telegraphic transfers and drafts, Treas advice and not only the first sheet.

551. Issue of duplicates or triplicates shall be promptly advised to the drawee in order that a proper note may b him.

552. Variation in the signature of the drawer often entails much trouble on the paying office and the draughtsman. The inconvenience or delay which may be caused to individuals in consequence of change in, or illegibility of, his signature on the face of the draft, as the drawee shall be justified in suspending payment in case of doubt arising from such causes.

553. When any change of Treasury Officer occurs, a specimen of the signature of the relieving officer in the form of a going Government employee to all treasuries and the offices or agencies of the Bank usually drawn on.

"The undersigned begs to notify to \_\_\_\_\_ that he has on this day been relieved of the executive charge of the treasury at \_\_\_\_\_ by \_\_\_\_\_, a specimen of whose signature is annexed. \_\_\_\_\_.

Relieved Officer.

Date \_\_\_\_\_ Relieving Officer.

Note 1.- It shall be necessary for a Treasury Officer to draw on a treasury or an office not usually drawn upon if a specimen has not been sent under the provisions of this rule, he shall at the time of issue of a draft also forward a separate forwarding letter duly stamped with the seal of the treasury which shall be posted in a separate cover and not in the same cover as the draft.

Note 2.- When a government employee who was formerly in charge of a treasury resumes charge of it after a period of absence, the drafts again be circulated among the treasuries and other offices.

554. The provisions in rule 553 are intended to apply to all cases in which a government employee performs the functions of a Treasury Officer on drafts drawn on other treasuries, etc., whether there is a formal transfer of charge of the treasury or not. In such cases a specimen signature of the locum tenens shall be furnished by the Deputy Commissioner or other officer-in-charge of the treasury only on which drafts are actually drawn by the temporary holder during his incumbency of the Treasury Office.

(v) Register and Schedules of Drawings.

555. Transfers and drafts drawn each day shall be recorded in the "Register of Reserve Bank of India Remittances" specified by the Reserve bank. The Register shall be written up and the schedules prepared, checked and submitted daily in accordance with the directions contained in account Code, Volume II. Among other checks it shall be seen that the number of items in the schedule.

(VI) Check on payment.

556. The advices received from the issuing offices shall be opened in the presence of the Treasury Officer, and he shall have satisfied himself of its genuineness by examining the signature of the drawer and, if necessary, the post-mark. The advices shall be arranged according to the offices from which they are received and posted chronologically in separate guard files in such a way that they may be kept together. These files shall be kept under lock and key.

Note.- It may be as well to remind Treasury Officers so the security ( against the fraud of altering after signature) which shall be afforded by comparison of the total amount reported in words in the heading with the real total of the draft. Any alteration of any entry whether of names or figures, in an advice shall require the drawer's full signature so that it may not be attempted altering the advice before he has signed it, since at the time of signing he shall notice any uncertified alterations.

557. The advices arranged in the manner prescribed in the preceding rule shall facilitate the examination and control of payment. The entries made in advices shall be a sufficient obstacle to the encashment of drafts forged or fraudulently obtained. It effectually bars the use a second time to a particular number and suggests suspicion even of the advice where a high number is used.

(vii) Payment of Telegraphic Transfers.

558. In paying a telegraphic transfer the following instructions shall be followed by a Treasury Officer:-

- (a) The person claiming payment shall be required to produce his telegraphic advice from the place where it was issued.
- (b) If the person to whom the transfer is payable is not known to the Treasury Officer, the Treasury Officer shall require the signature of a known and responsible person who shall certify that the payee is known to him.
- (c) The payment of the transfer shall be reported at once by a letter to the issuing officer.
- (d) If the Treasury Officer has any reason to doubt whether the person claiming payment is entitled to it he shall require the signature of a known and responsible person who shall certify that the payee is known to him.

confirmation.

(e) If the post copy of the telegram authorising payment is not received within three days of the date on which it was issued, the Treasury Officer shall communicate with the issuing officer and ask for the confirmation of the telegram.

(viii) Examination of Drafts Presented

559. (1) On presentation of a draft for payment, the Treasury Officer shall compare it with the advice received and shall see to it that the draft is in order and that it is receipted on the back by a person able to give a legal quittance.

(2) The government drafts shall be payable only as follows:-

(i) to the payee on identification.

(ii) to the payee's banker who shall certify that the amount has been placed to the payee's credit, or

(iii) to a person holding a letter or authority from the payee whose signature must be known to the paying office, or to the paying office to pay the money to a certain named person, that person must be identified to the paying office before payment is made.

(3) It will, thus be seen that the liability of the payee named in the draft can only be discharged by payment to the payee or his lawful agent or to a recognised bank, in whose favour it is endorsed for the purpose. In cases, therefore, where the draft is endorsed in favour of a recognised bank, the genuineness of the payee's signature to the receipt on the back of the draft, if the payee himself is not in attendance the Treasury Officer, shall assure himself that the presenter of the draft is the authorised agent of the payee to receive payment. If the presenter is unknown to the treasury officials, or, if known, should there be any doubt as to his being in lawful possession of the draft, the Treasury Officer shall demand a writing from the payee, authorising the presenter to receive payment on the payee's behalf. Similarly, in cases where payment is made on an endorsement to a recognised bank the Treasury Officer shall see that the presenter or the draft is the authorised agent or messenger of the bank which shall certify that the amount has been paid to the bank.

Note 1.- Drafts shall not be payable at sub-treasuries save as expressly provided in the notes in the "List of Treasuries" by the provision in the Punjab Financial Rules. But if the money payable on a Government draft drawn by a treasury officer at a sub-treasury order may be issued to the payee for presentation at the sub-treasury. In such a case the payee shall receipt the draft on "Order on Sub-Treasury" and the Treasury Officer at the district treasury shall finally deal with the draft and shall take the cash order as are prescribed in the case of payment in cash. If the money payable on a Government draft is to be paid to the business of the treasury at the district headquarters is required at a sub-treasury whose business is not conducted at the district headquarters the draft in favour of the Treasury Officer, who will then endorse it as:-

"Received payment by transfer credit to cash order on the \_\_\_\_\_ sub-treasury" and issue a cash order in favour of the payee at the sub-treasury.

Note 2.- No duplicate or triplicate older than six months shall be paid without previous reference to the Current Drafts Book. A triplicate of a draft endorsed for payment at a sub-treasury be either cashed, or endorsed for payment at a sub-treasury, if the Treasury Officer has certified that he has not paid the original and that he has recorded the issue of duplicate.

Before making a payment of claims in respect of lapsed drafts (vide rule 540) the applicant shall be directed to produce the original to the Treasury Officer.

560. Before paying a draft it shall be seen that:-

(i) it has been advised;

(ii) it corresponds in all particulars with the advice;

(iii) it bears the genuine signature of the drawer;

(iv) it has not been tampered with; and

(v) It is not a cancelled or a lapsed draft or one of which a duplicate has been paid;

Provided that a draft may be paid,-

(a) without advice, if there is no reason whatsoever to doubt its genuineness, and if sufficient security is provided by reliable holders, this security may be dispensed with. The Treasury Officer shall in all such cases apply for the necessary security.

(b) even though differing from the advice, at the discretion and risk of the drawee if there is neither suspicion nor any possible doubt of the genuineness of the draft. But great caution shall be exercised before paying on a draft. But the Treasury Officer shall not pay on a draft on an amount larger than that named in the advice.

(ix) Doubtful drafts

561. (1) In cases of erasure, alteration, or other serious cause for suspicion, the drawee shall, before payment, require the signature of the bank, as the case may require. Any material alteration of a draft without the consent of the parties, after it has been issued, whether in date, sum or time or place of payment, shall invalidate it; but the mere correction of a mistake, as by inserting the correct date, shall not have such effect. Government draft shall not ordinarily bear any other endorsement than that of the Treasury Officer.

Treasury Officers shall be justified in declining to cash such drafts bearing any other endorsement whenever it may be desired, if so desired, on endorsement of the government drafts in favour of a recognised bank.

(2) there shall be no objection to the bank paying on its own responsibility, and for the convenience of its customers, on endorsement in addition to that of the payee. In all such cases, the bank shall itself endorse the drafts. The special endorsement shall be an acquittance to Government as simple endorsement "Contents received". Consequently there is no doubt, of the fact that the draft is NOT TRANSFERABLE.

(x) Form of Receipt

562. A Government draft shall not be transferable and shall only be payable to or on the receipt of the person named therein. It may, however, be made, if so desired, on the endorsement of such draft, in favour of a recognised bank. A bank draft shall be transferable. A draft payable "to the order of A.B., and A.B., the original payee" shall be able to transfer his right by endorsement. The name on the back, in which case it becomes payable to bearer, or he may write above his signature "pay to C.D." or "pay to the order of C.D." C.D. shall stand in the same position as A.B. did originally and shall have the same powers of transfer. The endorsement so transferred is called endorsement; and endorsement to "C.D. or order" shall be special endorsement; and the draft so transferred shall be endorsed and the person in rightful possession of a draft at any time shall be the holder.

567. (1) For the sufficiency of the receipt, it shall be necessary to see that it is not for a part only of the draft. The receipt shall be given to the holder. On no account shall a draft be paid by instalments; receipt for the full amount shall be given on the reverse.

(2) If the legal holder be dead, payment shall be made only to his legal representative; a draft for less than the full amount shall be paid without a certificate of administration.

(3) If the receipt be signed by an agent or attorney, note of the existence, and of the record in the treasury, of the draft.

(4) If more than one person be named in a draft all must join in order to give a valid endorsement or receipt.

(5) A draft payable to A.B. shall not be cashed on the receipt of his partner C.D. without production of a form of authority. A.B. and Co., shall be paid on the receipt, as AB and Co., of any member of the firm.

(6) Drafts payable to an incorporated company or any other corporate body shall be paid on the receipt of the company, specially by its regulations or by power of attorney to receive moneys payable to such company or body.

In the case of drafts payable to an unincorporated body payment shall be made to a person holding authority from the body; but the Treasury Officer shall first satisfy himself that the authority has been duly conferred.

(7) If the amount of the draft be payable by transfer to some head of account, the head of account to which the draft is included in the treasury accounts shall be noted in the advice and separate credit shall be given in the cash book. The schedule submitted with the schedule (vide rule 5550) shall contain a certificate to this effect over the signature of the Treasury Officer. If the Collector or other public employee, he shall endorse it "Credit to such a head of account" over his signature.

Note.- a public employee when he sends a government draft to a treasury, not for cash payment, but for credit to some head of account, must before he signs the receipt, add to the words "Received Payment" the further words "By transfer credit". On the receipt of the appropriation of the money.

(xi) Register and Schedules of Encashments.

564. Transfer and drafts encashed (vide Rule 569) shall be recorded in the "Register of Reserve Bank of India" and a schedule of specified by the Reserve Bank for submission to the Accountant General. The register and the schedule shall be kept in accordance with the directions contained in Account Code, Volume II.

565. The following are the cross checks which the Treasury Officer shall each evening apply to the several documents drawn and encashed. The Registers of Remittances drawn and encashed and the connected schedules check each other. The schedule must agree with total receipts or total payments for the day as booked under the head "Reserve Bank of India" after allowing for receipts and payments if any, at sub-treasuries which will be entered under a separate sub-head. The total for the day must also agree with the total in the column "Amount" in the schedule of drawings, and this agreement shall be checked by the Treasury Officer himself.

(xii) Drafts cancelled

566. When a draft is cancelled, as provided in rule 538, the fact of cancellation shall be conspicuously noted in the register. At the same time an intimation shall be sent to the office drawn on, in order that the fact may be recorded in the advice originally drawn. No action shall be taken against payment of the cancelled draft. The cancelled draft shall be duly receipted by the remitter or the payee.

Note. The amount refunded will be entered in the "register of Reserve Bank of India Remittances-Encashed" and a schedule of such encashments for the day on which the cancellation takes place in accordance with the directions.

Code, Volume II.

(xiii) Drafts exchanged and lapsed.

567. When a draft is exchanged for another, the original shall be treated and entered as a draft presented for payment received for the issue of new a draft.

Lapsed drafts (Rule 541), shall be marked as lapsed in the column "date of payment" of the Advice.

(xiv) Government drafts to Policemen

568. The government drafts shall be payable to the parties described in the roll. In cases of doubtful identity payment at the discretion of the Treasury Officer.

(xv) Note of Payment

569. As soon as telegraphic transfer or draft is paid, it must be stamped "Paid", the date of payment at the same time as provided for the purpose in the advice. The entry shall then be initialled by the treasury Officer in the column provided for.

(xvi) Cancellation and refund

570. Procedure at the issuing treasury.- All drafts being surrendered and the draft cancelled as provided in rule 541 at the discretion of the Treasury Officer on the application and receipt of the remitter in the case of public service Government draft, in the case of a bank draft or a private Government draft. If in either of the latter cases the receipt of the payee cannot be obtained, cancellation, with explanation of the reasons for his request, and of the difficulty in the way of obtaining the receipt, shall be referred to the orders of the Currency Officer. No discount which has been levied shall be refunded, but if, under very peculiar circumstances, to cancel a bank draft on which discount has been allowed, the amount of discount shall be deducted, and no amount received on the draft shall be refunded.

571. Procedure at the treasury drawn upon.- On receipt of advice of cancellation of any draft or on its lapse, the entry shall be marked 'of payment' (of the relevant advice). Similarly, notes of reference touching irregularities, issue of certificates of non-availability and or any other points of importance shall be made on the advice.

(xvii) Supply of Forms

572. (1) Forms of drafts and all other forms prescribed by the Reserve Bank for use in connection with the remittance to the treasuries by the Currency officer under whose jurisdiction these are situated. Indents for such supplies shall be submitted to the Reserve bank as the Reserve bank may specify and shall ordinarily be for twelve months supply. The indents shall be submitted each year for supplies required during the ensuing financial year.

(2) The indents shall be carefully prepared and shall so framed as to prevent the need for supplementary indents to be complied with without an explanation being furnished.

573. Immediately on receipt of a parcel of forms of drafts, they shall be carefully examined and counted and an acknowledgement sent to the Currency Officer certifying that forms have been counted and found correct. They shall be numbered, and bear a printed number in a general series. The series of number in each book shall be checked, and the particulars given in the invoice. The acknowledgement shall certify that the forms have been counted and found correct.

574. The forms of drafts and of advices shall be placed in store under the key of the treasury Officer, who shall be responsible for containing draft forms and the advice forms for the day's use. He must be careful not to issue a book of a letter which, therefore, shall see that the store is so arranged as to prevent mistakes. Every evening the unused forms shall be re-numbered; the series is unbroken; that no form is kept back unissued unless it be spoiled; and that the number of draft forms exchanged shall be the number listed in the Schedule of Reserve bank of India Remittances Drawn for the day.

575. Spoilt forms shall be destroyed by the treasury Officer after noting in the remarks column of the "register of Remittances Drawn" under his full signature the printed numbers of the forms destroyed after certifying that the forms have been destroyed.

(xviii) Periodical Returns:

576. In order to enable the Reserve bank of India to review the rates of exchange, Treasury Officers shall furnish returns regarding the various forms of remittances at the District Treasuries and Sub-treasuries under them. These returns shall be submitted along with the cash reports for the months of March and September in the form specified by the bank.

**CYPHER CODE AND 'TREASURY AGENCIES' PRIVATE CHECK SIGNAL BOOK OF THE RESERVE BANK OF INDIA**

577. (1) The Currency Officer of the Reserve bank of India shall supply the Cypher Code "Treasury Agencies" and the Check Signal Book of the Reserve Bank of India to each Treasury Officer and to the Sub-Treasury officer of each Sub-Treasury which has a telegraphic transfer to be used for telegrams, relating to currency and resource matters and the Check Signal Book for authenticating telegraphic transfers. Both shall be treated as strictly confidential.

(2) A Treasury or Sub-Treasury officer who holds copies of the book shall never take them away from the office.

them in either a safe (if there is one available) or a locked tin box with a closefitting lid in the strong room on conditions which ensure not only their security but their safety from damage, and keep the key of the safe or box and when he takes the books out for use, he shall always keep them in his personal custody. The loss of copies of the books of the Reserve Bank in considerable loss before protective measures could be adopted and Treasury and Sub-Treasurers shall exercise the greatest possible care in regard to the custody of their copies of the books and see that they are always as careful as possible in their balances.

(3) A Treasury Officer or Sub-Treasury Officer who holds copies of the books shall never on any account allow a Government employee duly authorised to take charge of the duties of his post from him. When a Government employee is relieved of his charge he shall hand over the copies of the book in his custody to the relieving Government employee on his own hand the following certificate in the certificate of transfer of charge:-

" I hereby certify that I have received and hold in my personal custody copy/copies of the Cypher Code of the Reserve Bank Supplement Nos. which has/have been corrected up-to-date. The last amendment slip received is No. \_\_\_\_\_".  
" I hereby certify that I have received and hold in my personal custody copy/copies of the "Treasury Agencies" Private Check Signal Book of India which has/have been corrected up-to-date. The last amendment slip received for the Check Signal Book is No. \_\_\_\_\_".

(4) Should the Cypher Code or the Check Book get lost or fall into unauthorised hands at any time, the holder shall send a telegram to the Chief Accountant, Reserve bank of India, Bombay, for necessary action. In cases where the book is held by a Sub-Treasury Officer, the telegram shall be repeated to him for information. A detailed report regarding the circumstances attending the loss of the book in the case of loss and the precautions taken to prevent a recurrence shall be submitted direct to the Chief Accountant as soon as possible thereafter if the book was supplied by him. In cases where the book was supplied by a Currency Officer through that official who will forward it to the Chief Accountant of the Reserve Bank with his remarks regarding the loss of the Code or Check Signal Book. In the event of amendment slips being lost or falling into unauthorised hands, an acknowledgment telegram, shall be made to the Chief Accountant, Reserve Bank, or to the Currency Officer concerned according to the source of supply. A detailed report similar to that mentioned above for the Cypher Code and the Check Signal Book shall be submitted to the Chief Accountant of the Reserve Bank direct or to the Currency Officer concerned according to the sources of supply.

A copy of the report sent shall invariably be endorsed to the Secretary to government of Punjab, Department of Finance.

(5) Any payment that the Government may be required to make on account of the loss of the Cypher Code or the Check Book shall be made good by the Government employee due to whose negligence the claim against government arises. Holders of the books shall exercise extreme care for their proper custody.

(6) On the 1st April, each year, every Government employee having copies of the Cypher Code or the Check Book shall send to the Currency Officer an acknowledgement for the number of copies held by him. The Treasury Officer shall include a list of the books held by their respective Sub-Treasury Officers.

Note.- (i) Correction or amendment slips to the Cypher Code and the Check Signal Book including supplementary slips shall be as important and confidential as the main books and the above provisions shall apply to them also. Immediately on receipt the number and dates appearing thereon shall be serially recorded on the fly-leaf, at the beginning of the book under the heading of the Treasury Officer on the date on which each amendment becomes effective, which is generally given in the covering letter. The slip shall be pasted at the appropriate place in the book and the fact that the amendment has been carried out shall be certified by the signature of the treasury officer or Sub-treasury Officer against the entry already made on the fly-leaf when the amendment is made.

(ii) The Treasury Officer who sends to a Sub-Treasury Officer, corrections or amendment slips shall enclosed them in a separate cover. One shall be sealed, marked "Confidential" and addressed to the officials concerned by their personal names i.e., "To Shri A" if in headquarters and otherwise "To Shri B". At "A" the personal name of the Tehsildar or Naib-Tehsildar shall be used. In the case of a Naib-Tehsildar, Sub-Treasury, the personal name of the Officer who acts as Sub-Treasury Officer in the place shall be used. The outer cover shall be addressed to the Sub-Treasury Officer by designation only and not marked "Confidential". The cover shall be despatched by registered post, acknowledgement due and the Sub-Treasury Officer who receives the cover shall send an acknowledgment for return by the Postal Department to the Treasury Officer. When the Tehsildar or Naib-Tehsildar who opens the cover shall acknowledge the contents in a separate letter to the Treasury Officer and shall hand them over to him immediately on his return to Headquarters. The latter shall send his acknowledgement for the contents to the Treasury Officer when he receives them. The Treasury Officer shall watch for the prompt return of the acknowledgment and shall not close the cover until he receives acknowledgment from the Tehsildar or Naib-Tehsildar concerned as well as the Postal acknowledgment.

