

FINANCIAL PUBLICATION
No. II



GOVERNMENT OF MAHARASHTRA

THE MAHARASHTRA TREASURY RULES 1968

VOLUME I

REPRINT

(Includes correction slips Issued up to the 31st July 1980)

PRINTED IN INDIA BY THE MANAGER, GOVERNMENT PHOTOZINCO PRESS, PUNE AND
PUBLISHED BY THE DIRECTOR, GOVERNMENT PRINTING, STATIONERY AND
PUBLICATIONS, MAHARASHTRA STATE, BOMBAY 400 004.

1982

[Price—Rs. 11.50]

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PREFACE

These rules have been framed by the Governor of Maharashtra in exercise of the powers conferred on him under Article 283 (2) of the Constitution of India for the convenience and facility of transacting business in the Pay and Accounts Office, Bombay and in the District Treasuries and Sub-Treasuries in Maharashtra State.

2. The rules have been published in the **Government Gazette* under Finance Department Notification, No. DAT. 2269/2729/69-XII, dated the 2nd July 1969. They embody the orders of Government issued upto 31st March 1968 and come into force with effect from 1st April 1968.

3. For the sake of convenience, the Rules have been printed in two volumes, Volume I containing the Rules together with the Table of Contents and Index for the Rules, and Volume II the Appendices, Forms together with the Table of Contents.

4. The Accountant General, Maharashtra, Bombay, Treasury Officers and other Government servants dealing with Treasuries and the Bank are requested to bring to the notice of the Finance Department any error or omission or other inaccuracy in these Rules.

V. M. JOSHI,
*Secretary to the Government of Maharashtra,
Finance Department.*

Bombay, 5th April 1968.

* Published in the *Maharashtra Government Gazette*, Part IV-A, dated Sept. 4, 1969.
H-269-2.

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PART I—GENERAL PRINCIPLES AND RULES

1. *Short title, extent and commencement.*—(i) These rules may be called the Maharashtra Treasury Rules, 1968.

(ii) They extend to the whole of the State of Maharashtra.

(iii) These Rules shall come into force with effect from the 1st April 1968.

(iv) If the Government considers it necessary or expedient so to do for avoiding any hardship or removing any difficulty that may arise as a result of the application of these rules, it may, subject to such restrictions and conditions, if any, as it may think fit to impose, dispense with or relax the provisions of any of these rules in any case or class of cases.

MAIN RULES

Section I—Definitions

2. In these rules, unless the context otherwise requires, the following expressions have the meaning hereby assigned to them, that is to say :—

(a) "Accountant General" means the head of an office of accounts and audit or of account, who keeps the accounts of the Government of Maharashtra State and, when used in relation to a treasury, the head of an office of accounts to whom the accounts of the treasury are rendered ;

(b) "Audit Officer" means any officer subordinate to, or under the superintendence of the Comptroller and Auditor General of India, who exercises audit functions.

(c) "The 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 in accordance with the provisions of the Reserve Bank of India Act (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 (38 of 1959), which is authorised to transact Government business as agent of the State Bank of India, or any other agency appointed by the Reserve Bank of India. "Reserve Bank" means the Reserve Bank of India.

(d) "Collector" means the head of a district and includes any other officer for the time being authorised to discharge the duties of a Collector for the purpose of these rules.

(e) "Comptroller and Auditor General" means the Comptroller and Auditor General of India.

(f) "Constitution" means the Constitution of India, 1950.

(g) "Competent Authority" means the Government of Maharashtra State or any other authority to whom the relevant powers may be delegated by that Government.

(h) "Consolidated Fund of the State" means the Fund into which the revenues received by the State Government, loans raised by that Government by the issue of Treasury bills, loans or ways and means advances and

money raised by that Government in repayment of loans are credited, and from which the expenditure of that Government, when so authorised by the State Legislature, is met.

(i) "District" means the area described as district.

(j) "Government Account" means the account relating to the Consolidated Fund or the Public Account of the Government of Maharashtra State.

(k) "Pay and Accounts Officer" means the officer entrusted with pay and accounts functions of State transactions and Treasury functions of Central transactions arising in Greater Bombay.

(l) "Public Account" means the account of Maharashtra State, other than the account relating to the Consolidated Fund of the State, into which all moneys received by or on behalf of the State Government are credited, i.e., State Provident Funds, Sinking Funds, Reserve Funds, Deposits and Remittances, etc., and from which disbursements are made in accordance with the prescribed rules.

(m) "Secretary" means the Secretary to the Government of Maharashtra in the Finance Department.

(n) "Treasury" means the treasury established at the headquarters of a district and includes a sub-treasury unless the context otherwise expresses. Similarly, it includes the Pay and Accounts Office, Bombay, unless the contrary appears from the context.

"Bank Treasury" means a treasury the cash business of which is conducted by the Bank and a "Non-Bank Treasury" means a treasury other than Bank Treasury.

Section II—Location of moneys standing in the Government Account

3. Subject to the provisions of sub-rule (2) of rule 8 moneys standing in the Government Account must either be held in a treasury or in the Bank. Moneys deposited in the Bank shall be considered as one general fund on the books of the Bank on behalf of the Government.

The deposit of such moneys in the Bank shall be governed by the terms of the agreement made with the Bank under section 21 of the Reserve Bank of India Act, 1934 (Act II of 1934), as amended by the Reserve Bank of India (Amendment) Act, 1955)Act XXIV of 1955.)

Note.—The agreement with the Bank is printed as Appendix I to these Rules.

Section III—General system of control over District Treasuries

4. (1) Unless the Government after consultation with the Accountant General otherwise directs, there shall be a treasury in each of the districts specified in Annexure A to this part. If moneys standing in the Government Account are, in any district so specified, not deposited in the Bank, the treasury of the district shall be divided into two sections—Accounts

Section under the charge of a Head Accountant, and the Cash Section of cash, stamps, match-excite banderols and opium under the charge of a Treasurer.

The Account Section shall be responsible for maintenance of the accounts of the treasury transactions in the manner prescribed by the Government. It will include besides the Head Accountant, the Deputy Accountant or Deputy Accountants, Senior Clerks and Junior Clerks. The Cash Section shall include besides the Treasurer, the Stamp Head Clerk or Stamp Clerk and Nagadi clerk and shall be responsible for the custody, receipts, issues and remittance of cash, stamps, opium and match-excite banderols.

Subject as hereinafter provided under these Rules, the general procedure of and the conduct of business in a district treasury shall be regulated by the provisions contained in Part II.

(2) The treasury shall be under the general charge of the Collector who may entrust the immediate executive control to a Treasury Officer subordinate to him but may not divest himself of administrative control. The Collector shall be responsible for the proper observance of the procedure prescribed by or under these rules and for punctual submission of all returns required from the treasury by the Government, the Comptroller and Auditor General, the Accountant General and the Bank.

(3) When a new Collector is appointed to a district, he shall at once report his appointment to the Accountant General and shall certify to the Accountant General the amount of the cash balance and stamps and opium, stores, etc., if any, which he has taken over. The certificate shall be submitted after the method of verification specified in Part IV has been applied.

(4) The duty of verifying and certifying the monthly cash balance, if any in the treasury and of submitting monthly accounts of such balance in such form and after such verification as the Comptroller and Auditor General may require, shall be undertaken personally by the Collector on the first working day of every month.

Note.—See also Rule 43.

(5) No portion of the responsibility for the proper management and working of treasuries shall devolve upon the officers of the Indian Audit Department. The inspection of treasuries by officers of the Indian Audit Department shall not relieve the Collector of his responsibilities for management and inspection.

(6) In any treasury in which a Government servant of the Indian Audit Department has been appointed, as such, to be Treasury Officer, the duties of the Collector in relation to the custody of moneys in the treasury shall be such as the Government may specify.

SUB-TREASURIES

5. The requirements of the public business necessitate the establishment of a sub-treasury under a district treasury in each taluka, tahsil or mahal and the arrangements for the administration thereof and for the proper conduct of business therein shall be such as may be prescribed by Government after consultation with the Accountant General. A list of sub-treasuries in the State is given in Appendix II to these rules.

The daily accounts of receipts and payments of money at a sub-treasury must be included in the accounts of the district treasury.

Note.—The Maharashtra Sub-treasury Manual prescribes the procedure of work in the Sub-treasuries.

6. The sub-treasury shall be under the general charge of the Tahsildar. The immediate charge of the balances and daily accounts will however be entrusted to the Treasury Aval Karkun. The latter will be in the same position to the former as the Treasury Officer, at District places is to the Collector. (In Nagpur Division, the Tahsildar will be in general charge and a Naib-Tahsildar will be in immediate charge.). The sub-treasury shall be divided into two sections, viz., the Cash Section and Accounts Section and a shroff and an accountant (Nagdinavis) will respectively be in charge of these sections and work under the direct supervision of the Treasury Aval Karkun.

OTHER COLLECTING AND DISBURSING OFFICER

7. The Pay and Accounts Officer, Bombay, may, subject to such conditions and limitations, if any, as the Secretary may think fit to impose, perform in Bombay City all or any prescribed part of the duties of a Treasury Officer in respect of claims against the Government that may fall due for disbursement, and moneys that may be tendered for credit to the Account of Government at Bombay.

Section IV—Payment of Revenues of Maharashtra State into the Government Account

8. (1) Save as hereinafter provided in this Section, all moneys received by or tendered to Government Officers on account of the revenues of Maharashtra State shall without undue delay and that at any rate within two days of the receipt of the money be paid in full into a treasury or into the Bank and shall be included in the Treasury Accounts. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure, nor otherwise kept apart from the Government Account. No department of Government may require that any moneys received by it on account of the revenues of the State be kept out of the Government Account.

Note.—If the circumstances in which moneys are received on behalf of Government are such that it is not practicable to observe the limit of two working days, Government is pleased to direct that the Heads of Department may, in such cases, by a specific order extend the time within which the moneys received by the officials under them in their official capacity, should be credited into the Treasury or Bank upto 7 working days of receipt of such moneys.

(2) Notwithstanding anything contained in sub-rule (1) of this rule, direct appropriation of departmental receipts for departmental expenditure is authorised in the following cases, that is to say :—

(a) In the case of moneys received on account of the service of summons, diet-money of witnesses and similar purposes, in Civil, Revenue and Criminal cases ;

(b) In cases of deposits received at a Civil Court and utilised by the Court to meet claims for the refund of such deposits ;

(c) In the case of fees received by Government servants appointed Notaries Public under Act XXVI of 1881, and utilised to defray legal expenses incurred by them in the discharge of their duties as such Notaries Public ;

(d) In the case of the Public Works Department to permit the use under departmental regulations of cash receipts temporarily for current 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 with a view to prevent any abnormal delay in payment ;

(e) In the case of cash found on the person of prisoners at the time of their admission to Jail, and used for the repayment by Jail Superintendent under departmental regulations of similar sums due to other prisoners on their release ;

(f) In cases of cash receipts of Forest Department used for meeting immediate local expenditure ;

(g) In cases of the feeding and watering charges of impounded cattle met from the amounts recovered on that account under the Cattle Trespass Act from the owners of cattle or from the sale-proceeds of impounded cattle ;

(h) In the case of moneys received by the Commissioner of Workmen's Compensation, Bombay ;

(i) In case of cash collection including advances/deposits, of Hospital fees received from the patients by the Medical Officers of the Government hospitals and dispensaries in the State for the purpose of refund of hospital deposits/fees due to the patients :

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 payments into and the withdrawals from the Government Account.

9. Save as hereinafter provided, a Government officer may not, except with the special permission of Government, deposit in a bank moneys withdrawn for Government Account under the provisions of Section VI of this Part.

10. The procedure to be adopted by Government officers and other authorised collecting agencies in receiving moneys on account of revenues of the Maharashtra State, granting receipts for such moneys and paying them into the Government Account and by the Treasury and the Bank in receiving such moneys and granting receipts for them shall be regulated by the provisions contained in Part III.

Section V—Custody of moneys relating to Government Account

11. (1) The procedure for the safe custody of moneys in the hands of Government officers or held in a treasury, shall be regulated by the provisions contained in Part IV.

(2) The Bank is responsible for the safe custody of Government moneys deposited in the Bank.

Section VI—Withdrawals of moneys from the Government Account

12. In this Section, "withdrawal" with its cognate expressions refers to the withdrawal of funds from the Government Account for disbursements of or on behalf of the Government other than disbursements in the United Kingdom.

13. Save as expressly provided by or under these rules or unless the Government after consultation with the Accountant General otherwise directs in any case, moneys may not be withdrawn from the Government Account without the written permission of the Treasury Officer or of an officer of the Indian Audit and Accounts Department authorised in this behalf by the Accountant General.

Exception.—Note below rule 401 will be an exception to this rule.

14. The Accountant General may permit withdrawal at any place within the State.

15. (1) Subject as hereinafter provided in this Section, the 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,—

(a) other Government servants, or

(b) private parties ;

(iii) to enable the drawing officer to supply funds to another Government officer from which to meet similar claims ;

(iv) to pay direct from the treasury or the Bank sums due by 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 Government Account for the purpose of such investments ;

(vi) To pay sums on account of grants-in-aid, contributions, etc. ;

Note.—The terms grants-in-aid, contributions, etc, includes such classes of expenditure as grants to local bodies, religious, charitable or educational institutions, contributions to public exhibitions and fairs, expenditure from the discretionary grants and compensations to Government servants, both gazetted and non-gazetted, for accidental losses, etc."

(vii) to pay sums on account of loans and advances ;

(viii) To pay sums to the drawing Officer on account of Permanent Advance sanctioned to his office, after satisfying that the sanction is issued with the concurrence of the Accountant General ;

(2) Unless expressly authorised by the Accountant General, a Treasury Officer shall not permit withdrawal for any purpose not specified in sub-rule (1) of this rule.

(3) 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 Maharashtra Treasury Rules, 178.

16. 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 the checks to which the claim shall be submitted by the Treasury Officer before directing payments thereof.

17. A Treasury Officer has 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 a 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. The Treasury Officer has 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 even such special orders should, in the absence of urgency be sent through the Accountant General, except where specifically provided under Note 1 below Rule 151(a)(7) and Rules 255, 390, 532 and 535(i) and 541 where payment can be made on the authority of the sanction issued by Government without the authority from the Accountant General.

18. A Treasury Officer shall not honour a claim which he considers to be disputable. He shall require the claimant to refer it to Government through the concerned District Officer of that Department.

Note.—Government means also the authority to whom powers are delegated under this rule.

19. Except as otherwise provided in Part V, a payment shall only be made in the district in which the claim arises.

Exception.—The Superintendent, Employees' State Insurance Scheme Hospital, Mulund is allowed to prefer Bills at the Treasury Office, Thana instead of at the Pay and Accounts Office, Bombay.

20. No withdrawal shall be permitted in order to meet the pay, leave salary, or allowances of a gazetted Government servant or a reward honorarium payable to a gazetted Government servant or any pension, until the Accountant General has intimated to the Treasury Officer the rate at which

payment shall be made : provided that the Government may, for special reasons and with the consent of the Comptroller and Auditor General, waive the provisions of this rule.

Note.—Arrears of pay and allowances to the gazetted officers of the State for the period they were under the audit control of the Pay and Accounts Officer, Bombay may be paid at any mofussil treasury in the State on the strength of an authority issued by the Pay and Accounts Officer, Bombay.

Exception (1).—Honorarium to Gazetted Officers of the State Government may be paid without an authority from the Accountant-General if it is of non-recurring nature and supported by a proper sanction issued by the competent authority. The sanction, should contain the full particulars viz. name of the payee, rate, the period, the rule or authority, etc. and also endorsed to the Treasury Officer, duly signed in manuscripts by the issuing authority.

Exception (2).—The pay and allowances of the following officers declared by Government as Gazetted Officers, will be drawn on the Establishment bill forms from the respective Treasuries by the Drawing Officers mentioned below and disbursed to them in the same manner as is done in the case of non-gazetted Government servants :—

Designation of the Gazetted Officer	Name of the Drawing Office:
1. Tahsildars	Resident Deputy Collector.
2. Block Development Officers ..	Deputy Chief Executive Officer, Zilla Parishad.
3. Police Inspectors	1. Superintendent of Police, District Head Quarters 2. Commissioner of Police, Greater Bombay.
4. (i) Police Prosecutor in Commissionerates at Poona and Nagpur.	Commissioner of Police, Poona and Nagpur.
(ii) Police Prosecutors serving as Law Instructors at Police Training College, Nashik.	Principal, Police Training College, Nashik.
(iii) Police Prosecutors serving as Law instructors at Regional Police Training Schools at Khandala, Nagpur, Jalna and Akola.	Principals, Regional Police Training Schools, Khandala, Nagpur, Jalna and Akola.
(iv) Police Prosecutors in Districts ..	Superintendents of Police.

21. No withdrawal shall be permitted on a claim for the first of any series of payments in a district, of pay and allowances due to a Government servant other than a person newly appointed to Government service unless the claim is supported by a last pay certificate in form given in Appendix XII. A Treasury Officer may not permit any withdrawal in respect of pay or allowances of a Government servant to whom he has granted a last pay certificate unless the certificate is first surrendered.

22. Deleted.

23. The Treasury Officer shall be responsible to the Accountant General for the validity of a claim against which he has permitted a withdrawal and 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 claim 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 if the claim included in the bill is on account of a person in Government employ, but shall intimate to the Drawing Officer any correction which he makes. In other bills, he should refuse payment unless the inaccuracy or mistake is rectified by the authority empowered to draw the amount.

26. A Collector may, in circumstances of urgency, by an order in writing authorise and require a 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 order and a statement of the circumstances requiring it to the Secretary, and the Treasury Officer will at once report the payment to the Accountant General.

Note.—The need for exercising the special power under this rule, should not arise at all in normal conditions. The power should be used only in real cases of urgency, e.g., flood, earthquake and the like, and withdrawals of money under this rule should, as far as possible exclude all personal claims of Government servants.

Section VII—Transfer of moneys standing in the Government Account

27. (1) Transfer of Government moneys from one treasury to another, between currency chest balance and treasury balance and between a treasury and the Bank shall be governed by such instructions as may be issued in this behalf by Government after consultation with the Reserve Bank.

Subject as provided above the provisions of Part XI and any subsidiary instructions issued thereunder shall regulate the procedure, with regard to the matters aforesaid.

(2) The transfer of moneys from or to a small coin depot to or from a treasury shall be governed by the procedure specified in Part XI.

Section VIII—Responsibility for moneys withdrawn

28. If a Treasury Officer receives intimation from the Accountant General 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.

29. (1) Subject as hereinafter provided in this rule, the procedure to be observed by a Government officer in regard to moneys withdrawn from Government Account for expenditure shall be regulated by the provisions made in this behalf in Part V.

(2) Government Officer supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the Accountant General and of the Audit Officer concerned. He shall also be responsible for seeing that payments are made to persons entitled to receive them. No responsibility will lie on the Treasury Officer for irregularities committed by the Drawing Officer, after funds are drawn from the treasury.

(3) If any doubt arises as to the identity of the Government officer by whom an account of such funds shall be rendered, it shall be decided by the Government.

Section IX—Inter-Government Transactions

30. Receipts and disbursements in the State on behalf of the Central Government shall be adjusted, as far as practicable, directly against the balance of the Central Government held by the Bank, but where such transactions occurring in non-bank treasuries are temporarily taken into account against the balance of the account of the Maharashtra State, the Accountant General will, on receipt of intimation from the treasury, make the requisite adjustments in respect of the aforesaid transactions through the Central Accounts Section of the Reserve Bank against the balances of the Central Government held by that Bank. The intimations to be given shall be in accordance with the provisions of the Account Code, Vol. II.

31. (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 and may, if so required by the Accountant General, make or authorise payment of any claim against another State. The necessary credits and debits in respect of such receipts and payments against the balance of the State concerned shall be made by the Accountant General through the Central Accounts Section of Reserve Bank of India, but until such adjustments are made, the credits and debits shall be entered in the appropriate section of the State Account.

(2) Money paid or received in the office of the Accountant General on behalf of another State and book entries made in the office of the Accountant General affecting the accounts of another State shall likewise be adjusted by the Accountant General through the Central Accounts Section of the Reserve Bank of India against the balance of State concerned.

32. (1) In order that the transactions pertaining to the Central Government may be correctly recorded against the balance of the Central Government, all chalans, bills, cheques, vouchers, etc., which serve as evidence for payments into or withdrawals from the account of that Government or on the authority of which adjustments in the initial accounts are made against the balance of the Central Government should be so prominently marked with the word 'Central' as to indicate clearly that they pertain to the Central Government.

(2) The requirements of this rule shall not apply to the transactions of the Government of Maharashtra in the United Kingdom, which are governed by the provisions of rule 33.

Section X—Receipts and Disbursements of the Government in the United Kingdom

33. Moneys received in the United Kingdom on account of the revenues of Maharashtra State may be paid into and funds required for disbursements 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 the High Commissioner for India in London in consultation with the Comptroller and Auditor General of India. These transactions will be adjusted against the balances of Maharashtra State in accordance with such directions as may be given in this behalf by the Comptroller and Auditor General of India with the approval of the President of India.

Section XI—Supplemental

34. Nothing in these rules shall have effect so as to impede or prejudice the exercise by the Comptroller and Auditor General of India of the power vested in him by the Constitution to make rules or to give directions regulating the submission to the Indian Audit Department of the accounts kept in treasuries or in departmental offices, 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.

Note.—The directions issued by Government for maintenance of accounts in treasuries and their submission to the Accountant General are given in the Account Code, Volume II.

35. 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 Government any responsibility not imposed upon the Bank by the terms of its agreement referred to in Rule 3.

36. (1) Where under the provisions of these rules the detailed procedure with respect to any matter is required to be prescribed 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 authorised by the Government to act in this behalf.

(2) Nothing contained in this rule affects the validity of any order, instructions or directions contained in any authorised departmental regulations in force on the date of promulgation of these rules except in so far as such order, instructions or directions are inconsistent with or repugnant to any distinct provision contained in these rules.

ANNEXURE ' A '

[See rule 4(1)]

DISTRICT WHERE THERE ARE DISTRICT TREASURIES

- | | |
|---------------------------------------|----------------|
| 1. Ahmednagar. | 13. Nagpur. |
| 2. Akola. | 14. Nanded. |
| 3. Amravati | 15. Nasik. |
| 4. Aurangabad | 16. Osmanabad. |
| 5. Bhandara | 17. Parbhani. |
| 6. Bhir | 18. Poona. |
| 7. Buldana | 19. Ratnagiri. |
| 8. Chanda | 20. Sangli. |
| 9. Dhulia | 21. Satara. |
| 10. Jalgaon | 22. Sholapur. |
| 11. Kulaba (Head Quarters at Alibag). | 23. Thana |
| | 24. Wardha. |
| 12. Kolhapur. | 25. Yeotmal. |
-

SUBSIDIARY RULES

PART II—GENERAL ORGANISATION AND WORKING OF TREASURIES

Section I—General Organisation

MANAGEMENT

37. (a) Subject to any general or special orders of the Government, the ultimate responsibility for the proper management and working of a treasury shall rest with Government.

(b) Each treasury, the cash business of which is not conducted by the Bank, is divided into two Branches, viz., Accounts Branch and Cash Branch. The former will be under the charge of the Head Accountant helped by Deputy Accountant(s), Senior Clerks and Junior Clerks. The latter is in charge of a Treasurer assisted by shroff clerks. Treasuries, the cash business of which is conducted by the Bank, has no Treasurer and shroff clerks; but in all such treasuries the transactions pertaining to stamps, opium, match-excite banderols and cash boxes and valuables are entrusted to a Stamp Head Clerk or a Stamp Clerk.

(c) The two branches must be so located as to work quite independently of each other during the day. The arrangements should be such that each person having business to do with the treasury must first approach the Accounts Branch and then go to the Cash Branch. He will not be permitted access to any person working in either Branch without the permission of the Treasury Officer, except persons working on counters.

(d) It is desirable to provide counters in both the Branches so that persons coming to the treasury can conduct their business across such counters. Thus bills will be received or delivered at the counters in the Accounts Branch, and cash will be paid at the counters in the Cash Branch.

(e) In sub-treasuries, it may not be possible to have two separate branches as in treasuries, because the number of clerks is very small; but the distinction shall be observed as far as it is possible in practice.

Note.—A list of sub-treasuries in the different districts is given in Appendix II.

COLLECTOR

38. The Collector, as in general charge of the treasury, shall be immediately responsible to the Secretary to Government, Finance Department, for its general administration and working. The appointment of a subordinate to the immediate charge of a treasury shall in no way relieve the Collector from his responsibility. This responsibility extends not only to the security of cash balance, stamps, opium and other Government property, and the immediate detection of any irregular practice on the part of the subordinates, but also to the correctness of prescribed accounts and returns and the punctuality of their

submission and to implicit obedience of the Treasury Officer to the instructions issued by the Accountant General, the Currency Officer or any other competent authority.

39. The Collector shall send immediate notice to the Accountant General and other concerned authorities of any defalcation or loss of public money, stamps, opium and other property discovered in the treasury or any sub-treasury even when such loss has been made good by the person responsible for it. Such notice shall be supplemented as soon as possible, afterwards by a detailed report after personal investigation into the case. In dealing with cases of defalcations or losses as aforesaid and in reporting such cases to the Accountant General and other authorities, the Collector shall be guided by such general orders or instructions as may be issued in this behalf by the Government.

Note.—See Rules 53 and 148 of the Bombay Financial Rules, 1959.

40. The Collector shall remember that, when an irregularity of any kind is brought to his notice by the Accountant General, nothing but a report on his own knowledge, after personal investigation, can be considered satisfactory. It is not enough for him to pass on the explanation of a subordinate in as much as reports prepared in this manner have very often, by lulling suspicion, led to greater irregularity afterwards.

41. The Collector is bound to satisfy by periodical examination, at least once in every six months for cash and opium, and once a year for stamps, securities, draft and cheque forms—

(i) that the actual stock of cash, opium, stamps and securities is kept under joint lock and key, and corresponds with the book balance;

(ii) that the Treasurer/Stamp Head Clerk/Stamp Clerk 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 stamps and opium, if any, in his sole custody, is not larger than the security given by him;

(iii) that the stock of drafts and similar forms which are intended for use in monetary transactions are carefully kept under lock and key by the Treasury Officer and periodically tallied with the nominal balance of such forms on the stock books; and

(iv) that the sub-treasury balances are verified twice a month by the Tahsildar, besides the verification done by himself or the Prant Officer during his tour.

Note.—The word "cash" used in this and other rules means the notes and coins forming part of the currency chest balance and normal balance in a non-bank district treasury or sub-treasury and does not include cash held by a Treasury Officer or Sub-Treasury Officer for disbursements of the treasury or sub-treasury office. The word "stamps" used in this and other rules of this part includes Match Excise Banderols.

42. The Collector shall be specially careful, when assuming or making over charge, to see that the cash balance and stock of stamps and opium, are thoroughly verified and that a certificate of taking over charge in which the

state of cash, stamps and opium balances is to be shown is invariably despatched to the Accountant General with a certificate in Form M.T.R. 1 on the same day that the transfer of charge takes place.

43. "The Cash Account to be rendered to the Accountant General should be signed and certified by the Collector or if he is absent, on tour or otherwise unable to sign the accounts on the first of the month, by the Treasury Officer himself. When the account is not signed by the Collector, the reasons should invariably be stated :

Provided that when there is actual cash balance in the treasuries, say, during the period of strike of the Bank employees, or for other reasons, the Collector or in his absence, the Resident Deputy Collector or such other officer specifically authorised by the Collector should verify the cash balance in the District Treasury in person on the first of the month and sign the accounts to be rendered to the Accountant-General."

TREASURY OFFICER

44. The appointment of an officer to the charge of a treasury should not be made except in accordance with the rules of recruitment for the posts of Treasury Officers made by Government but if in a temporary emergency such an appointment is made, the departure from the rule shall be reported to the Accountant General, and the reasons for it explained to him. Every such appointment shall be communicated to the Accountant General.

Note.—The Collectors are authorised to appoint the Head Accountants, at treasuries to the immediate control of the treasury during the unavoidable absence of the Treasury Officers from their offices. Early intimation of the issue of such orders should be sent to the Audit Officer and a copy of the orders together with a specimen signature of the Head Accountant so authorised should also be sent to the local branch of the Bank if there is a branch of the Bank at the District Headquarters.

In cases, where owing to his absence from the headquarters, it is not possible for the Collector to issue an order in advance, the Treasury Officer may report the circumstances to the Collector and entrust the Head Accountant with the control of the treasury and send an intimation to the Bank to that effect. The Collector will, however, confirm the Treasury Officer's action later on and send intimation to that effect to the audit office and the Bank.

45 As an officer of the Maharashtra Finance and Accounts Service, the Treasury Officer is responsible to the Secretary primarily for the proper discharge of his duties, for thorough observance of all rules prescribed for his guidance in every branch of his duties, and for strict attention to all details of the daily routine of the treasury work. He is responsible to the Collector for the working of the treasury and the conduct of the subordinate treasury officials; and, for the custody of cash balance and stamps and opium, he is jointly responsible with the Treasurer. He must have carefully prepared instructions for the guidance of every branch of his office.

46. The Treasury Officer is responsible to the Secretary for keeping the accounts of the treasury strictly in accordance with the directions contained in the Account Code, Volume II, for the accuracy of all initial records and vouchers and for regularity of all transactions taking place at the treasury.

47. The special precautions to be observed by the Treasury Officer in matters relating to receipt, custody and payment of Government moneys are specified in other relevant parts of these rules.

48. Subject to the foregoing provisions of this section and without prejudice to the generality of provisions made in other parts of these rules, the respective responsibility of the Collector and of the Treasury Officer may be laid down by Government.

49. *Correspondence.*—All communications regarding treasury work, which demand the personal attention of the Collector, will be addressed to the Collector (Treasury Branch) and should (if reply be needed) be replied to by the Treasury Officer, the reply being signed either by the Collector or the Treasury Officer as may be deemed most suitable with reference to the importance of the communication. The following instruction should also be observed :—

(1) Such communications, if written by the Treasury Officer, will be signed by him in that capacity. But if the draft has been approved of by the Collector, it should be signed by that Officer or 'for Collector', if the latter is unable to put his signature to the fair copy. Whether the draft has or has not been signed by the Collector, the communication should be treated as from the Collector.

(2) The general responsibility for all treasury working being that of the Collector it rests with him to lay down to what extent he may allow the Treasury Officer to correspond direct. When the Collector is absent from headquarters, the Treasury Officer should generally communicate directly unless he considers that any particular communication is so important that it must await the Collector's return to headquarters.

(3) The Accountant General may direct his communications regarding treasury accounts and procedure either to the Collector or the Treasury Officer ; but all important communications to the Accountant General or to Government must issue over the signature of the Collector or with his approval.

(4) Although the treasury is managed by a Treasury Officer under the general charge of the Collector, it should not be regarded as part of the Collector's Office, but as a separate office working directly under him. The Collector should not, however, address the Treasury Officer officially or forward the latter's explanation instead of his own in reply to questions or enquiries concerning the treasury work. Whenever any question pertaining to the administration of the treasury is referred to the Collector by the Secretary, the Divisional Commissioner, the Accountant General or the Currency Officer, he may require the Treasury Officer to note upon it before a reply is issued. Similarly, any question arising in the treasury

may be decided by the Collector himself on the submission of a factual note by the Treasury Officer. All other communications may be addressed directly to the Treasury Officer and replied to by him.

(5) All communications relating to the treasury, which the Collector considers important from the point of view of the whole division of the State, should be forwarded to Government through the Divisional Commissioner.

50. In sub-treasuries, the Sub-Treasury Officer, while at headquarters, should sign all accounts, returns and fair copies and approve all treasury correspondence, though the signing of pay-orders on vouchers, acknowledgement or chalans, postings in accounts, etc., may be left entirely to the Aval Karkun or Naib-Tahsildar.

RELATION WITH THE CURRENCY OFFICER

51. The Currency Officer ordinarily directs his communications to the Treasury Officer, and they should receive prompt and personal attention of the Treasury Officer. The Currency Officer will bring to the notice of the Secretary the cases in which the Treasury Officer appears to be neglecting his duties.

Note 1.—The control of the currency, resource, and remittance operations of the Government vests in the Reserve Bank and this work is conducted, under the control of the Bank, by a number of Currency Officers, each of whom is in the charge of an office of the Issue Department of the Bank and is responsible for the work of territories within his jurisdiction. The Bombay and Nagpur Offices of Issue have jurisdiction over treasuries in the Maharashtra State.

Note 2.—The procedure to be observed by the Treasury Officer with regard to the custody of currency chests and verification of currency chest balance is regulated by the orders embodied in Part XIV.

TREASURE

52. Detailed rules for the custody of treasure, both specie and notes, are laid down in Part IV.

TREASURER

53. The Treasurer is responsible for the handling of the money at a treasury. It is the duty of the Collector to see that the Treasurer furnishes sufficient security to protect the Government against loss due to his negligence or fraud.

54. The Government servants mentioned below shall furnish security of the amounts mentioned below against their names :—

	Amount
	Rs.
1. Senior Treasury Officer/Treasury Officer ..	5,000.
2. Additional Treasury Officer, wherever sanctioned ..	5,000
3. Head Accountants and Additional Head Accountants ..	5,000

	Amount Rs.
4. Treasurers	40,000
5. Deputy Accountants, Additional Deputy Accountants and Deputy Accountant working as Sub-Treasury Officer under the Directorate of Accounts and Treasuries.	5,000
6. Stamp Head Clerks	10,000
7. Senior Clerks working as Stamp Clerks, or Stamp Clerks	5,000
8. Shroffs and Additional Shroffs (regular)	1,000
9. Nagdi Clerks	1,000
10. Treasury Aval Karkuns	3,000
11. All other Senior Clerks and Clerks in Treasuries/Sub-Treasuries.	500
12. Record Keeper	200
13. Additional Shroff appointed when the cash transactions exceeds Rs. 10,000.	10,000

The rules pertaining to furnishing the security are given in Appendix III.

The Collector may, in the case of those mentioned at items 8, 9 and 10, raise the amount of security to an amount not exceeding Rs. 5,000 as he may deem fit. He may also, in the case of those mentioned at items 11 to 17, raise the amount of security to an amount not exceeding Rs. 1,000 as he may think fit.

55. (1) The security bonds of Government Servants employed in Treasuries/Sub-Treasuries shall be kept in a locked box in the double lock strong room of the district treasury/sub-treasury. The Senior Treasury Officer/Treasury Officer/Sub-Treasury Officer will be responsible for the safe custody of the bonds and shall keep the key of the box in his personal custody. The Security Bond of the Senior Treasury Officer/Treasury Officer should remain in the personal custody of the Collector.

(2) "The security should be provided within one month from the date of appointment in one of the forms mentioned in rule 51 of the Bombay Financial Rules, 1959." The appointment is liable to be cancelled if the security is not furnished within the prescribed period.

Note.—The securities required to be furnished under the above rules should be obtained within a period of 30 days from the date of taking, over the charge of the post by person concerned. The Head of the Office concerned, may in exceptional circumstances to be recorded extend this period for a further period of 30 days only in the cases where he is satisfied that it is not possible for the Government servant concerned to furnish the necessary security within the period of 30 days."

56. Each security in Government paper shall consist of promissory notes including stock certificates of the Government of India. National Savings Certificates or National Plan Certificates may be accepted as security deposits for the amounts at which they were purchased (and not at their face value)

provided that the depositor formally transfers the certificates to the Collector. Promissory notes should not be accepted as security unless they have been enfaced for payment of interest at the treasuries at which they are to be deposited.

57. (1) (a) The Senior Treasury Officers/Treasury Officers may send a certificate in the following forms on the 1st October every year direct to the Regional Deputy Director of Accounts and Treasuries Nagpur/Poona as the case may be who is also the Regional Head.

(b) The Sub-Treasury Officers may send the certificate in the same form to the Deputy Director of Accounts and Treasuries concerned through the Collectors.

Annual Solvency Certificate for 19.....

Treasury

Certified that the annual verification of solvency for the year ending 31st July 19....., in respect of securities of the Treasury/Sub-treasury personnel, has been made by me and the sureties are found alive and solvent for the amounts mentioned in the security bonds. Notes of annual verifications have also been kept in the register of securities which is kept in accordance with Rule 9 of Appendix III to these Rules :—

District/Sub-Treasury

Treasury/Sub-Treasury Officer,

District

Date

(2) The security bonds shall be in Form M.T.R. 2. Securities lodged as deposit may be returned after six months from the date of vacating of office but the bond shall be retained for a period of two years or until it is certain that there is no necessity for keeping it any longer, whichever is later.

HEAD ACCOUNTANT

58. The Head Accountant is responsible under the orders of the Treasury Officer for keeping complete records of each and book transactions of the district and subordinate treasuries and for the compilation of prescribed accounts and returns strictly in accordance with the directions and orders in force. He is also required to see that the rules and orders in force are observed in respect of all transactions of the treasury and to bring all cases or irregularity to the notice of the Treasury Officer.

59. The appointment of Deputy Accountant(s) in the Treasury does not reduce the responsibility of the Head Accountant for the proper administration of the work in the treasury. The Treasury Officer may, however

entrust the following sections for purpose of supervisory duties to the Deputy Accountant(s) and may direct that he will submit all papers and documents in such cases direct to himself,—

- (1) Audit Section.
- (2) Compilation Section (Book Section).
- (3) Pension Payment Section.
- (4) Civil and Personal Deposit Section.
- (5) Government Securities Section.

60. The Treasury Officer or the Head Accountant under the orders of the Treasury Officer, may inspect the accounts records of sub-treasuries and check a percentage of the initial accounts during sub-treasury inspections.

Note.—See also Rule 89.

AUDIT OBJECTION

61. The following instructions should be followed regarding the disposal of objections raised by the Audit Office on treasury accounts :—

(1) The objection slips and periodical objection statements showing the result of the examination of the lists of payments and cash accounts received from the Audit Office should be returned punctually, and the replies in them should be such as will enable the Audit Office to adjust the items under objection without further correspondence.

(2) The Collectors should not simply forward the replies received from the Treasury Officer without further investigation. Such replies as " Treasury Officer's reply attached ", " Correspondence relating to the subject forwarded herewith ", etc., will not ordinarily be accepted. If it be considered necessary to forward such replies or correspondence in original to the Audit Office, a brief abstract thereof in English (if the correspondence is in vernacular) should invariably be given with the remarks thereon of the Collector. Vernacular papers received from talukas or tahsils should ordinarily be retained in the District Treasury and not sent to the Audit Office. In cases of recoveries of overpayments, it is not sufficient to say ' amount recovered ' ; the number and date of the voucher in which the amount has been short drawn or the treasury item of credit in the schedule concerned, if it is a cash recovery, should invariably be stated.

(3) The original objection statement received from the Audit Office should, on no account, be sent out of the headquarters of the treasury, but only extracts therefrom may be sent to the Government servants concerned. The return of the statement should not be delayed beyond the due date for the reason that complete disposal has not been possible. If replies from the sub-treasuries are not received in time for the return of the objection statement to the Audit Office, the fact should be noted in the reply column in the statement, and the receipt of the reply and its transmission to the Audit Office carefully watched. A copy of the objection statement should be kept in the treasury.

(4) To check delays in the submission of the objection statement, the Treasury Officer should maintain a register showing the dates of their receipt in the treasury and the dates of their despatch to the Audit Office.

(5) Explanation should be written as concisely and neatly as possible.

(6) A register should be kept in the treasury in which separate pages should be set apart for each officer or department (as may be convenient) drawing money from the treasury. As soon as any money is retrenched, whether by separate slip or objection statement, it should be entered at once in this register for recovery, and should be recovered from the next bill presented by the officer concerned. When a certificate, bill or other information is required, a note should similarly be made in this register and its submission watched. When any bill is presented for payment, the register should be consulted to see whether any recovery has to be effected. If any recovery is made, it should be noted in the register, the number and date of the vouchers being also quoted in it.

(7) When a recovery is made at a treasury by compulsory deduction from a bill, the bill from which deduction is made should be one containing a claim similar to that which was retrenched. Thus, a retrenchment of a contingent expenditure should be from a contingent bill and not from a salary or establishment bill; the recovery of a sum retrenched from a salary or pay bill need only be made from the next salary or pay bill and of a sum retrenched from a travelling allowance bill from the next payment of travelling allowances, but retrenchments of travelling allowances must be recovered in cash or from salary or pay bill when the officer does not, within a month, present a travelling allowance claim from which they can be recovered.

(8) Recoveries should be distinctly shown at foot of the bills (not on sub-vouchers), the number and date of objection statement or other authority being distinctly quoted.

62. (a) As far as possible, the working in a district treasury shall be organised on the lines of the "Scheme of a Model Treasury" given in Appendix IV-Part I.

(b) A set of instructions for the guidance of the Treasury Officers is given in Appendix IV-Part II. Omission to follow any of these instructions and violation of the rules laid down by Government in the Finance Department and circulars issued by the Accountant General will be recorded as treasury irregularities. Requisitions for corrections of accounts should also be recorded in the treasury irregularity register.

Section II—Treasury Accounts

TREASURER'S RECORDS

63. The Treasurer shall maintain a simple cash book (without subsidiary 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 Head 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 Compilation Section when the books are compared.

64. When stamps have been sold, the total sales shall be entered before the cash book is closed, and a memorandum should be prepared and forwarded to the Head Accountant, so that the necessary entry may be made in the accounts.

ACCOUNTANT'S BOOKS

65. 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, are 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 produceable, if necessary, as satisfactory and convincing evidence of facts.

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

66. The Treasury Officer shall prohibit any erasures or overwritings in the cash book and other registers of initial record or in any account or schedule and verify and initial over correction in them.

SUB-TREASURY ACCOUNTS

67. The daily accounts of sub-treasuries are incorporated in the accounts of the district treasuries in accordance with the directions contained in the Account Code, Volume II. It is the duty of the Treasury Officer to scrutinise and examine every item of receipts and payments shown in the daily accounts and point out and watch against all irregularities in the same way as those at the District Treasury. He shall examine and regulate the procedure of sub-treasuries as far as he can, from the daily examination of their accounts.

Note.—If the Treasury Officer owing to the volume of sub-treasury transactions finds it difficult to scrutinise each and every sub-treasury voucher, he may at his discretion leave over the work to the Accountant, a percentage check not less than 20 per cent being effected by him. All vouchers checked by the Treasury Officer himself must be initialled by him as a token of the fact that he has exercised the check.

68. The Treasury Officer shall see that the cash balance of the sub-treasury has been actually counted and certified by the Sub-Treasury Officer on the closing day. The cash balance of the sub-treasury must be written in words as well as in figures, the words being written in such manner as to leave no room for alteration or interpolation. The Treasury Officer is also

required to observe special precautions to satisfy himself that Sub-Treasury Officer's signature on the daily sheet and supporting documents is genuine and that the accounts have not been tampered with in transit. The accounts must invariably be sent by post.

CLOSING FOR THE DAY

69. Subject to the directions contained in this behalf in the Account Code, Vol. II, the process of closing accounts for the day shall be as follows :—

(a) The daily total of each subsidiary register will be entered in the appropriate part of the cash book, which will then be totalled, and the balance memorandum at the top of the Accountant's balance sheet will be drawn up strictly in accordance with the directions contained in the Account Code, Vol. II. To the account balance thus brought out, the additions and deductions indicated at foot of the cash book form will be applied so as to bring out the cash balance at the District Treasury.

(b) Meantime, the Treasurer will also sum both sides of his cash book and draw up his balance memorandum in the form of the Treasurer's daily balance sheet (Form M. T. R. 3.)

(c) If the results shown in the two balance sheets agree, the Treasury Officer should sign the two books and the two balance sheets. He should first satisfy himself of the correctness and good order of all these documents and should 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 a memorandum of some of the more important parts of the verification. The Treasury Officer should :—

(i) Compare each entry of payment in a register with the payment order, 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.

Note.—The Treasury Head Accountant/Deputy Accountant who may be incharge if the compilation section of the District Treasury should attest the entries in the subsidiary registers of receipts and payments after comparing the figures with the cash book of receipts and payments.

(ii) examine at least two of the totalling on each side making the totals as "Exd"

(iii) see that the totallings are correctly carried from the register to cash book, initialling 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 receipt registers is great, the following plan may be adopted. Such registers as are only rarely required for entry may be bound in a single volume and kept under the Treasury Officer's own lock. When the volume is required for entry, he should give out the registers

for the purpose, and he should 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 initialling them accordingly. It is obviously necessary to guard against fraud or mistake 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 totalling 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.

(e) Before signing the Treasurer's daily balance sheet, the Treasury Officer should roughly verify the balance in the sole charge of the Treasurer, as shown in that sheet, and satisfy himself on the following points:—

(i) that no 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.

(f) The Treasury Officer should 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 books 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 Treasurers'.

Note.—Ordinarily, the Treasurer's balance sheet should be compared and agreed with that of the Accountant's before closing 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 certificate over the Treasury Officer's signature at foot of the Treasurer's balance sheet should be altered in 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 for the day. An additional certificate will 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 Head Accountant to prepare a separate rough balance sheet on each of these days for comparison with that of the Treasurer as the compilation of the Accountant's balance sheet for the 31st March has to await the receipt of the sub-treasury accounts.

(g) The foregoing provisions of this rule apply also to Bank Treasuries, subject to the modification that in the absence of the Treasurer's balance sheet, the correctness of the daily accounts should be tested by a comparison of the totals of receipts and payments in the Accountant's cash books with corresponding totals in the daily accounts received from the Bank.

Note.—When with the concurrence of the Accountant General the daily account of the Bank is submitted to a treasury in the morning of the day following that to which it refers, the signature and comparison of the Accountant's Books may be made in the evening instead of in the morning of the day on which the Bank's accounts are received, provided the pressure of work renders it necessary so as to postpone it.

CLOSING FOR THE MONTH

70. (1) With the single exception of March for which the accounts of the district treasury must be kept open until receipt of daily sheets of every sub-treasury for 31st March, the monthly accounts shall be closed without fail on the last day of each month. Every endeavour shall be made to close the March accounts at the earliest possible date and in any case, not later than the 7th of April.

(2) The Sub-Treasury accounts for a month shall be closed on the last day of the calendar month including therein all the transactions at the Sub-Treasury during the month. The accounts shall be rendered to the District Treasury by Non-Banking Sub-Treasuries on the same day and by Banking Sub-Treasuries on the next day.

(3) The Treasury Officers shall incorporate in the District Treasury Accounts the account of the Sub-treasuries upto the end of the calendar month in the same month.

(4) The accounts of the Sub-Treasuries shall be incorporated in the District Treasury accounts on the same day or on the day following the day of their receipts in the District Treasury.

71. (1) The manner in which the monthly accounts of the district treasury should be closed is prescribed in Articles 55 and 56 of the Account Code, Vol. II. The cash must be verified by actual counting and the cash balance report made out in accordance with the procedure prescribed in Part IV.

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

Note.—If, at any time, the Treasury Officer is unable to compare all, at least he may compare some; he should compare the entries into the Plus and Minus Memorandum of Deposits, Stamps, etc., with the entries in the accounts, e.g., the Plus and Minus Memorandum shows a reduction in the stock of judicial stamps to the value of Rs. 5,000; if the credit in the account be less, the difference must be traced and satisfactorily accounted for.

MONTHLY ACCOUNTS AND RETURNS

72. (1) A complete list of treasury accounts and returns to be rendered on different prescribed dates to the Accountant General, the Currency Officer and other authorities is given in Appendix V. The accounts and returns shall be written up in accordance with the directions contained in this behalf in the Account Code, Vol. II and such orders and instructions as may be issued by the Government.

(2) The dates prescribed by Government and the Accountant General should be scrupulously adhered to and any avoidable delay on the part of the Collector or the Treasury Officer in the despatch of the prescribed accounts and returns with complete schedules and vouchers will be taken serious notice of.

Note.—The returns due for despatch on a holiday may be sent one day (but not more than one day) late.

73. Vouchers pertaining to each schedule relating to the lists 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. Before despatch the Treasury Officer shall, by inspection, satisfy himself that the required vouchers are all attached. He may find it profitable at intervals during the month to take up a schedule and see that all its vouchers are present in proper order. As no payment can be made without a voucher, there can be no excuse for the absence of any unless it be that for a specific remittance.

Section III—Treasury Inspection

GENERAL

74. The working of the treasuries, sub-treasuries and the Pay and Accounts Office will be annually reviewed through inspections. The inspection of a district treasury will consist of (i) a local inspection by the Collector of the District, (ii) audit inspection by an Officer of the Indian Audit and Accounts Department, and (iii) administrative and accounts inspection by Officers of Finance Department acting under instructions from the Secretary. The Sub-treasuries shall be inspected by Collectors or Deputy Collectors from the administrative point of view and by Head Accountants or Treasury Officers of district treasuries. The scope of these inspections is broadly indicated below:—

TREASURIES

(i) Local Inspection

75. Every Collector shall make a systematic inspection of the working of the district treasury once a year. The inspection may be carried out at any convenient period provided that not more than 15 months pass between the inspections of any two consecutive years.

76. During his inspections the Collector should pay particular attention to the following points :—

A.—In the Cash Branch

(a) The strong-room shall be inspected with regard to fitness thereof as a strong-room.

(b) The currency chest balance and the normal balance of the treasury shall be verified with the registers.

(c) The stock of stamps shall be verified with the registers.

(d) The register of valuables deposited in the strong-room shall be examined and the Collector will satisfy himself that proper authority exists in each case.

(e) Padlocks and duplicate keys, shall be examined with a view to check that there are no unserviceable padlocks; that separate numbers than those of the manufactures are given; that there are no two padlocks and keys bearing one and the same treasury number and that the keys are also properly numbered and entered in the register.

(f) The arrangements for police guard and the disposition of the entries shall be verified.

B.—In the Accounts Branch

(a) The Collector shall examine the arrangements for custody of paid vouchers and receipted chalans and other accounts documents to be submitted to the Accountant General.

(b) The Collector shall ascertain whether daily sheets are received regularly from sub-treasuries and issue instructions to Sub-Treasury Officers whose accounts are delayed.

(c) The security bonds of the treasury personnel shall be checked and the Collector shall ascertain whether the sureties have been found solvent.

Note.—For this purpose the Questions required to be answered are given in the note in the beginning of Annexure I to Appendix VI to these rules.

The Collector shall enquire into the circumstances leading to a serious irregularity in the treasury accounts which has been brought to his notice by Government or by the Accountant General. The Collector need not go into details of other items of works as they will be covered by the inspection of the Accountant General and the Finance Department.

77. The Collector shall report the fact of having carried out the inspection to the Secretary, Finance Department, within a month of the last date of inspection.

(ii) Audit Inspection

78. The accounts of each district treasury will ordinarily be inspected at regular intervals by a gazetted officer of the Indian Audit and Accounts Department. A treasury, which needs special attention may, however, be visited more frequently, if it is deemed desirable. The Accountant General is authorised to vary the time-table of inspection as circumstances may require.

79. The primary object is to assist the Treasury Officers to establish a system of working which will be free from irregularities.

80. The following records amongst others may be examined during the inspection.

A.—In Cash Branch

- (a) the various registers maintained in the strong-room;
- (b) the accounts of stamps;
- (c) the stocks of Public Works Department and other Department's Cheque Books and Receipt Books, Forest Department Cheque Books, draft forms (duplicate and original) and Cash Order Forms (duplicate and original);
- (d) Opium Accounts; and
- (e) Security Bonds of the Treasury and Sub-Treasury personnel with the registers.

B.—In Accounts Branch

- (a) the daily and monthly accounts and their closing for a particular day and month, respectively;
- (b) Pension payments;
- (c) Retrenchment Registers, Deposit Registers, Alahida Wahi or Tasalmat Kirdi (Miscellaneous Cash Book), Registers of Cash allowances, commission to agents for sale of National Savings Certificates, etc.;
- (d) Debt, deposit and advances, the accounts relating thereto and annual certificates of acceptances;
- (e) Sub-Treasury Accounts and their incorporation.

81. The results of the inspection will be set forth in an inspection report which will be prepared in two parts (one relating to currency, resource and public debt matters and the other dealing with other points). Points of minor importance will be settled personally on the spot or communicated to the Treasury Officer in the form of an Inspection Note. The Treasury Officer will be given an opportunity of reading and discussing the report before it is signed by the Inspecting Officer and suggesting any omissions or modifications. If the Collector is at headquarters, important points will also be discussed with him, if possible.

82. (a) The inspection report will be forwarded by the Accountant General to the Collector of the District in triplicate for necessary action. A copy of Part I will, at the same time be forwarded to the Currency Officer.

(b) The Collector will record his remarks in respect of all the irregularities noticed in one copy of the Report, Part I of which will be forwarded to the Currency Officer and Part II to the Accountant General within six weeks from the date of receipt in his treasury office. The Currency Officer shall forward his copy of the Report and of the orders thereon to the Accountant General indicating whether, so far as matters dealt with by the Reserve Bank are concerned, the action taken is adequate and whether any further action is required.

83. (a) The irregularities, in respect of which the Accountant General considers that the action taken by the Collector is inadequate, will be reported to the Government.

(b) Any point of importance affecting the Central Government should be brought to the notice of that Government through the Comptroller and Auditor General.

84. The general result of the inspections during the financial year and the final orders passed thereon will be summarised by the Accountant General in a report called "Annual Review on the Working of Treasuries" which will be submitted to the State Government, every year.

(iii) *Administrative Inspection*

INSPECTIONS BY REGIONAL DEPUTY DIRECTORS OF ACCOUNTS
AND TREASURIES

85. (a) The District Treasuries shall be inspected once in every year by the Regional Deputy/Assistant Directors. The working of the treasury will be examined by them with respect to the following items as well as with reference to the orders issued from time to time by Government, the Director of Accounts and Treasuries and the Audit Office :—

- (i) Strong room arrangements,
- (ii) Maintenance of registers of padlocks and keys and Register of valuable and chests deposited in the Treasury.
- (iii) Dafter inspections of clerks,
- (iv) Passing of bills and chalans.
- (v) Compilation of accounts,
- (vi) Government securities and interest payment,
- (vii) Pension payments,
- (viii) Deposit accounts,
- (ix) Distribution of work,
- (x) Service Books and leave accounts,
- (xi) Stationery, library and dead-stock registers,
- (xii) Old records,
- (xiii) Establishment matters,
- (xiv) Stamp accounts and submission of plus-minus memoranda,
- (xv) Submission of triplicate copies of chalans to Departmental Officers,
- (xvi) Return of voucher slips and maintenance of voucher slip Register,
- (xvii) Completion of pass books and reconciliation,
- (xviii) Token account,
- (xix) Reconciliation of Bank Scroll,
- (xx) Submission of accounts and periodical returns,
- (xxi) Maintenance of work sheets and disposal of references,
- (xxii) Security bonds of the Treasury personnel and annual verification of the solvency of the sureties,
- (xxiii) Audit objections,
- (xxiv) Sub-treasury inspections by Treasury Officer/Head Accountant.

The compliance made by the Treasury Officer to set right the irregularities pointed out in the Inspection Reports of the Director of Accounts and Treasuries, the Collectors and the Accountant General shall also be checked.

[*Note.*—For this purpose the questions in Annexure I to Appendix VI to these Rules (Vol. II) may be taken for guidance).]

(b) The omissions and defects noticed during the inspection will be drawn up in the form of instructive notes. The notes will be finalised by the Regional Deputy Directors/Assistant Directors who shall discuss important aspects of the Report with the Treasury Officer/Collector. Compliance of irregularities of a minor character should be got done on the spot under his supervision. The report will be issued to the Treasury Officer in the form of a letter. The Treasury Officer shall set right the irregularities and comply with the instructions issued therein and submit a report of compliance normally within a period of two months. He shall render every assistance to the Inspecting Officers during their inspections and see that the compliance is not delayed.

Note.—The Regional Deputy Directors shall not inspect those treasuries which are inspected by the Director of Accounts and Treasuries during the year.

(c) When the inspections of the treasuries have been carried out for the financial year, a list of common irregularities will be prepared and circulated by the Regional Deputy Directors of Accounts and Treasuries to all the Treasury Officers in their regions for information and guidance. A copy thereof should also be submitted to the Director of Accounts and Treasuries, Bombay, for information.

INSPECTIONS BY THE DIRECTOR OF ACCOUNTS AND TREASURIES, BOMBAY.

86. The Director of Accounts and Treasuries, Maharashtra State, Bombay, shall inspect a few selected Treasuries every year with reference to items given in Maharashtra Treasury Rule 85(a) with a view to examine the general working of the Treasury offices.

The omissions and defects noticed during inspections will be drawn up in the form of instructive notes. The notes will be finalised by the Director who shall discuss important aspects of the Report with the Treasury Officer/Collector. The report will then be issued to the Regional Deputy Director of Accounts and Treasuries who will require the Treasury Officer to comply with the instructions and to set right the irregularities within a maximum period of two months.

SUB-TREASURIES

(i) *Inspection by Revenue Officers*

87. "Once in each year there should be a general inspection of each sub-treasury by the Collector or by the Deputy Collector of the Division in which the Sub-treasury is included. The scope of the Annual Inspection of the Sub-treasuries brought under the control of Finance Department to be

conducted by the Collectors/Deputy Collectors should be restricted to the security arrangements and contents in the Treasury Strong Room with particular reference to the following points :—

(i) Checking of Cash Balance (including balances in the Currency) Chest in the case of non-banking Sub-Treasuries.

(ii) Arrangements for Police Guards.

(iii) Security of the Strong Room.

(iv) Verification of the Stamps (including Forest Rated Passes) and Stock of opium, if any.

(v) Verification of Cash chest and other valuables deposited by the Departmental Officers for safe custody.

(vi) Verification of Padlocks and keys with a view to check that there are no unserviceable locks, that separate numbers are given to locks, distinct from the numbers given by the manufacturers and keys are also properly numbered and entered in the register.

(vii) Security furnished by the Sub-Treasury Officer and Sub-Treasury staff".

A report containing the suggestions of the Inspecting Officer will be submitted to the Collector immediately after the inspection is over. It should be promptly reviewed by the Collector and necessary instructions should be issued for the rectification of the defects brought to notice.

Note 1.—The questionnaire for Sub-Treasury Inspection to be made by Revenue Officers in respect of Sub-Treasuries under the control of Revenue and Forests Department is given in Annexure II of Appendix VI of Maharashtra Treasury Rules, 1968, Volume II.

Note 2.—Collector and Deputy Collectors should send copies of their Sub-Treasury Inspection Notes to the District Treasury Officer concerned, to enable that Officer to make the Inspection Notes available to the Inspecting Officers of the Accountant General's Office during inspections of District Treasuries.

88. On the 15th of May in each year, the Collector will send a report to the Secretary, Finance Department, showing the dates of sub-treasury inspections by himself or the Deputy Collectors with the names of the officers. An irregularity involving fraud or defalcation will be specifically mentioned.

(ii) Inspection by Treasury Officer/Head Accountant

89. The Head Accountant/Treasury Officer, shall carry out once in a year, the detailed inspection of every Sub-Treasury in the District as per questionnaire given in Annexure II of Appendix VI of Maharashtra Treasury Rules, 1968, Volume II including the following aspects:—

(1) Submission of daily sheets to the treasury.

(2) Stamp Accounts and plus and minus memorandum relating thereto.

(3) Certificates of administrators of Civil Deposits.

(4) Pension payments.

(5) References from Accountant General pending in the sub-treasury.

(6) Checking of cash balance (including balance in the currency chest in the case of non-banking Sub-Treasury).

A report based on the observations made by the Head Accountant will be placed before the Treasury Officer and after his approval sent to the Sub-Treasury Officer for compliance and copies thereof endorsed to the Deputy Collector of the Division and the Collector so far as only the important defects are concerned. The same procedure shall be followed by the Treasury Officer when he inspects the sub-treasury.

Note 1.—The Treasury Officer should inspect at least 50 per cent of the sub-treasuries in a district every year.

Note 2.—The Treasury Officer/Head Accountant shall not inspect the Sub-Treasuries which are inspected by the Regional Deputy Director in a year.

89A. Detailed and systematic inspection of every Sub-Treasury as per questionnaire given in Annexure II of Appendix VI of the Maharashtra Treasury Rules, 1968, Volume II, should also be done by the Regional Deputy Director once in three years. The cash balance (including balances in the currency chest in case of non-banking Sub-Treasuries) should also be checked during the inspection and findings reported.

Section IV—Miscellaneous Provisions

DEPOSIT OF CASH AND VALUABLES OF OTHER DEPARTMENTS

“90. No department shall require that funds pertaining to it be kept apart from the general treasury balance or be received for safe custody and kept out of account or be received at all except under these rules. The rules for lodging cash chests or any valuable property, jewellery, etc., in the treasury for safe custody are given in Appendix VII. Such deposits in the District Treasury strong room will be received at the express direction of the District Treasury Officer while in the Sub-Treasury strong room, at the express direction of the Collector and the fact shall be reported to the Accountant General and Regional Deputy Director of Accounts and Treasuries for information. A register shall be kept in the Treasury/Sub-Treasury in which the receipt and return of the chest or box should be duly acknowledged. The key or keys should not be kept in the Treasury/Sub-Treasury nor shall the amount of such chests or boxes be brought into the accounts of the Treasury/Sub-Treasury.

The Accountant General may report to Government any case in which the permission appears to have been given improperly by the Treasury Officer/Collector.”

91. The procedure prescribed in Appendix VII should be followed in such cases.

LIST OF ARREARS

92. The Treasury Officer shall submit to the Secretary by the 10th of April, July, October and January every year a report about the arrears of work in the treasury. While forwarding the list, he should inform Government regarding (i) improvement in the general efficiency and working of the treasury, (ii) progress made in clearing the arrears since the submission of the last list, (iii) progress of cases regarding misappropriations, defalcations, departmental enquiries, etc., and (iv) other general matters.

NOTICES

93. Notices shall be posted up conspicuously in the office showing the hour at which the treasury closes for receipts and payments of money (in the case of a non-bank treasury) and for public business, that is, receipts and issues of chalang and bills.

94. (1) All treasuries in the State will be kept open to the public from 10-30 a. m. to 1-30 p. m. on all working days except Saturdays, when the hours will be from 10-30 a. m. to 12-00 noon. The Saturday working hours shall also be observed on the 10th, the last working day of the month, and on Local and extra-general holidays. Ordinarily, no work should be done in the Treasury after sunset. If, in cases for urgency, any work is required to be done after sunset, such work should, on no account be done without the provision of petrolmax or electric light."

(2) No particular dates have been prescribed for payment of pensions. The Collector should fix the dates looking to the convenience of the pensioners and the requirement of smooth working of treasuries.

(3) Notice boards, specifying the hours for the transactions of business at the treasury and the date on which the treasury will be closed on account of public holidays during each quarter should be posted up conspicuously at each district and sub-treasury in local language.

Note.—On the 10th of each month or on the previous day if 10th happens to be a holiday, the district treasuries may be closed for public business at 12-00 Noon to enable the first list of payments due to the Accountant General being closed and despatched before evening on the next day. A similar procedure may also be followed on the last working day of the month.

(4) If any law requires that the treasury be kept open till a named hour on any day, the accounts cannot of course be closed till after that time, but should then be closed and agreed in the usual manner before any member leaves Office.

(5) In the event of an emergency or an occasion entailing mobilization, the Collector, upon receipt of an intimation from a Station Commander of the Indian Army, for arranging any treasury/Sub-treasury to be kept open on specified dates, shall cause such treasury/sub-treasury to be kept open up to a period of four consecutive days for transacting military official business only, irrespective of holidays, or where the treasury work is done by the Bank to request the Agent to keep the Branch open for transacting military official

business. In either case, he will inform the Secretary and the Accountant General of the action taken. A copy of his written request to the Collector to keep any treasury/sub-treasury open, shall also be forwarded to the Secretary by the Station Commander.

95. The Treasury Officer shall personally see that the notices which he is required to exhibit, under standing orders or other instructions received from time to time, such as those regarding encashment of notes, the supply of small silver coins, nickel and copper coin, 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 should not be exhibited in any treasury unless its form is previously approved by the Currency Officer.

DESTRUCTION OF RECORDS

96. The periods for which the various records of the sub-treasuries and district treasuries are to be preserved are given in Appendix 17 of the Bombay Financial Rules, 1959.

The records enumerated in this Appendix should be destroyed after the period of preservation is over on a certificate that there are no unsettled objections relating to them, obtained from the Accountant-General by the submission to him of a list of the record proposed for destruction.

PART III—RECEIPT OF GOVERNMENT MONEYS AND PAYMENT OF SUCH MONEYS INTO THE GOVERNMENT ACCOUNT

Section I—General Rules

GENERAL INSTRUCTIONS FOR HANDLING CASH

97. "A person may tender moneys in payment of dues to Government either (a) to the concerned departmental officer by cheque, bank draft, postal order, or money order, or in cash upto an amount not exceeding Rs. 300 in each case or such higher amounts as they may be authorised to receive, or (b) at the Treasury or the Bank."

98. (1) Save as otherwise expressly provided in these rules the instructions laid down in the Account Code. Volume II, with regard to the maintenance of Day Books and verification of balances should be observed by all Treasury Officers.

(2) The following rules shall be observed by all departmental officers who are required to receive and handle cash :—

(i) Every Officer receiving money on behalf of the Government should maintain a cash book in Form M.T.R. 4.

(ii) All monetary transactions should be entered in the cash book as soon as they occur and attested by the head of the office in token of check.

(iii) The cash book should be closed regularly and completely checked. The head of the office should verify the totalling of the cash book or have this done by some responsible subordinate other than the writer of the cash book, and initial it as correct.

(iv) At the end of each month, the head of the office should verify the cash balance in the cash book and record a signed and dated certificate to that effect mentioning therein the balance both in words and figures. The certificate should also be recorded on the monthly cash account, primary abstract or account current, where such account, abstract or account current is required to be submitted to the Accountant-General. Such certificates must be signed by the head of the office who should invariably date the signature.

(v) When Government moneys in the custody of a Government Officer are paid into the treasury or the Bank, the head of the office, making such payments should compare the Treasury Officer's or the Bank's receipt on the chalan or his pass-book with the entry in the cash book before attesting it and satisfy himself that the amounts have been actually credited into the treasury or the Bank. When the number of payments made in a month is more than ten and the total amount involved therein exceeds Rs. 1,000

he should, as soon as possible after the end of the month, obtain from the treasury a consolidated receipt for all remittances made during the month, which should be compared with the posting in the cash book.

Note.—Notwithstanding the provisions of this clause, the head of office may at his discretion obtain a consolidated treasury receipt irrespective of the number of payments made in a month and the total amount involved therein.

(vi) An erasure or overwriting of an entry once made in the cash book is strictly prohibited. If a mistake is discovered, it should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The head of the office should initial every such correction and invariably date his initials.

(vii) A Government Officer who handles Government money should 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 the Government. Where under any special sanction, a Government Officer deals with both Government and non-Government money in his official capacity, the Government money should be kept in a cash box, separate from the non-Government money and the transactions, relating to the latter, should be accounted for in a separate set of books and kept entirely out of the Government account.

(viii) The employment of peons to fetch or carry money should be discouraged. When it is absolutely necessary to employ an inferior servant for this purpose, a man of some length of service and proved trustworthiness should only be selected. Ordinarily one person may carry an amount up to Rs. 300.

When such amount exceeds Rs. 300 two persons should be sent. When the amount is in excess of Rs. 5,000 one of the persons must invariably be a clerk or a Cashier. These limits are applicable in all cases unless lower limits have, in specific instances, been laid down in other rules or orders of Government.

Note 1.—The duties imposed by clauses (ii) to (vi) of this rule on the head of the office may be entrusted to a subordinate gazetted officer nominated by the head of the office for the purpose.

Exception 1.—In the case of Forest Department the duties imposed by clauses (ii) to (iv) of this rule on the head of the office may be entrusted to the Head Clerk who should attest the entries in the cash book during the period the Divisional Forest Officer is on tour and the Divisional Forest Officer on return to Headquarters should re-check the entries and attest them again. Where the posts of Head Clerks do not exist, the Accountant in the Forest Department shall discharge the duties subject to the understanding that the superior officers retain the control on financial transactions by periodical checks.

Exception 2.—In case of Small Causes Courts, the duties imposed by clauses (ii) and (iv) of this rule on the Head of the Office in respect of Cash Book may be entrusted to the Assistant Registrar, and the Additional Registrar should re-check the entries once a week or once a fortnight and attest them again.

Note 2.—The cash books should be bound in convenient volumes and their pages machine-numbered. Before bringing a cash book into use, the head of the office or the officer, nominated by him under Note 1, should count the number of pages and record a certificate of count on first page of the cash book.

RECEIPT OF COIN, NOTES, ETC.

99. Government dues or other moneys receivable on Government account may ordinarily be realised in legal tender coin or notes only. The conditions of legal tender and the currency of the various denominations of coin and notes are governed by the instructions embodied in Part XIV.

CHEQUES TENDERED IN PAYMENT OF GOVERNMENT DUES

100. (a) At places where the business of the Treasury is conducted by the Bank, cheques on local banks with a clearing account with the Bank may be accepted in lieu of cash in settlement of dues to Government provided the cheques have been crossed by the drawer and made payable to the Bank so that it can make necessary adjustment in its books on clearance. A chalan for the remittance of the amount into the Bank must, however, accompany as usual in the case of cash and should be first presented to the treasury for enfacement. The copy of the receipted chalan will be made available to the tenderer by the Bank only when the cheque is cleared and the amount adjusted to the credit of Government. If the person does not attend the Bank, the latter may send the copy to the treasury. It is for the tenderer to make his own arrangements to receive the copy from the Bank or from the treasury. If the person making payment so desires, a receipt for the cheque in the following form may be issued from the Treasury :—

“Received Cheque No., dated
for Rupees drawn on
..... Bank on account of
..... with chalan No. ”

(N.B.—The collection charges should not enter Government Accounts.)

Note.—The Bank reserves to itself the right to refuse to accept cheques the collection of which in its opinion cannot reasonably be undertaken and which it may not accept on behalf of its constituents.

(b) In the event of the cheque being dishonoured by the Bank on presentation, the fact shall be reported at once to the tenderer with a demand for payment in cash ; but the Government cannot accept any liability for loss or damage which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

(c) When a cheque is received for payment of Government dues, the Treasury Officer will send it to the Bank before Banking hours on the same day. If, however, the cheque is brought after business hours he may refuse to accept it, or accept it subject to the clear understanding that Government is not responsible for any consequences arising out of the amount, not having been credited to the Government account on that particular day.

Note 1.—The term “local banks” as used in this rule means banks (including the Reserve Bank and the State Bank of India) located in the station in which the Bank Treasury is situated.

101. Demand drafts shall not be distinguished from cheques for the purposes of these rules and, provided that a cheque tendered in payment of Government dues is accepted under the provisions of rule 100 and is honoured on presentation, payment shall be deemed to have been made :—

(i) if the cheque is handed over to the Government's bankers or to a Government Officer authorised to receive money on behalf of the Government on the date on which it is so 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 into 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.—The provisions of clause (ii) above apply *mutatis mutandis* to payments made to the Government by postal money order or by any other recognised mode of remitting money by post.

102. When Government dues which are payable by certain fixed dates are paid by a cheque, the person desiring to make such payment in this manner without risk must take suitable precautions to ensure that his cheque reaches the treasury or the receiving office at the latest on the working day preceding the date on which the payment is to be made. Cheques 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.

103. Special rules for the acceptance from the public of cheques, bank pay orders and bank credit chalang in some departments may be prescribed in their departmental regulations in consultation with the Finance Department.

GRANT OF RECEIPT TO THE PAYER

104. (1) The head of an office, where money is received on behalf of the Government must give the payer a receipt duly signed by him after he has satisfied himself before, signing the receipt and initialling its counterfoil, 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.

Note.—It is not necessary to issue a receipt to a payer in cases where the field staff of the National Savings Organisation receive moneys on account of sale of Savings boxes.

(2) Where money is realised not in cash but recovery from a payment made of the bill setting forth full particulars of the deduction, a 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.

(3) All receipts must be written in figures and in words in the original and such other copies of chalang in Form Maharashtra Treasury Rule 6, prescribed in Rule 112, 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 chalan may, however, be initialled against the amount already indicated therein over the 'cash received' stamp.

FORM AND CUSTODY OF RECEIPT BOOKS

105. Receipt books in machine-numbered form M.T.R. 5 may be obtained from the Director, Government Printing and Stationery. This standard Form shall be used by all Government Officers receiving money on behalf of the Government unless any special form of receipt is prescribed by departmental regulations to suit the convenience of any particular department or office.

106. (1) The receipt books must be kept under lock and key in the personal custody of the officer, authorised to sign the receipt on behalf of the Government.

(2) 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 signature of the Government Officer-in-charge of the Book. Counterfoils of used receipt books shall be kept in his personal custody.

ISSUE OF DUPLICATES OR COPIES OF RECEIPTS

107. No Government Officer may 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 specified day a certain sum on a certain account was received from a certain person. The prohibition extends only to the issue of duplicates on the allegation that the originals have been lost, and does not apply to cases authorised by these rules or by special orders of the Government in which duplicates have to be prepared and tendered with originals.

Section II—Procedure for paying moneys into the Government Account

PAYMENT OF MONEY

108. Payments of money into the treasury or the bank may ordinarily be made only in cash, but cheques, bank pay orders and bank credit chalang accepted under the provisions of Rules 100 and 103 will be received for credit in the Government account.

Note.—The conditions under which small coin and coin which is not legal tender, including foreign coins and coins of other than Indian Mintage, may be received at the treasury are regulated by the orders embodied in Part XIV.

109. Whenever under the provisions of sub-rule (2) of rule 8 moneys received on account of the revenues of the State instead of being paid into a treasury or the bank, are utilised to meet departmental payments, the gross receipts and payments made therefrom shall be entered as receipts and expenditure in any record that may be kept of the payments into and withdrawals from Government 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 chalan presented under Rule 112 the full amount of cash actually received by him, and per contra, the expenses disbursed therefrom, and not merely the net receipts.

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 chalan or remittance note.

110. An officer remitting a cheque to the treasury or the bank for transfer credit to Government account must 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.

111. Cash may not be received by Treasury Officers from Officers of Government for supplies of service postage stamps, such supplies being regulated by the procedure laid down in Rule 311.

MEMORANDUM ON CHALAN

112. Subject as otherwise provided in these rules, or unless 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 chalan) in form M. T. R. 6 showing distinctly the nature of the 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 Government and departments concerned. As far as possible, separate chalans shall be used for moneys creditable to different heads of accounts. Receipts for sums less than Rs. 1,000 do not require the signature of the Treasury Officer but only of the Head Accountant or Deputy Accountant and the Treasurer except receipts for cash and cheques paid for service stamps, which should always be signed by the Treasury Officer.

Note 1.—Where under Rule 463 or under any special rule or order, revenue collected at outlying stations is permitted to be remitted to treasuries by means of money order, no chalan shall be required, but the amount of the money order may be adjusted by book transfer on a receipt signed by the Post Master.

Note 2.—Any person paying money into Treasury or the Bank on Government account to the credit of Central Public Works Department shall present with it a memorandum or chalan in form No. M. T. R. 6 with the letters "C. P. W. D." superimposed diagonally in red ink on the chalan.

Note 3.—The above rule in so far as it relates to the signing of receipts for sums less than Rs. 1,000 by the Head Accountant, Deputy Accountant and the Treasurer does not apply to sub-treasuries. The Treasury Aval Karkun signs all receipts as ex-officio Sub-Treasury Officer.

113. Except as provided otherwise in these rules chalang shall be presented in duplicate. Save where any other arrangement has been authorised by the Government for the supply of chalan forms, printed forms of chalang which may with advantages be bi-lingual, will be supplied by the treasury free of charge.

Note.—In every case of recovery of overpayment made in cash, a chalan 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 the chalan 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.

114. Duplicate chalang are required when remittances are made to a treasury for obtaining cash orders on sub-treasuries. Duplicate chalang are not required however, when such remittances are accompanied by Remittance or Pass-books in which the Treasury Officer is required to acknowledge the receipt of the remittance.

Note.—Cash orders on Sub-treasuries should be issued by the Treasury Officers only on the strength of the duplicate copies of receipted chalang.

115. In cases of all transactions when the money is paid by a private person into a Treasury except as provided in Maharashtra Treasury Rule 113, the chalan shall be presented to the Treasury in triplicate irrespective of whether or not the Treasury is located in the same place as the Departmental Officer concerned in the payment and the triplicate copy of the chalan shall be forwarded by the Treasury to the Departmental Officer on the very day on which the credit is accounted for in the Treasury, sub-Treasury Books. However, if the Treasury is located in the same place as the Departmental Officer concerned in the payment, the chalan, will before presentation to the Treasury be signed by the Departmental Officer to whose account the money is to be credited. The triplicate copy of the chalan shall be printed in Red-Colour and the Departmental Officer shall make adjustment in their accounts only on the basis of the triplicate copy of the chalan forwarded to him by the Treasury.

Note 1.—A copy of chalan under the following heads is required to be sent to the Accountant General with the Receipt Schedule by the Treasury Officer and as such one more copy of the chalan under the following heads should be accepted :—

- (1) Capital Major Heads ;
- (2) State Provident Fund (General Provident Fund, etc.,) A schedule of General Provident Fund should be attached to each copy of such chalan ;
- (3) Suspense Accounts (Pay and Accounts Officer-Rehabilitation, and other Pay and Accounts Officers) ;
- (4) Loans and Advances except chalang under the following Sub-heads subordinate to the Minor head 'D-advances to cultivators' :—
 - (1) Advances to cultivators ordinary ;
 - (2) Advances to cultivators for Agriculture Schemes.
 - (3) Forest Takkavi Advances.
 - (4) Loans under the scheme for settlement of landless labourers.
 - (5) Loans under Model Colonisation Scheme.
- (5) Remittances :—
 - (a) Departmental Remittance (*viz.*, P. W. D., Excise, Forest, etc.) ;
 - (b) Inter-state Suspense Accounts ;
 - (c) Exchange Accounts ;

(6) Unclassified items under all Heads (*viz.*, Refunds of overdrawal of pay, Dearness allowance, Travelling Allowance; Unspent balances of Contingent amount drawn on abstract bills; Recoveries on account of advances of Travelling Allowance and pay on transfer; Recoveries of Conveyance advances, House-building advances, etc.

Note 2.—A special form of chalan has been prescribed for the payment of income tax and sales tax into treasuries. The portion which is marked "original" should be sent to the Income-tax Officer concerned. Chalans pertaining to the Income tax Department shall be routed by the Sub-Treasury Officers through the District Treasury Officers before their onward transmission to the Departmental Officers.

Note 3.—In view of the provisions contained in section 7(1) and section 8(4) of the Indian Boilers Act and rule 3 of the Rules framed thereunder, according to which every application for inspection, registration, or renewal of certificate of boiler made by an applicant is required to be accompanied by a treasury or bank receipt, only two copies of chalans will be sufficient as the Treasury Officer will not be required to send the triplicate copy to the Chief Inspector of Steam Boilers and Smoke Nuisances, Maharashtra State, Bombay.

Note 4.—Chalans in respect of repayment of loans and advances tendered by a private person should be first presented to the Departmental Officer concerned in the payment who will after entering the proper classification in the chalan and attaching the requisite schedule to the chalan or mentioning in the chalan the details of Treasury Voucher No. and month under which the original amount was drawn, return it to the party for presenting it to the Treasury Officer, who will check the classification and in the case of Banking Treasury will enforce it with an order to the Bank to receive the money after checking the classification in the chalan and ensuring that requisite schedules are attached and contains other required details where necessary.

Note 5.—The chalans could be signed by Departmental Offices who may be an officer of the Department concerned, available at the place, who is concerned with the collection of revenue of the Department and not necessarily the Head of the Department/Office or gazetted officers. Whenever the Heads of Departments/Offices have to authorise a non-gazetted subordinate to sign the chalans on their behalf, they should, as far as possible, nominate the non-gazetted officer of the highest rank concerned with the receipts, available at their offices for the purpose.

116. At places where the cash business of the treasury is conducted by the Bank, the chalan must, except as otherwise provided in Part VI, be presented to the Treasury Officer who will have it enfaced with an order to the Bank to receive the money and to grant a receipt.

Section III—Procedure at Treasuries in receiving money and granting receipts

CHECKS TO BE APPLIED AT THE TREASURY

117. The memorandum or chalan with which money is presented, shall be handed first to the Accountant (treasury clerk) who, if it is in order in all respects, shall initial it. Next, the person making the payment shall present it with the cash to the Treasury, who must count and test the money, enter the amount in his own cash book and sign the chalan which will again be taken to the Head Accountant/Deputy Accountant for entry in his Cash Book and for preparation of a formal receipt for his own or the Treasury Officer's signature. Such a receipt only shall be the proper acquittance.

118. Except as provided in Rule 120 receipts for sums below Rs. 2,500 do not require the signature of the Treasury Officer and may be signed by the Treasurer and the Head Accountant/Deputy Accountant. As regards receipts for sums received by transfer in account, which do not require the signature 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. 2,500. Receipts of Rs. 2,500 and over must invariably be signed by the Treasury Officer.

119. If the chalan is in duplicate or triplicate, the chalan marked "original" shall be returned to the tenderer duly signed as a receipt provided that, where under any authorised rule or procedure the "Original" chalan is required to be returned to the departmental authority or to be otherwise dealt with, the treasury receipt may be given on the duplicate or such other copy as may be specially marked for this purpose. In cases in which the chalan is accompanied by a remittance book or a pass-book, the treasury receipts may be given on the remittance book or pass-book, as the case may be. The duplicate will be retained in the treasury. The triplicate shall be forwarded to the departmental officer.

120. Receipt for supplies of service stamps when such receipts are to be given for cash received from the public or for cheques drawn by an officer of an indenting Department shall be given in Form M.T.Rs. Such receipts in respect of service stamps worth below Rs. 2,500 may be signed by the Head Accountant while those for service stamps worth Rs. 2,500 and above shall be signed by the Treasury Officer.

Note 1.—When the value of stamps is paid by cheque and a separate indent in Form M.T.R. 33 is sent to the treasury under rule 311, the indent form should be recorded in the Treasury and should not be signed by the Treasury Officer as a receipt.

EXAMINATION FEES

121. Fees tendered by candidate for examinations conducted by the Maharashtra Public Service Commission or any Board of Departmental Examinations may be received at the Treasury or may be remitted to the Secretary, Maharashtra Public Service Commission or the Board, as the case may be, by means of crossed Indian Postal Orders. If the fees are deposited in the treasury, a single receipt only is to be given and duplicate may on no account be issued.

REMITTANCES OF DEPARTMENTAL OFFICERS

122. The procedure to be observed by the Treasury Officer with regard to remittances made by or any receipt of the Public works and the Forest Departments shall be regulated by the provisions contained in Part VII.

SUB-TREASURY

123. The provisions of this section with regard to the receipt of money at District Treasuries applies to sub-treasuries also, provided that duplicate copies of chalans shall be retained at the sub-treasury only and not forwarded to the treasury along with daily sheets, but save as otherwise provided, all receipts for money paid into a sub-treasury must be signed by the Sub-Treasury Officer.

BANK TREASURY

124. The procedure to be followed by treasuries, the cash business of which is conducted by the Bank with regard to moneys tendered for credit into the Government account, and by the Bank in receiving such moneys and granting receipts for them, shall be regulated by the rules laid down in Part VI.

CERTIFICATES OF CREDIT

125. The Treasury Officer shall not issue more than one copy of the receipted chalan to any person tendering money for credit to the Government account on the allegation that the original has been lost or on the ground that the tenderer has to produce the original to any departmental officer in proof of his having credited the amount and thereby to secure for him any licence or permission from that authority. The Treasury Officer may, however, issue a certificate of credit in MTR 58 to the tenderer on an application made by him for the purpose. A fee of Rupee one shall be charged for each certificate which shall be in respect of one chalan only and the application will be stamped with a court-fee stamp of 65 paise. The fee will be charged in respect of each separate chalan, if one application is made in respect of more than one chalan unless specially exempted by the Government.

Note.—Exemption from payment of the searching fee and Court fee to any official, Local body, private concern or individual is not permissible. The amount of such fee payable by Government Departments is to be met from the contingent grant of the Officer applying for the certificate.

Exception—

(i) The Treasury/Sub-Treasury Officer should not insist on payment by the Audit Office of searching fee and Court fee for certificate of credit issued in respect of challan forwarded to the Audit office but lost in transit.

(ii) The search fee as well as court fee should not be charged for issue certificate of credits for the purpose of chronological arrangement of village wise tagai challan pertaining to the years from 1944 to 1956 only.

PART IV—CUSTODY OF MONEY RELATING TO OR STANDING IN THE GOVERNMENT ACCOUNT

Section I—Cash in Departmental Chests

GENERAL RULES

126. For instructions relating to custody of Government money not in charge of a Treasury or the Bank, see Rules 90 and 91.

Section II—Cash balances in Treasuries

Notes.—The money held in a Treasury is usually divided into two parts, viz., (1) The Treasury Balance which forms part of the Government account and (2) the currency chest balance which consists partly of currency notes which are treated 'as not in circulation' and partly of coin and one-rupee notes which form a portion of the reserve held against the issue of notes in accordance with the provisions of the Reserve Bank of India Act, 1934, as amended from time to time.

Money held in a small coin depot where such a depot is established at a treasury is kept entirely separate from the treasury and currency chest balance. The balances of these depots are the property of the Central Government and the procedure for their custody and verification is laid down in Section IV of Part IV of the Central Government Compilation of Treasury Rules, Volume 1.

SECURITY OF STRONG-ROOMS

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

(i) Without the special permission of Government, no place should 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 Public Works Department not under the grade of an Executive Engineer.

In certifying to the suitability of the room, the certifying Officer mentioned in clause (ii) may prescribe any necessary conditions as to the manner of storing the coins or treasure, such as that it should not be piled on trestles but must be kept in boxes or that bags or boxes be placed within a prescribed distance of the wall or in any particular part of the room. The certifying Officer must 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.

(ii) Existing strong-rooms should be inspected annually by the Executive Engineer, or by an experienced Assistant Engineer, or an Upper Subordinate holding sub-divisional charge deputed by the Executive Engineer for the purpose.

The Certifying Officer will grant a certificate of safety and it is the duty of the Treasury Officer to obtain such a certificate annually.

(iii) The District Superintendent of Police should record an order describing the position of the sentries and may also require any additional precautions to be taken in the strengthening of fastenings, burning of lights,

[illegible]

Initials of Officer who receives each Key and date of receipt by him		No. and date of order regarding final disposal	Initials of Treasury Officer removing the Padlock, Key or Keys or both, with the
Original	Duplicate		
(11)	(12)	(13)	(14)

Separate pages should be assigned to the district treasury and for each sub-treasury or treasure chest. Each sub-treasury should also keep a list of its own padlocks and keys in the above form no entries being made under duplicate keys as no duplicate keys are to be kept at sub-treasuries. The Sub-Treasury Officers should in the month of April every year examine their lists of padlocks and keys and satisfy themselves that the locks, etc., are in existence and certify accordingly in the following form:—

"Certified that all padlocks and keys bearing Nos. belonging to the sub-treasury have been examined, compared with the register and found to be correct and that they are in good order.

Date

Sub-Treasury Officer.

(Signature)

A copy of the certificate should be sent to the Treasury Officer for checking the entries in his register.

(ii) Every padlock should have a number impressed upon it or attached to it by a metal or other label and the same number should be impressed on or attached to each key belonging to it. No two padlocks in the same district should bear the same number.

Note.—This "Number" should be the same as mentioned in column (4) of the Register of Padlocks and Keys.

(iii) If a padlock becomes unserviceable or ceases to be required, or if any one of the keys belonging to it is lost, the circumstance should be reported to the Regional Deputy Director of Accounts and Treasuries, Poona and Nagpur, who will pass orders regarding the disposal of the padlock and keys. No padlock of which a duplicate key has been lost, should continue to be used in the same district. No spare Padlocks should be kept at a sub-treasury, or except with the permission of the Regional Deputy Director of Accounts and Treasuries, Poona and Nagpur, at a district treasury.

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

(v) All spare padlocks which are held in the district treasury with the approval of the Government, and their keys, and all duplicate keys except those belonging to the locks of the district treasury strong-room door and of the receptacles in which duplicate keys of the padlocks are kept, should be kept in the district treasury strong-room under double locks, the keys of one lock being in the hands of the Treasury Officer and of the other in the hands of the Treasurer. The duplicate keys of the strong-room door and the duplicate key of the receptacle in which duplicate keys of other padlocks are kept, should be secured under the seal of the Treasury Officer and the Treasurer and deposited in the District Court, the Bank or its subsidiaries, or such other place as the Government may direct. Once a year, in the month of April, they should be sent for, examined, and returned to the appointed place under the fresh seal of the Treasury Officer and the Treasurer a note being made in the Duplicate Key Register that they have been examined and found correct.

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

(2) The above rules may be modified in particular points to suit local convenience by Government. The essential points which should be borne in mind in sanctioning any modification of the rules prescribed above are:—

(i) Some person or persons should be held definitely responsible for the custody of duplicate keys;

(ii) the whereabouts of the keys should be enquired into periodically and also whenever charge is transferred:

(iii) when the loss of a key is discovered, it should be reported at once to the Secretary, who will issue such orders as will prevent the risk of access to the lock by any one into whose hands the lost key may have fallen; and

(iv) an unnecessary number of duplicate or spare locks and keys should not be supplied in the first instance, or retained when they have ceased to be required.

(3) At every inspection of a treasury under rule 74, the Inspecting Officer shall report whether he has found the padlocks and all keys (except the duplicate keys of the strong-room locks and the duplicate key of the receptacle in which duplicate keys of other padlocks are kept) correct and deposited in accordance with the rules.

Note 1.—The instructions contained in this rule shall also be applicable to the strong-room of the Pay and Accounts Office, Bombay. The duplicate key of its outer door should, however, be kept with the Reserve Bank of India, Bombay.

Note 2.—The provisions contained in this rule shall also be applicable to the Iron Safes/double lock/steel cupboards which are used in strong room of Treasury/Sub-Treasury. If such Iron Safe/Steel Cupboard becomes unserviceable for use in the strong room or ceases to be required or if any one of the keys belonging to it is lost, the circumstances should be reported to the Government who will pass orders for its removal from the strong room and use for office purposes outside the strong room.

STORING OF TREASURE

129. (1) The following are authorised methods of storing coins and notes in strong-rooms :—

(i) *Coin.*—Coin should be made up in bags of uniform size each containing Rs. 100, Rs. 500, Rs. 1,000 or Rs. 2,000, 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 M.T.R. 7 showing the description and tale of the contents and signed by the person who has counted and examined them should be placed in each bag. The bags should then be tied up with string.

(ii) *Notes.*—Notes should be made up in bundles of 100 each for each denomination, any balance of less than 100 forming a separate bundle. Each bundle should then be stitched with a label in Form M.T.R. 8 at the top, showing the denomination and number of the notes and signed by the person by whom they have been counted and examined.

(2) Coin may be stored in either of the following ways :—

(i) In bags of uniform contents, placed in strong iron boxes or safes or wooden chests or built recesses or wells, each of which has two independent locks, both of which must be opened before access is obtained to the contents. One of the keys should remain in charge of the Treasurer, the other in that of the gazetted officer in charge ; or

(ii) In bags of uniform contents piled upon trestles, but this method is not admissible unless every door, window, drain, sky-light ventilator, or other aperture in the walls of the strong-room are 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 prescribed in rule 557.

(4) All notes should be stored separately from coin in a tin box or other receptacle designed to protect them from injury by damp, insects, etc. They should be kept in bundles of not more than 100 notes each, each bundle containing notes of one denomination only.

PRECAUTION AGAINST SUBSTITUTION OF GOOD COINS BY UNCURRENT OR COUNTERFEIT COINS

130. 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 potdars 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 entrust the duty, all coin carried with them at the time. The coin should be restored when the men are leaving office at the close of the day's work.

CUSTODY OF TREASURY BALANCE

131. Save as provided in this rule, the bulk of the treasury balance must remain under double locks, one key being held by the Treasury Officer and the other by the Treasurer.

The Treasurer may hold in his separate custody a sum sufficient for the convenient transaction of Government business, which together with the values of stamps, opium, etc., in his sole custody, must not be larger than the security given by him. The sum so held shall be seen and roughly verified by the Treasury Officer every night and locked up in the strong-room under double locks.

132. The following rules must be carefully observed in receiving money into or giving it out from double locks :—

(i) In receiving coin into double locks, the Treasury Officer should cause the contents of each bag to be emptied into the scales, weighed and poured into another bag which should be tied up in his presence with the slip in Form M.T.R. 7 placed inside it. The bags thus tested should then be counted into the chest.

(ii) In receiving notes into double locks, the Treasury Officer should count the notes in each bundle and satisfy himself that the notes are all of the alleged value, that is, that a note of a lower denomination has not been included in a bundle for a higher denomination, and sign the label in Form M.T.R. 8 as a token of this verification. The bundles thus tested should then be counted into the chest.

In the case of fresh notes of the denominations of Rs. 10, Rs. 5, Rs. 2 and Re. 1 received in a remittance from the Currency Office, the detailed check may be confined to one bundle in every ten taken at random.

(iii) Notes may be given out of double locks by counting the number of bundles.

(iv) Coin may be given out of double locks by counting the number of bags.

(v) Every amount passed into or passed out of double locks should be registered at the time in the Treasurer's Daily Balance sheet (Form M.T.R. 3) by the Treasury Officer with his own hand, and a memorandum should be kept in each chest showing its contents.

(vi) Money arriving from a distance too late in the day for the examination may be kept in sealed bags, under double locks, but only until the next working day, the fact being recorded in the register of valuables mentioned in rule 90.

133. As an alternative arrangement a separate register in Form M.T.R. 9, may be maintained for recording in detail the transactions in connection with the issues from and deposits into double locks when 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 but the corresponding entries in the Treasurer's daily balance sheet may be made by the Treasurer. 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

134. In verifying the cash balance of the district treasury, the Collector or such other officer as may be authorised to undertake this work shall satisfy himself by personal examination that the actual stock of coin and notes corresponds with the balances shown in the Treasurer's Balance Sheet (Form M.T.R. 3) and that the conditions laid down in clause (ii) of rule 41 are fulfilled.

135. The following procedure shall be adopted in verifying the cash balance by actual counting :—

(i) *Silver coins.*—(1) The coin is kept in bags, each containing a certain fixed amount. One bag may be selected at random and Rs. 50 or Rs. 100 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 being taken all the while that the requisite

number of parcels of Rs. 100 or Rs. 50 is made up. The whole amount thus tested may be taken as a verified weight of Rs. 1,000 or Rs. 2,000 as the case may be, and placed in one pan of a larger pair of scales.

(2) The whole number of bags should then be counted, and one in every twenty, taken at random, opened, and its contents poured into the scales and weighed against the verified Rs. 1,000 or Rs. 2,000. If their weight is less they should be re-tested by weighment in sums of Rs. 100 as in the preceding sub-clause and if on re-examination, they are found correct they should be substituted for those taken before as the verified weight.

(3) Broken amounts may be verified by weighment in small quantities of Rs. 50 or Rs. 100 or Rs. 200.

Note.—With proper arrangements, about ten lakhs of coins can be tested in one hour by this process.

(ii) *Copper, bronze and nickel coins.*—The verifying authority may adopt any method of verification which he thinks satisfactory, but he must remember that he is personally responsible for the correctness of the balance stated by him. He should occasionally count the bags and examine their contents, but it is not essential to do so each month.

(iii) *Notes.*—All notes of denominations above Rs. 100 must be personally counted by the verifying officer. For notes of lower denominations the following plan is sufficient :—

The 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 officer 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.

The clerks or assistants engaged should not be persons responsible for the correctness of the bundle, and the verifying officer should 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 the five-rupee note bundle.

Note.—These rules should be printed and pasted on a board and hung up in the strong-room in a conspicuous place.

136. On the first day of each month each Treasury Officer shall telegraph to the Director of Accounts and Treasuries, Maharashtra State, Bombay (1) the total treasury balance on the last day of the preceding month without any details as to the denomination of notes or kind of coins, and (2) the net amount, if any, credited or debited under the head " Reserve Bank Deposits " in the accounts for the preceding month. No telegram is necessary when the detailed cash balance report itself would reach the Director of Accounts and Treasuries, Maharashtra State, Bombay, by the third of the month.

Note.—The Treasury Officer should either telegraph the figures mentioned in items (1) and (2) on the first of the month or despatch the Cash Balance Report as indicated in Rule 137 so as to reach the Director of Accounts and Treasuries, Maharashtra State, Bombay, by the third of the month. Failure of either kind is liable to be treated as a serious lapse.

CASH BALANCE REPORT

137. (1) On the first working day of each month a detailed Cash Balance Report shall be despatched to the Director of Accounts and Treasuries, Maharashtra State, Bombay a copy of the Report being at the same time sent by the Treasury Officer to the Accountant General.

(2) The following instructions should be scrupulously observed in preparing the detailed Cash Balance Report :—

(i) The details of notes and coins should be checked properly and only value of respective kinds given and not the pieces.

(ii) Columnwise total of all sub-treasuries should be given in the grand total column.

(iii) Remittances in transit should be clearly stated in detail, giving particulars of kinds remitted.

(iv) The Reserve Bank Deposit figures and their nature (viz., net debit or net credit) should be clearly stated under 'State' and 'Central' heads.

(v) A supplementary statement showing Reserve Bank Deposit figure accompanying the Cash Balance Report should be agreed with the Bank figures before despatch.

138. The report shall be prepared in Form M.T.R. 10 which, save under the circumstances specified in Rule 43, must be signed by the Collector with a certificate that he has personally verified the several details of coins and notes held. Whether it agrees with the account or by any chance disagrees the report must state the literal facts and include with the cash found in the treasury the balances of the several sub-treasuries on the last dates for which their returns have been included in the accounts of the district treasury.

Note 1.—For treasuries the cash business of which is conducted by the Bank the report may be modified as shown in Form M. T. R. 10. Such reports should show the details of balances at non-bank sub-treasuries only.

Note 2.—When the verification of the cash balance takes place on a date other than the first of a month, it should be reported to the Director of Accounts and Treasuries, Maharashtra State, Bombay in the usual form of the cash balance report.

139. The total balance must be stated in words, and its distribution between the district treasury and sub-treasuries shall be exhibited so as to show the amounts held in cash, in notes, in silver or quarternary rupees and half rupee in small silver, nickel and in bronze and copper. The amount of notes of each denomination must be shown separately. In the case of the balance at the district treasury the amounts under double locks and under Treasurer's single lock shall also be noted separately.

140. The report provides also for memoranda detailing,—

(a) the remittance to other districts, despatched in the past month, with any of previous months for which first acknowledgments have not been received, and date of despatch being given in each case ;

(b) the remittances received from other district in the past month with dates of despatch and receipt, and the despatch of the first and of the final acknowledgment.

141. (i) When the officer who is authorised under Rule 43 to verify and certify the monthly cash balance and to sign the accounts to be rendered to the Accountant General, Currency Officer or the Reserve Bank of India, is absent on tour on the first of the month, the duties may be entrusted by the Collector to any gazetted officer of the district staff present at headquarters, not being an officer in charge of the treasury. The fact of the officer's absence must be distinctly noted in the returns and accounts.

(ii) Occasionally, when both the Tahsildar and the Treasury Awal Karkun/Naib-Tahsildar are out of headquarters at the same time and the sub-treasury has to be given in charge of another subordinate official of the highest standing next to the Treasury Awal Karkun/Naib-Tahsildar. The verification of the treasury balances should invariably be carried out both when the said official assumes and relinquishes the charge.

Section IV—Balances in Small Coin Depots

CUSTODY AND VERIFICATION

Note.—Depots for the custody and issue of small coin have been established at all Currency Offices, some treasuries and certain branches of the State Bank of India and its subsidiaries. A list of the deposits is given in the "List of Treasuries and Sub-treasuries in India" issued by the Government of India. The balances of all small coin depots are balances of the Central Government.

The accounts of the depots are to be maintained in accordance with the directions contained in the Account Code, Vol. II.

142. The provisions of section II of this part with regard to the storage and custody of coin held in treasury balances shall apply also to storage and custody of coin held in small coin depots located at treasuries; provided that where a depot is located at a treasury, the procedure for the safe custody of coin held in such a depot may be such as may be prescribed by the Government after consultation with the Accountant General.

The Bank is responsible for the safe custody of coin in small coin depots at branches of the State Bank of India and its subsidiaries.

143. (1) The balances on the 31st March and the 30th September of the depots located at district treasuries shall be verified by the Collector and the results of the verification reported in the cash balance reports for those months. When the Collector is absent from the station, and is unable to conduct the verification in person, the balances may be verified by the officer who signs the accounts under rule 43, or by any other gazetted officer deputed by the Collector for the purpose.

(2) The numbers of boxes and bags of each class of coins shall be counted at the time of verification and it must be seen whether the seals on the boxes or bags are intact. The contents of five per cent of the bags in the case of silver coins shall be verified in the manner laid down in clause (i) of Rule 135. The contents of two per cent of the bags or boxes in the case of nickel coins and one per cent of the bags or boxes in the case of bronze and copper coins shall be verified by actual counting.

Note.—In the case of depots located elsewhere than at the headquarters of the district, if the Collector is unable to verify the balance, the verification may be conducted by the Gazetted Officer nominated by him and, if a Gazetted Officer is not available, by the sub-treasury Officer.

144. No report of verification need be made to the Accountant General, but a certificate in such form as may be prescribed by the Comptroller and Auditor-General of India for verification of the balance in each small coin depot will be furnished to the Accountant General in April every year in respect of the last verification conducted in the preceding financial year.

PART V—WITHDRAWAL FROM THE GOVERNMENT ACCOUNT

CHAPTER I—GENERAL RULES

Section I—Claims for withdrawal—Mode of withdrawal

145. Save as otherwise specially provided in these rules, money may not be withdrawn from the Government Accounts except by presentation of bills.

The purposes for which and the conditions under which money may be drawn by cheques are specified in this and subsequent parts of these rules.

Explanation.—A bill is a statement of claims against the Government containing specification of the nature and amount of the claim either in gross or by items, and includes such a statement presented in the form of a simple receipt.

A bill or a cheque becomes a *voucher* only when it is receipted and stamped "paid".

Note.—The Government servants who can draw money by bills, and the purposes for which this can be done are shown in Appendix VIII.

PRESENTATION OF CLAIMS

146. Save as hereinafter provided, bills presented by a departmental officer, personal claims preferred by a Government officer and all cheques tendered at the treasury or at an authorised office of disbursement shall be duly receipted for payments and stamped, where necessary. Receipts duly stamped, where necessary, for all other payments made on bills shall be given at the time of payment.

At places where the cash business of the treasury is conducted by the Bank, this rule shall apply subject to the provisions of Part VI.

147. Except as expressly provided in Appendix X 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 or under any special order of the Secretary, 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 also.

Note 1.—(a) Payments which have to be made at Sub-Treasuries may be arranged by obtaining cash orders or Bank drafts issued by the treasury.

(b) When a subordinate, whose pay or travelling allowance has been billed for in one Tahsil is transferred to another Tahsil in the same district before receiving payment, the Departmental Officer may obtain a Bank Draft from the Sub-Treasury Officer for the money payable at the other sub-treasury where the subordinate has been transferred. If, however, no Bank draft is obtainable, the money may be credited in the sub-treasury by the Departmental Officer concerned. The sub-treasury Officer should show such credit in the sub-treasury daily sheet with the particulars as 'for being paid at the other sub-treasury'. In the District Treasury Accounts, the amount should be credited to "Personal Deposit-Cash Orders", if Bank draft is not obtainable under the 'Reserve Bank of India Remittance Facilities Scheme

for making payment at the other sub-treasury, and a cash order should be issued for payment at the sub-treasury of the place to which the subordinate has been transferred. If, however, Bank draft is obtainable, the amount should be credited in the District Treasury Accounts in the register for "T-Remittances—Other Local Remittances—Miscellaneous Remittances—State", and sent for payment to the payee by obtaining a Bank draft, on a requisition for the same having been made by the Departmental Officer.

(c) When a subordinate whose pay or travelling allowance has been billed for in a Tahsil is transferred to the District Headquarters before receiving payment, the amount reported through the sub-treasury daily sheet should similarly be entered in the register for "T-Remittances—Other Local Remittances—Miscellaneous Remittances—State" in the district treasury accounts and paid to the payee under the rules applicable to the payments of such remittances.

(d) When a subordinate whose pay or travelling allowance has been billed for at the Headquarters of the District is transferred to a Tahsil before receiving payment, the Treasury Officer should, if a Government draft is not obtainable issue a cash order, in lieu of cash received on account of the pay or the travelling allowance of the transferred subordinate, on a requisition by the Departmental Officer, such money having been first credited to "Personal Deposit-Cash Orders". If, however, Government draft is obtainable, the Departmental Officer may obtain the same, according to the procedure laid down for obtaining Government drafts.

Note 2.—An order endorsed by the Treasury Officer for payment at a sub-treasury is current for three months only but may be renewed. Such order may be cancelled at any time by the Treasury Officer and the bill itself, after the payment order is cancelled, may be cashed at the district treasury or returned to the drawer as may be desired. An order on bills passed by the Accountant General for payment from a district treasury or sub-treasury is, however, current for a period of six months.

148. When a person not in the Government employment claims payment for work done, services 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 payments. The recognised modes of making payment of claims of a Government Servant or of a person not in Government employment are cash or cheque, where the system of payment by cheque is in vogue at the treasury, or Bank draft or postal money order at the request and expense of the payee concerned.

Note.—Payments to pensioners are governed by special rules prescribed in Chapter VI of this Part.

149. Subject as provided in Rule 391 or unless in any case the sanctioning authority directs otherwise, all bills for grants-in-aid, contributions, etc., to local bodies, religious, charitable or educational institutions and other non-Government bodies or persons shall be presented for payment either through some responsible Government official, or after they have been countersigned by him.

149-A. 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 orders of competent authority, subject to recoupment on presentation of bills.

150. The procedure to be observed by disbursing officers of the Public Works Department and Forest Department shall be regulated by the provisions of Chapter VII of this Part.

ARREAR CLAIMS

151. (a) (1) No claims against the Government other than those by one Department against another or by a State Government not preferred within a year of their becoming due can be presented without an authority from the Accountant-General, provided that—

(i) such claims not exceeding Rs. 500 presented within three years of their becoming due may be paid without pre-audit by the Accountant General; and

(ii) this rule shall not apply to the following categories of such claims :—

(a) claims on account of pensions, the payment of which is regulated by rule 358.

(b) claims on account of pay and allowances of such non-gazetted Government servants whose names are not required to be shown in the pay-bills in accordance with rule 262(1) of the Maharashtra Treasury Rules, 1968.

(c) claims on account of interest on Government securities, and

(d) any other class of payment which are governed by special rules or orders of Government.

Note 1.—Claims of Government Servants referred to in proviso (ii) (b) to rule 151(a)(1) should be submitted to the competent authority for according sanction to the payment of the claim, after due scrutiny and check as required in Notes 1 and 3 below Rule 151(b). A copy of the sanction for payment accorded by the competent authority should be attached to such bills, while presenting them to the treasury for payment. In no case should such claim be preferred at the treasury direct for payment without a copy of the sanction.

Note 2.—A copy of sanction for payment accorded by the competent authority should, however, be attached to the bills while presenting claims referred to in proviso (i) to rule 151(a)(i).

(2) The one year should be reckoned in the case of travelling allowance bills from the date of return to headquarters, or from the 1st of the month if the tour continues over that date; in the case of officiating pay, from the date of receipt of the order sanctioning the promotions if the officiating pay is due for a past completed month or months, otherwise, from the following pay day; in the case of leave salary, from the date of the order granting the leave; in the case of Law Officers bills requiring countersignature of the Remembrancer of Legal Affairs from the date of countersignature of the Remembrancer of Legal Affairs, and in other cases from the date on which a claim became due to the date of its presentation at the treasury.

Exception.—In the case of the staff of the Public Works Department, the period of one year should be reckoned from the first of the next month in respect of, journeys performed during the previous month even though the tour may not continue over the first of the month.

(3) In all other cases where no special orders exist, it will be left to the Treasury Officer when he feels no doubt to make arrear payments without pre-audit; but all claims in arrears require special care in examination, and it is always open to the Treasury Officer to send the bill to the Accountant General for pre-audit if he sees occasion to do so.

(4) In the case of claims which are more than three months old, the preferring officer should state in the bill the reasons for the delay.

Note.—In the case of claims for fees in criminal cases preferred by the Government Pleader, High Court, Bombay, or his Assistants, the preferring officer should state in the bills the reasons for the delay only when the claims are more than four months old.

(5) A claim presented for payment one year or more after the date of pre-audit will again require the sanction of the Accountant General for its payment.

(6) A claim for an amount of fine deducted on pay bills by the head of an office, and remitted by him, may, if the claim is not six months old, be paid without the sanction of the Accountant General.

(7) The above rules do not apply to claims for refunds of revenues.

Note 1.—Grants-in-aid to local bodies, charitable or educational institutions etc., contributions to Public Exhibitions and fairs and compensation to Government servants for accidental losses, etc., sanctioned either by Government or by subordinate authorities under the powers delegated to them, may be disbursed at the treasury on the authority of such sanctions without specific authority from the Principal Auditor.

In the case of grants sanctioned by Government to Local Authorities for primary education only for a specific purpose, e.g., grants to Local Authorities for the introduction of Basic Education in isolated schools, grants for the opening of new schools, grants for entertainment of additional assistants etc., the Director of Education is authorised to sanction payments through the statements issued by him periodically as in the case of ordinary maintenance grants sanctioned by him to Local Authorities for primary education and of grants to such bodies for the same purpose which Government may authorise him to sanction from time to time.

Note 2.—Educational scholarships sanctioned by State Government under the audit of the Accountant General, Central Revenues, may be disbursed by the Treasury Officer without specific authorities from the Accountant General.

Note 3.—Claims of Government against Railways for overcharges and claims of Railways against Government Departments for undercharges will be recognised and admitted, if the claims are preferred within six months :—

(a) in the case of cash payments from the date of payment,

(b) in the case of warrants or credit notes from the dates of presentation of bills by the Railway Administration.

Explanation.—The terms 'overcharges' and 'undercharges' used in this Note mean overcharges and undercharges of railway freight and fares only. They refer to shortages and excesses in the items included in a bill which has already been rendered, the omission of an item in a bill is not an 'undercharge' nor is the erroneous inclusion of an item an 'overcharge.'

(b) Claims of Government servants, whether gazetted or not, to arrears of pay or allowances, or to increments, which have been allowed to remain in abeyance for a period exceeding one year, cannot be investigated by the Accountant General except under the special orders of the competent authority.

Note 1.—Delays in payment are opposed to all rules and are highly inconvenient and objectionable, and when not satisfactorily explained should be brought to the notice of the head of the department concerned.

Note 2.—The period of one year should be counted from the date on which a claim became due to that on which the investigation by the Accountant General is sought, i.e., the date of receipt of the application in the Accountant General's Office.

Note 3.—When claims which have remained in abeyance for a period exceeding one year are, under rule above, submitted for the orders of the competent authority, that authority should reject forthwith all claims, other than those that affect pension, which are petty, as also all claims for the delayed submission of which an adequate explanation is not forthcoming. In considering old claims recommended to Government for sanction Government will also take into account the fact that it is normally not possible, owing to the limited period of preservation of records, to audit claims more than six year old. While forwarding such claims to the Finance Department, the Administrative Department concerned should furnish full particulars thereof in the following *pro forma*, as also a certificate from the Head of Office to the effect that claim has been checked/verified with reference to corroborative records available in his office and that the same has not been drawn and paid previously.

PRO FORMA

- (1) Name of the claimant,
- (2) Nature of the claim (detailed history as to how the claim has arisen, should be given).
- (3) Details of the claim (a) period, (b) rate per month, (c) amount due,
- (4) Reasons for delay in settlement (the time taken at various levels should be indicated),
- (5) Efforts made by the claimant to get the settlement of the claim expedited and with what results,
- (6) Whether the non-payment of the claim will affect the pension,
- (7) Whether claim was referred to the audit officer concerned for investigations and if so, with what results.

Note 4.—Heads of Departments are empowered to authorise the Accountant General to investigate their own claims to arrears of pay or allowances or increments which have been allowed to remain in abeyance for a period exceeding a year but not exceeding three years.

Note 5.—Initial investigation in respect of the time barred claims relating to the period after 1st July 1954 arising in Bombay City will be carried out by the Pay and Accounts Officer, Bombay, subject to necessary post-check by the Resident Audit Officer, Bombay, on behalf of the Accountant General.

(c) No payments may be made on account of increases to pay until the additional expenditure thereby caused has been sanctioned and funds provided therefor.

TREATMENT OF CLAIMS AGAINST GOVERNMENT WHICH ARE BARRED BY TIME

152. (1) A claim against Government which is barred by time under any provisions of law relating to limitation is ordinarily to be refused and no claim on account of such a time-barred item is to be paid without the sanction of Government. The onus is upon the claiming authority to establish a claim to special treatment for a time-barred item and it is the duty of the authority against whom such a claim is made to refuse the claim until a case for other treatment is made out. All petty time-barred claims are to be rejected forthwith and only important claims of this nature considered.

(2) It is duty of the executive authority in the first instance to consider the question of time-bar before submitting a claim to the Accountant-General for sanction under Rule 151 and audit will refuse payment of all claims found to be time-barred until the sanction of Government has been obtained.

Note.—While submitting an arrear claim to the Audit Office the executive Authority should certify that the claim is not time-barred by the provisions of any law. This does not apply to claims of arrears of pay or allowances or to increments.

GENERAL INSTRUCTIONS REGARDING THE PREPARATION AND FORM OF BILLS

*153 The following instructions with regard to the preparation and form of bills shall be observed :—

(i) Printed forms of bills in English should be adopted as far as possible but when, from any circumstances, a bill in any local language is unavoidably necessary, a bilingual form should be used. Bills for all debt head items should be drawn on separate forms printed in red ink on white papers.

(ii) If in any case, the use of a bill purely in a regional language becomes unavoidable, a brief abstract should be endorsed in English under the signature of the preferring officer stating the amount, the name of the payee and the nature of the payment.

Note.—It shall not be necessary to endorse an abstract in English in case of bills prepared in Hindi subject to the condition that only international numerals are used therein.

**Note 2.*—It shall not be necessary to endorse an abstract in English in case of bills prepared in regional language i.e. Marathi subject to the condition that only international numerals are used therein.

(iii) All bills must be filled in and signed in ink. The amount of each bill should, as far as whole rupees are concerned, be written in words as well as in figures. The fractions of a rupee may, however, be written in figures after the words stating the number of rupees, but in case of there being no fraction of a rupee, the word "only" should be inserted after the number of whole rupees and care should be taken to leave no space for interpolation as in the following examples : "Rupees twenty-six only" "Rupees twenty-five and twenty-five paise". No abbreviation such as "Eleven hundred" for "one thousand one hundred" is permissible both in the bills as well as in pay order.

(iv) The following transactions of Government involving fractions of a rupee shall be brought to account in multiples of 5 paise, portion not below $2\frac{1}{2}$ paise being rounded off to 5 paise and those below that amount being ignored—

(1) Personal claims of Government servants and pensioners, provided that—

(a) in the case of bills for pay including leave salary, and pension, the amount in respect of pay or leave salary or pension, and no other item of payment or recovery, shall be so increased or reduced by the addition of an amount not exceeding $2\frac{1}{2}$ p. or subtraction of an amount below $2\frac{1}{2}$ p. as the case may be, as will make the net amount payable to an individual on any bill a multiple of 5 paise.

Example :—

Claim					Bill to be made.	
					Rs. P.	Rs. P.
Pay	..	..	..	..	300.00	300.02
D. A.	..	..	..	..	40.00	40.00
C.C.A.	..	..	..	..	24.00	24.00
Gross Total					364.00	364.02
<i>Deductions—</i>						
P.F.	..	..	..	..	30.00	30.00
H.R.	..	..	..	..	19.12	19.12
I.T.	..	..	..	..	2.06	2.06
P.L.I.	..	..	..	..	8.19	8.19
C.H.S.	..	..	..	..	2.50	2.50
Total Deductions					61.87	61.87
Net Amount					302.13	302.15

(b) In the case of Travelling Allowance bills the rounding shall be done only at the last stage and not in respect of each item e.g. Railway fare, Mileage, Daily Allowance, etc, comprising the claim of an individual ;

(c) Transactions which do not involve cash payment shall not be rounded off ; and

(d) In the case of emoluments fixed by law, amounts which are not an exact multiple of 5 paise shall always be rounded off to the next higher multiple of 5 paise.

(2) Transactions between one Government and another or between two Departments of the same Government, unless it be not possible to eliminate from the original transactions fraction of a rupee which is not an exact multiple of 5 paise.

(3) Amounts converted into Indian Currency from Sterling or other foreign currencies.

(4) Payments for claims in respect of contingent and other charges, where claimants have no objection, provided that the rounding off of the fraction of a rupee to a multiple of 5 paise shall be done only in respect of the net amount payable on a bill and not in respect of the individual items of claims or adjustments in the bill.

(5) Reserve Bank remittances, other than those of sums representing dues fixed by or under any law or under any contractual obligation of the Government.

(6) Deposits and receipts other than those which are fixed by or under any law or are specially exempted by the Government from the operation of this Rule.

Note.—In case of bills exclusively for allowances, other than travelling allowance, involving fractions of a rupee, any one part of the claim of an individual may be rounded off by addition of an amount not exceeding $2\frac{1}{2}$ paise, or by subtraction of an amount below $2\frac{1}{2}$ paise, as as the case may be, as will make the net amount payable to the individual on a bill a multiple of 5 Paise.

(v) All corrections and alterations in the total of a bill whether made in words or figures should be attested by the full signature with date of the person signing the receipt as many times as such corrections and alterations are made.

Erasures and over-writings in any bill are absolutely forbidden and must be avoided : if any correction be necessary, the incorrect entry should be cancelled neatly in red ink and the correct entry inserted. Each such correction, or any interpolation deemed necessary should be authenticated by the drawing officer setting his dated initials against each.

(vi) The full accounts classification must be recorded on each bill by the drawing officer, the classification in the budget being taken as a guide. The classification should also show whether the expenditure is voted or charged (non-voted), and as far as practicable, its allocation between departments or Governments, where necessary.

(vii) Charges against two or more major heads should not be included in one bill, but the Treasury Officer or any other disbursing officer will not take exception to a bill on this ground, unless the items require different action in his office such as entry in different registers.

This rule does not apply to the allowances of a Government servant drawn with pay, as in such cases the whole of the allowances, even if belonging to two or more major heads of accounts should be drawn on a single bill if debitable wholly to the Central or State Government.

(viii) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charge should be quoted. Copies of sanctions should be attached to the bill and must be duly certified by a gazetted officer or by a responsible subordinate specially authorised in this behalf by the Head of the Office.

This rule does not authorise a Treasury Officer or any other disbursing officer to refuse payment of a bill on the ground that the charge has not been sanctioned. The responsibility for incurring unsanctioned charges rests with the drawing officer. It is, however, the duty of the Treasury Officer to raise an objection before making or allowing payment and get satisfied that the sanction is in fact issued but not received by the drawing officer.

(ix) Dates of payment should when possible be noted by the payees in their acknowledgments in sub-vouchers, 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 dates of payment to be noted by the payees, the dates of actual payment should be noted by disbursing officers on the documents under their initials either separately for each payment or by groups, as may be found convenient.

(x) The balance of sanctioned allotment must be indicated on the bill and the Treasury Officer may make or allow payment subject to availability of funds provided that he does not refuse payments when the Head of Office has undertaken to obtain funds by supplementary grant and the claim is otherwise in order.

(xi) When the drawing officer requires payment to be made through some other person or agency, he must specifically endorse an order or furnish such authorisation as may be necessary to pay to that specified person or agency.

When the Drawing Officer desires to draw money through a messenger who is an employee of the office he should invariably record a separate and clear authority in the following manner to receive payment on his behalf on the body of the bill in the space specifically provided in the bill form.

Pay to Shri/Shrimati (Designation) whose specimen signature below is hereby attested.

Signautre of Messenger.

Signature of Drawing Officer.

Note 1.—The above endorsement should not be combined with other endorsements on the bills as for 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 should be quite separate from the authority to receive payment on their behalf.

Note 2.—The general position in regard to endorsements on bills is set out in Rule 177.

(xii) When payment is desired wholly or partly by a Bank draft, or in cases where payments are made by the Treasuries like the Treasuries at Nagpur and Aurangabad by cheques in favour of another payee, a formal application for the draft or cheque should accompany the bill and the manner in which payment is desired should also be indicated in the drawer's receipt on the bill.

(xiii) When it is desired that either the whole or a part of the amount of a bill should be remitted to a person or persons by Postal Money Order the bill should be accompanied by a properly prepared money order form or forms, as the case may be. The amount of the money order as well as the amounts of commission due thereon should be shown as deduction in the bill. The purpose of the money order must be briefly stated on the acknowledgement portion of money order form in continuation of the entry "Received the sum specified on the reverse on", sufficient space being left below the manuscript entry thus made for the signature or thumb impression of the payee. The Treasury Officer will pass the bill for the net amount, credit the deductions by transfer to the Post Office and send the money order forms to the Post Office together with a certificate to the effect that the amount of the money orders with the commission due thereon has been credited to the Post Office by book transfer. On obtaining the money order receipt the Treasury Officer will check it with the amount deducted from the bills and then transmit for record to the drawing officer.

Note—The provisions of this clause apply only to bills prepared by the treasury itself when the whole or a part of the amount of the bill is required to be remitted to a person or persons by Postal Money Order."

(xiv) The spaces left blank either in the money column or in the column for particulars, of the bill should invariably be covered by oblique lines.

(xv) 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, should invariably be recorded in the body of the bill in red ink.

SPECIAL INSTRUCTIONS APPLICABLE TO PARTICULAR KINDS OF CLAIMS

154. The forms prescribed for the preparation of bills relating to various classes of claims such as pay and allowances of Government servants contingencies, pensions, etc. and the procedure to be observed in the presentation of such claims, are specified under relevant heads in subsequent chapters of this part.

SIGNATURE AND COUNTERSIGNATURE ON BILLS

155. Unless the Government have 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 latter the clerk may be in the habit of signing letters for him. Nor may any money be paid on a bill or order signed with a stamp. When the signature on a bill

is given by a mark or seal or "thumb/great toe" impression, it shall be attested by some known person. Signature in Indian characters other than Hindi must always be transliterated.

Note 1.—Bills affixed with facsimile signature of the authorised officer presented by the Posts and Telegraphs Department for telegram and trunk call charges, by the Municipalities and Corporations for water and electricity charges and by the Air India International on account of their dues against Government (for passage fares, cargo and excess luggage charges), forming sub-vouchers of the contingent bills, may be accepted for payment, if otherwise in order. Similarly, the recovery claims and credit notes affixed with facsimile signature of the authorised Officer of the Marine, Shipping, Electricity and Forest Departments of Andaman and Nicobar Administration may be accepted if they are otherwise in order.

Note 2.—The Clerk of the Court in each linked Court of a Civil Judge is authorised to sign cheques for withdrawals against deposits of his Court in the absence of the Civil Judge on duty to the other linked Court. He is also authorised to give acquittance, on cash orders and bills drawn in favour of the Civil Judge during the latter's absence on duty to the other linked Court.

The Civil Judge on his return to duty to that Court should invariably scrutinise the payments made from the amounts drawn on such cheques, cash orders and bills as he is ultimately responsible for the disposal of the money drawn from the treasury during his absence.

Note 3.—The Commissioner of Labour is authorised to sign, pay, travelling allowance and contingent bills of the Labour Welfare Office during the absence from Head quarters of the Honorary Commissioner in charge of the grant for Amenities for Industrial Labour.

Note 4.—Unsigned bills prepared on computer, presented by the Indian Airlines on account of its dues against Government (for passage fares, cargo and excess luggage charges), forming sub-vouchers of the contingent bills may be accepted for payment if otherwise in order.

The disbursing officer should, however, maintain a record containing the complete details of journeys etc. so that the claim when presented, can be verified.

156. The head of an office may authorise any Gazetted Officer serving under him to sign a bill or order for him communicating the name and specimen signature of the officer to the disbursing officer concerned. This will not, however, relieve the 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. Bills for personal claims of the Head of Office must, however, be signed by him.

157. Bills requiring previous countersignature shall not be presented at a disbursing office before such countersignature has been obtained.

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

Note.—See Rules 151 and 152.

DUPLICATES AND COPIES OF BILLS, ETC.

159. (1) In the case of a bill passed by the Drawing Officer/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 must bear distinctly on its face the word 'duplicate' written in red ink. The fact that a duplicate bill has been issued shall be immediately communicated to the Treasury Officer with instructions to refuse payment on the original bill if presented.

(2) 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 initialled. If the previous audit of the Accountant General is required, only the original copy shall be sent to that authority.

STAMPS FOR RECEIPTS

160. Receipts for all sums exceeding Rs. 20 must be stamped under section 3 read with item 53 of Schedule I of the Indian Stamps Act (Act II of 1899) unless they are exempt from stamp duty.

A list of authorised exemptions relating to receipts is given in Appendix XI.

Note 1.—The limit of Rs. 20 up to which a receipt is not required to be stamped, should be applied to the net amount payable on a bill and not the gross claim preferred therein.

Note 2.—Receipts for payments made outside India should be obtained from the payees and stamped in accordance with the Local Laws, if any, governing the stamping of such receipts.

CHEQUES

161. Save as expressly provided in these rules, no person is authorised to draw on a treasury by means of cheques without special order of the Government and before he has been placed in account with their treasury by the Accountant General.

162. (1) Save as provided in sub-rule (2), cheques shall be drawn on forms in cheque books supplied by the district treasury to the disbursing officer concerned. Cheque books required for use on the Bank shall also be obtained from the treasury and not from the Bank.

(2) The Treasury Officer shall supply a cheque book only on receipt of the printed requisition form, which is inserted in each book towards the end and never more than one cheque book on a single requisition. The requisition must be signed by the officer authorised to draw on the treasury.

163. A separate cheque book shall be used for each treasury or sub-treasury except by offices using cheque-perforating machines. Cheques from books obtained from a particular treasury shall not be drawn on other treasuries or sub-treasuries of other districts.

Exception 1.—In the case of Forest Department payments, cheques from one cheque book may be drawn on different treasuries and sub-treasuries.

Exception 2.—In the case of Public Works Departments, cheques from one cheque book may be drawn on different treasuries and sub-treasuries, by the disbursing officers in their jurisdiction.

164. The drawing officer shall notify to the treasury upon which he draws, the number of each cheque book which from time to time he brings into use and the number of cheques it contains. In the case of sub-treasuries, the advice shall ordinarily be sent through the district treasury, but in case of emergency, it may be sent direct to the Sub-treasury Officer, a copy being forwarded simultaneously to the Treasury Officer.

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

166. (1) 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.

(2) Each cheque book must 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.

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

(4) All cheques shall have 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 rupees thirty only" will mean that the cheque is for a sum not less than Rs. 20, but less than Rs. 30 ; and similarly "under rupees eight hundred only" will mean that it is for less than Rs. 800, but not less than Rs. 700. The amount shall be written in the manner prescribed for bills in clause (iii) of rule 153 and no abbreviations such as "eleven hundred" for "one thousand one hundred" is permissible.

(5) Cheque books containing unused cheque forms shall be cancelled by writing the word "cancelled" prominently across each cheque form and counterfoil, without signature of the Drawing Officer, and thereafter returned to the Treasury Officer concerned who shall destroy them by incineration in the presence of the Collector, after keeping a note of the fact in the relevant records of the Treasury under proper attestation.

Note 1.—In drawing or cashing a cheque it should be remembered that a common form of fraud consists in altering the word "one" into "four" by prefixing 'f' and changing 'c' into a 'r' the figures being easily altered to correspond. The word 'twenty' written carelessly has also sometimes been changed into 'seventy'. The drawer of a cheque in which these words occur should, therefore, so write them as to make the fraud impossible, and the Treasury Officer should examine the words and corresponding figures with special care.

Note 2.—The cross entry is not necessary if the amount in words is type-perforated by special cheque-writing machine.

Note 3.—All cheques should be written and signed in indelible ink only.

167. (1) Cheques drawn in favour of Government officers and departments in settlement of Government dues shall always be crossed "A/c payee only—not negotiable".

(2) In the absence of a specified request to the contrary from the payee, cheques drawn in favour of corporate bodies, firms or private persons shall also be crossed. Subject to any instructions received from the payee, all cheques shall be crossed "..... and 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 "..... and Co.") by quoting the name of the bank through which the payee will receive payment and by adding the words "A/c payee only—not negotiable".

This rule shall apply to all cases where the use of crossed cheques is prescribed.

Exception.—Cheques preferable at a treasury for payment are non-negotiable instruments and should 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 facts of its being crossed may be treated as of no significance in making payment.

Note.—The procedure prescribed in this rule applies *Mutatis Mutandis* to Indian Postal Orders used for remittance of money on Government account.

168. (1) Every cheque in favour of a Government officer must be made payable to order only; but when the payee is not in Government service, the drawer may at his request, make the cheque payable to bearer. The Treasury Officer will, therefore, cash cheques payable to "A. B. or bearer", except when A. B., is a Government officer. If a cheque payable to a person not in Government service "or bearer" or payable to such person or to such person "or order" is presented, the 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 regularity of the endorsement, 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 receipted 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 will cause inconvenience, he may specially authorise in writing a subordinate gazetted officer to endorse for him cheques drawn in his favour by his official designation.

Note 1.—Endorsements by duly constituted and authorised attorneys of cheques payable to the order of their principals may be acted upon by the Treasury Officer. It is, however, necessary that such powers of attorney should be registered at the treasury.

Note 2.—In cases in which a cheque is presented not for cash payment but for transfer credit in the treasury accounts, the procedure prescribed in Rule 110 should be followed.

169. All corrections and alterations in a cheque shall be attested by the drawing officer by his full signature.

170. Cheques shall be payable at any time within three months after the month of issue; thus a cheque bearing date any time in January is payable at any time upto 30th April.

If the currency of a cheque should expire owing to its not being presented at the treasury within the period specified above, it may be received back by the drawer who should then destroy it and issue a new cheque in lieu of it.

Note.—The provisions of this rule do not apply to cheques drawn on local banks by the Indian Missions and Posts abroad; the period of currency of cheques in these cases will be determined according to local regulations of the country concerned.

171. A Government officer authorised to draw cheques on sub-treasuries 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.

Where sub-treasuries are in charge of persons not acquainted with English, bilingual cheque shall be used, and if these cheques are not used, the paying officer is responsible for calling attention to this rule.

172. (1) When it is necessary to cancel a cheque, the cancelment must 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 must 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 should be cancelled in the above manner and its amount written back in the accounts.

(2) If a drawing officer be informed that a cheque drawn by him has been lost, he shall address the Treasury Officer drawn on, forwarding for his signature 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 his treasury in favour of has not been paid, and will not be paid if presented hereafter. ”

(3) If, after search through the lists of cheques paid, the Treasury Officer finds that the cheque has not been cashed, he will sign and return the certificate taking care to note the stoppage of the cheque, a board showing the particulars of stopped cheques being hung up before the clerk concerned. If the original cheque be presented afterwards, the Treasury Officer shall refuse payment and return the cheque to the person presenting it after writing across in “ Payment stopped ”.

Note.—If the currency of cheque expires on a Saturday, the Treasury Officer shall also verify the list of cheques paid for the subsequent working day of the Bank before the issue of non-payment certificate wherever necessary.

(4) The drawing officer, on receipt of the certificate duly signed by the Treasury Officer, shall enter in his accounts the original cheque as cancelled, and may issue another. A cheque remaining unpaid for any cause for twelve

months after the month of its issue should be cancelled in the above manner and its amount written back in the accounts.

Note.—Superscription such as "Duplicate issued in lieu of lost one", "fresh cheque issued in lieu of the lost one" etc. should not be written on the second cheque issued either on the Bank or the Treasury in lieu of a cheque alleged to have been lost.

173. (1) If a cheque is issued by the Government in payment of any sum due by the Government and that cheque is honoured on presentation to the Government's bankers, payment shall be deemed to be made,—

(i) if the cheque is handed over to the payee or his authorised messenger, on the date it is so handed over, or

(ii) 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.

Note 1.—The provisions of clause (ii) above apply *mutatis mutandis* to payments made by the Government by Postal Money Order or by any other recognised mode of remitting money by post.

Note 2.—Cheques marked as payable on or after a specified date should not be charged to the accounts until the date on which they become payable. All such cheques should bear the superscription "payable on or after " (specific date of payment to be indicated in the blank space). The superscription should invariably be affixed with a rubber stamp in bold letters just below the date of issue of the cheque. The contemplated due date of payment should preferably be written in red ink.

(2) The provisions of rules 161, 163 to 167, 169 and 170 as also of rule 172 apply to cheques drawn on the Bank.

LETTERS OF CREDIT, ASSIGNMENTS AND OTHER ORDERS FOR PAYMENT

174. (1) Where under the provisions of these rules or under any special order of the Government, letter of credit or assignment (Form M.T.R. 11) 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 is not 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 M.T.R. 11, prescribed for letter 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.

175. (1) At places where the cash business of the Treasury is conducted by the Bank, any letters of credit or assignments issued on the treasury shall also be communicated to the Bank.

If the drawing officer in whose favour a letter of credit or assignment has been issued requires funds both at the headquarters 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/assignments may be encashed at the Bank direct, that is, without the intervention of the Treasury Officer.

(2) Letters 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.

176. (1) Except as provided in sub-rule (2) below, an order or authority issued by an Accountant General whether in the form of a letter, telegram or enfacement 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 disbursing office 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 Officer for arranging payments through the Accountants 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 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 send it to the Accountant General.

(2) In cases where the order or authority referred to in sub-rule (1) relates to a payment to any private party such as fees to Advocate, etc., to be made outside the jurisdiction of the Accountant General issuing such order or authority it may be communicated directly to the Treasury Officer or Disbursing Officer concerned and the payment should be arranged by Drawing Officer by means of a bank draft. The commission on the draft is payable by Government except in the case of supplies made under a contract which stipulates delivery at a place inside the jurisdiction of the indenting authority.

ENDORSEMENTS ON CHEQUES, BILLS, ETC.

177. All cheques, bills, etc., preferable at a treasury for payment being non-negotiable instruments, can be endorsed only once in favour of the specific party to whom the money is to be paid :

Provided that—

(1) 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.

(2) In the case of a contingent bill which has been endorsed in favour of a firm of suppliers, etc., under sub-rule (1) of Rule 297, the firm, etc., can re-endorse to its banker 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, and

(3) An agent may, notwithstanding anything contained in clauses (1) and (2) 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 Savings Bank and an 'agent' means any Bank, including Post Office Savings 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 negotiable instruments and are not subject to the provisions of this Rule.

SPECIMEN SIGNATURE AND OTHER SAFEGUARDS

178. Every Government officer who is authorised to draw cheques or sign or countersign bills payable at a treasury shall send a specimen of his signature to the Treasury Officer through some superior or other officer whose specimen signature is already with the treasury. When such an officer makes over charge of his office to another, he shall likewise send a specimen of the signature of the relieving officer to the Treasury Officer concerned.

Specimen signatures when forwarded on a sheet of paper other than the forwarding letter itself, must be duly attested by the officer signing the forwarding letter.

The procedure prescribed 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.

Note 1.—All the Administrative Departments of Secretariate should forward specimen signatures of the officers authenticating sanctions of Government in respect of grants-in-aid or loans and advances to the Treasury Officers, after getting them duly attested by the Collectors of the Districts concerned.

179. The Accountant General will supply all Treasury Officers and other disbursing officers within his audit circle as also other Accountants General to whom he may issue authority for payment direct, with an attested copy of the specimen signature of all gazetted officers serving under him who are authorised to draw cheques or sign payment orders on bills or to issue letters of authority for payment to be made by such Treasury Officers, disbursing

officers, Accountants General. Attested copies of specimen signatures of such gazetted officers serving under him as are authorised to draw cheques or sign payment orders upon the Bank will also be supplied by the Accountant General to the Bank.

180. When any change of office occurs among the gazetted officers aforesaid, the fact will be intimated and attested copies of the specimen signatures of the relieving officers supplied to the Treasury Officers, disbursing officers and the Accountants General concerned as well as to the Bank.

Section II—Payment of claims at the Treasury

INTRODUCTORY

181. The rules of procedure prescribed 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 VI.

CHECKS TO BE APPLIED AT THE TREASURY ON CLAIMS PRESENTED

182. The bill, cheque or other documents presented as a claim for money shall be received and examined by the Accountant and then laid before the Treasury Officer who if, the claim is admissible, the authority good, the signature and countersignature where necessary genuine and in order and the receipt a legal quittance, will sign the order for payment at the foot of the bill, etc. taking care to adopt the precautions prescribed in clause (iii) of rule 153. Careful attention must also be given to the instructions contained in these rules regarding the completion of bills, cheques, etc., presented in support of claims against the Government.

Note 1.—The orders for payment on the bills, etc., should be written in red ink.

Note 2.—The Audit Officer will supply 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 or to issue letters of authority for payment to be made at treasuries and sub-treasuries. Before a Treasury Officer passes a bill for payment at his treasury or sub-treasuries in his district he should verify the signature on the order by comparison with the specimen in his possession of the signature of the signing officer and shall mark a tick in red ink of his having done so.

Exception (i).—The Treasury Head Accountant is authorised to pass all pension bills for payment upto a limit of Rs. 150 per month including Temporary increase, Additional temporary increase and *Ad-hoc* increase etc. of Pensioners drawing pension through Banks which have executed a bond to refund overpayments. All bills in respect of payment of gratuity should however continue to be passed by the Treasury Officers/Senior Treasury Officers. When a pension is paid for the first time, the claim should be scrutinized and passed by the Treasury Officer, irrespective of the amount of pension involved.

Exception (ii).—The Treasury Head Accountant is authorised to pass all other pension bills for payment upto a limit of Rs. 60 per month in each case (inclusive of Temporary increase), where the pensioners collect their pension in person except the pension bills for

the month of March, June, September and December payable in the subsequent months which should be checked and passed by the Treasury Officer/Senior Treasury Officer. Bills of pension paid for the first time as well as gratuity bills should be signed by the Treasury Officer/Senior Treasury Officer himself.

Note.—These orders are applicable only to Maharashtra State pensioners.

183. (1) All corrections and alterations in an order of payment must be attested by the dated initials of the Treasury Officer.

(2) Corrections and alterations in orders of payment given by the Treasury Officer on the Bank must be attested by his full signature.

184. Special care shall be taken that all bills, cheques, etc., passed for payment at the treasury are paid on the same day and that no payment is made except under the written pay order of the Treasury Officer.

185. (1) When a bill is presented by a person, who is not the Drawing Officer himself or his duly authorised Agent (bahker), he shall be required to produce a letter, in form M.T.R. 46 authorising him to receive payment. The signature of the messenger or his thumb impression, if illiterate, shall be taken on the bill as a proof that the messenger actually received the money on behalf of the Drawing Officer.

(2) In case 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.

186. Special precautions must be taken by the Treasury Officer as regards all bills and documents showing sign 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.

No document bearing an erasure can be accepted and payment on such document shall be refused by the Treasury Officer and fresh document called for.

187. With regard to the claims presented either on bills or on cheques, the signature of the drawing officer shall be compared carefully with his specimen signature received under Rule 178, 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 an Accountant General, the Treasury Officer shall verify the signature on the order by comparison with the specimen signature of the signing officer received under Rule 179.

Note.—Specimen signatures received by the Treasury Officer should be carefully pasted in guard files, which must be kept in the personal custody of the Treasury Officer.

188. The Treasury Officer shall check the arithmetical computations on bills.

Note.—When bills presented for payment contain obvious arithmetical mistake 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 bills. 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 bills. In all cases the corrections made and the reason therefor should be intimated to the presenter of the bill and if necessary to the Accountant General or the Treasury Officer in the case of payment made at a sub-treasury.

189. A register shall be kept in each treasury showing the names of all gazetted Government servants drawing their pay and allowances or leave salary from that treasury, and as each pay slip or leave salary certificate is received from the Accountant General, the amount of pay and allowances or leave salary which it sanctions, shall be entered against the name of the Government servant concerned. As each pay or leave salary bill is presented for payments reference to this register shall be made to see that the sanctioned rate is not exceeded.

Exception.—In respect of Gazetted Officers drawing pay and allowances from the Konkan Bhavan Sub-treasury, such register shall be maintained in the Sub-treasury itself. The Assistant Treasury Officer, Konkan Bhavan, shall receive pay slips directly from the Audit Office and shall issue Last Pay Certificates directly without the intervention of the District Treasury, Thane.

190. The bills for pay and allowances or leave salary of a gazetted Government servant who is about to retire or proceed on leave out of India shall be separately submitted to the Accountant General for special audit on the date of payment or as soon afterwards as the intention of the Government servant to retire or to proceed on leave becomes known to the Treasury Officer.

191. A Treasury Officer shall not undertake correspondence for Government servant or a private individual making a claim to any special allowance or concession, but request the person concerned to address the Accountant-General either direct or through his own official superior, as the case may be.

SPECIAL PRECAUTIONS TO BE TAKEN BY THE TREASURY OFFICER

192. The Treasury Officer should take the following special precautions in passing the bills :—

(1) He should ensure that the bills are genuine and complete in all respects and issue instructions to the staff concerned to write the pay orders on the bills in such a way as not to leave any space for interpolation after the Treasury Officer has signed the pay order.

(2) He should not depend on concerned clerks to read out bill numbers and amounts entered in the treasury registers, requiring his attention. Each entry in the register should be initialled by the Treasury Officer only at the time of signing the pay order on the corresponding bill and he should see that the amounts entered in the register and in the pay order tally with each other.

PAYMENT TO PERSONS NOT IN GOVERNMENT EMPLOYMENT

193. (1) When a person not in Government employment claims payment for work done, services rendered, or articles supplied, the Treasury Officer shall, subject as provided in Rule 148, require the submission of the claim by the head of the department or other responsible Government officer concerned.

(2) Failing the above, in cases when it may be necessary to pay the amount of a bill drawn by a person not in the Government service and also when the authority of the head of the department or responsible official is insufficient, that officer with any necessary particulars for obtaining the sanction of the Government should such 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.—Payments due to contractors may, if so desired by them, be made to their 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, such as a power of attorney or transfer deed, conferring authority on the bank to receive payment and (2) the contractor's own transfer or acceptance of the correctness of the amount made out as being due to him by the Government or his signature on the bill or other claim preferred against the Government, before settlement of the amount or claim by payment to the said bank. While thereceipt given by a bank will constitute a full and sufficient discharge for the payment, contractors should whenever possible be induced to present their bills duly receipted and discharged through their bankers.

Nothing herein contained should operate to create in favour of the Bank any right-of-equity *vis-a-vis* the Government.

Note 2.—Payments to contractors should, as far as conveniently practicable be made by cheque on the nearest treasury and a stipulation to the effect that payments will be so made should be inserted in the contract agreement when necessary.

The nearest treasury would ordinarily be one within the district, but in specific cases where the nearest treasury happens to be outside the district, payments may be made by the disbursing officer by cheque on such a treasury.

Note 3.—In respect of payment of contingent bills to persons not on the establishment of the Officer who prefers the bill when large payments are involved which cannot be conveniently met from the balance in hand of the office permanent advance, the bill may be endorsed in favour of the contractor, after it is checked and passed for payment by the head of the office. It should then be made over to the contractor to be presented at the treasury for payment, and to guard against the payment of fraudulent bills an advice giving all particulars of the bill should be simultaneously issued to the Treasury Officer making the payment. The Treasury Officer should check the bill, when presented by the party, with the advice and after satisfying himself of the identity of the person, make the payment.

In the departments under the control of the officers noted below*, the system of making payments on account of supplies and services and contingencies by endorsing the contingent bills to parties other than the drawing officers (as specified in the above paragraph), may be adopted in cases where it can be worked advantageously. It should not be adopted as regards payment to be actually made in a district other than the one to which the amount is chargeable. In such cases money should be drawn on an abstract bill and remitted by a Government draft. As the above said procedure will apply to abstract bills, the controlling officer's check will not be interfered with, since detailed bills with vouchers can be submitted to him as usual.

194. When after applying all the checks the Treasury Officer is satisfied that the claim is in order he will check the payment order endorsed on the bill and sign it. At sub-treasuries, the Treasury Aval Karkun/Naiib Tahsildar is permitted to sign the orders on behalf of the Sub-treasury Officer.

195. The Treasury Officer shall furnish to the Commissioner of Income tax concerned quarterly statements of individual payment of Rs. 250 and above made by him to non-officials either on behalf of the Government or any local authority on account of fees, commission, bonus and remuneration of any kind, indicating the names and addresses of the payees together with the amounts paid. The monetary limit in case of payments to contractors, etc. shall, however, be Rs. 1,000 for each payment.

CHEQUES AND LETTERS OF CREDIT

196. Stocks of cheque books required for supply to the drawing officers under Rule 162 shall be kept by the Treasury Officer, supplies being obtained periodically from the Government Press. Cheque books shall on receipt be examined carefully and the number of forms in each book counted, a certificate of count being recorded by the Treasury Officer on a fly-leaf. They shall be examined again when issued to drawing officers, care being taken to see that they are acknowledged by the latter promptly.

197. When a cheque is presented, special care shall be taken to ascertain by examination of its printed number that it really was taken from the book notified under Rule 164 as in use by the drawing officer who has signed it. The provisions of Rules 167 to 170 shall be specially borne in mind.

198. If the payee is unknown at the treasury, the Treasury Officer shall make such enquiries as he thinks necessary and shall specially consider the date, serial number and amount of the cheque as well as handwriting and, if suspicions arise, he may defer payment until he has referred the matter to the drawing officer.

*Surgeon General with the Government of Maharashtra.
Director, Government Printing and Stationery, Bombay.
Director of Agriculture.
Inspector General of Prisons.
Commissioner of Police, Bombay.

199. Pass books sent to the treasury to be written up shall ordinarily be returned to the drawing officer on the same day.

200. In the case of a cheque lost before payment, in respect of which a certificate of non-payment has been furnished by the Treasury Officer to the drawing officer, the precautions prescribed in sub-rule (2) and (3) of Rule 172 shall be carefully observed with a view to preventing the payment of the cheque in question.

201. (1) Every payment made on the authority of any letter of credit or assignment must 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 must 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 that any further payment is made at the Treasury Officer's own risk ; the progressive total of his payments must therefore be so recorded that there can be no risk of overpayment.

Note 1.—See also Rules 174 to 176.

Note 2.—"The instructions in this rule do not apply to letters of credit opened at Banking Treasuries."

DISBURSEMENT OF CLAIMS AND RECORD OF PAYMENT

202. (1) After a cheque or bill has been completely entered in the accounts and the order to pay signed by the Treasury Officer, it shall be passed on together with the payee, to the Treasurer's branch, when the Treasurer shall make the payment and enter it in his cash book. The Treasurer shall punch the stamp, stamp the document 'paid' and retain it for delivery to the Account Branch when the books are compared.

(2) The Treasury Officer shall take special precautions to see that receipt stamps are so defaced that they cannot be used again and offer no temptation to the obstruction of the vouchers for the sake of stamps upon them. It must be borne in mind that several cases of loss of vouchers have occurred owing to neglect of this precaution.

Note 1.—Any deductions made by the Treasury Officer reducing the net amount claimed, on a bill should be explained in a memorandum signed by the Treasury Officer to be given to the presenter.

Note 2.—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 and the items should not find a place in the Treasurer's cash book nor should the voucher be stamped 'paid' by him. When the entries in the accounts are complete, such a voucher should be stamped by the Accountant 'paid by transfer'

203. A Treasury Officer, when cashing bills for Survey Officers and others at a distance from the treasury, shall furnish a note explaining the amount of cash and Reserve Bank Drafts (if any), issued and any deductions or alterations that may be made in the bill presented. The note may be in bilingual form

as it is important that the guard or messenger who receives the money should ascertain that the amount stated agrees with the actual cash or Reserve Bank Drafts delivered to him ; and when that person is unable to read, the Treasury Officer shall himself explain to him the amount entered on the note.

The following form is recommended :—

Bills presented for pay and allowances, etc.	..	..	000
Bills presented for contingencies	..	..	000
Bills presented for sundries	..	..	000
		<u>Total</u>	<u>000</u>
Paid in cash	..	..	000
Paid in drafts	..	..	000
		<u>Total</u>	<u>000</u>

*Deductions (if any)

*Explanation

Signature of Messenger

PAYMENT BY POSTAL MONEY ORDER

204. In case in which money due by the Government is paid by Postal Money Order, the cost of remittance shall, in the absence of any special rule or order to the contrary, be borne by the payee.

205. (1) When the whole or a part of the amount of a bill is required to be remitted by a Treasury Officer to a person or persons by Postal Money Order, he shall, if the bill is in order, pass it for the net amount after deduction of the amount to be remitted and the commission due thereon, credit the deductions by transfer to the Post Office and send the money order form or forms to the Post Office, with a certificate to the effect that the amount of the money order with the commission due, which must be specified in the certificate, has been credited to the Post Office by book transfer. The words "adjusted by book transfer" shall invariably be written in red ink across the money order form. The Treasury Officer shall also see that the purpose of the money order is stated in the acknowledgment portion of the money order form as required by clause (xiii) of Rule 153.

(2) On obtaining the money order receipt the Treasury Officer shall check it with the amount deducted from the bill.

PAYMENT AT SUB-TREASURIES

206. Subject as provided in rule 147, the procedure in regard to payment of claims at district treasuries is generally applicable to sub-treasuries also.

CASH ORDERS ON SUB-TREASURIES

207. In cases in which remittances cannot be affected by means of Reserve Bank Drafts under the provisions of Part XII, a Treasury Officer may issue an order in Form M.T.R. 12, upon any sub-treasury within the district for payment of cash—

(i) in payment or part payment of pay bills of any district establishment part of which is employed in interior of the district ;

(ii) in payment of contingent expenditure drawn on a bill presented by an office located at the headquarters of the district ;

(iii) in payment of advances and balances of General Provident Fund drawn on a bill presented by the Head of an Office authorised to sanction the advance at the headquarters of the district ;

(iv) in other cases authorised by these rules or by the Collector ;

(v) See also Note 1(a) below rule 147.

208. When a cash order is issued, the Treasury Officer shall assign a serial number to the order and enter the amount and other particulars in the appropriate register prescribed in Account Code, Volume II. An advice in Form M.T.R. 13, shall then be sent by first post to the sub-treasury drawn upon and the cash order handed to the person tendering the money or the bill against which the order is issued.

209. On receipt of the advice of cash order from the Treasury Officer, the Sub-Treasury shall immediately enter the particulars in a register in Form M. T. R. 14, and when a cash order is presented, the advice register must be consulted before payment ; the cash order with the receipt endorsed will be the voucher for the payment, which must be noted at the time in the advice register.

Note.—The adjustment of cash order will be watched at the treasury in accordance with the directions contained in the Account Code, Vol. II.

210. (1) Cash orders outstanding for more than three months shall be held as lapsed and should be stopped, the charges they represent being cancelled and adjusted by the Accountant General. The fact must be noted in the relevant registers kept in the treasury and sub-treasury.

(2) If payment is subsequently claimed the claimant shall be required to forward the lapsed cash order to the Treasury Officer who will arrange for the payment or issue a fresh order, a note being made against the entry concerned in the appropriate register so as to prevent a second payment.

Note 1.—A statement of lapsed cash orders will be submitted by the Treasury Officer to the Accountant General in accordance with the directions contained in the Account Code Vol. II.

Note 2.—The provisions in the Maharashtra Treasury Rules, 631, 632, and 633 regulating the issue of duplicate of drafts should be made applicable to the issue of duplicate "Cash Orders" in lieu of lost cash orders by substituting the words 'Currency Officer' appearing in the said Rules by 'Accountant General'.

211. If, for special reason, a Sub-Treasury Officer is in any case authorised by the Collector to issue cash orders on the district treasury or any other sub-treasury in the same district, the procedure shall be the same as that prescribed for orders issued by the district treasury.

Section III—Responsibility for Moneys Withdrawn

VOUCHER FOR PAYMENT

212. Subject as hereinafter provided in this rule, Government Officer entrusted with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with the Government, a voucher setting forth full and clear particulars of the claim and all information necessary of its proper classification and indentification in the accounts. Every voucher must bear, or have attached to it an acknowledgement of the payment signed by the person by whom, or in whose behalf, the claim is put forward. The acknowledgement shall be taken at the time of payment.

Note 1.—As adjustment bills for 'NIL' amount involve no payment, it is not necessary to insist upon any acknowledgement of payment in respect of such bills.

Note 2.—A single receipt, stamped where necessary, given by a payee in acknowledgement of several payments or a lump sum payment, either in cash or by cheque, made to him, on one occasion, shall constitute a valid quittance and the disbursing officers, in such cases, should give cross reference on all vouchers to which the receipt relates.

213. In all cases, in which it is not possible or expedient to support a payment by a voucher or by the payee's receipt, a certificate of payment duly signed by the disbursing officer and countersigned by his superior officer, together with a memorandum explaining the circumstances, should invariably be placed on record and submitted to the Accountant General, where necessary. Full particulars of the claims should invariably be set forth ; and where this necessitates the use of a regular bill from, the certificate itself may be recorded thereon.

Note 1.—In the case of article 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 also covers charges for the money order commission.

Note 2.—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 a copy or give a duplicate acknowledgment of the payment.

214. The provision of rules 153 and 160 regarding the preparation of bills and giving of stamped receipts shall be carefully observed in regard to claims presented at a departmental office of disbursement.

Note 1.—Cash memoranda which do not contain an acknowledgement of the receipt of money from persons named therein are not receipts within the meaning of section 2(23) of the Indian Stamp Act (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 memoranda 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 Rs. 20) or, in cases where this is not practicable, they are stamped 'paid' and initialled by the drawing and disbursing officer.

Note 2.—The cash memoranda submitted in support of the claims for reimbursement of the cost of special medicines, purchased from the market under the Medical Attendance Rules, need not, however, be stamped or bear the supplier's acknowledgement.

Note 3.—The cash memos issued to Government institutions for foodgrains purchased from authorised ration shops under the provisions of the Maharashtra Foodgrains Rationing (Second) Order, 1966, need not be stamped as these are not treated as receipts or acknowledgements for money received."

215. Every voucher must bear a pay order signed or initialled by the responsible disbursing officer, specifying the amount payable both in words and figures. All pay orders must be signed by hand and in ink.

216. All paid vouchers must be stamped 'paid' or so cancelled that they cannot be used a second time. Stamps affixed to vouchers must also be cancelled so that they may not be used again.

217. 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 competent authority.

218. (1) All sub-vouchers to bills must be cancelled in such a manner that they cannot be subsequently used for presenting fraudulent claims or other fraudulent purposes.

(2) The provisions of rule 291 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.

OVERCHARGES

219. Subject to such special orders as the Government may issue in any individual case, the responsibility for an over-charge shall rest primarily with the drawer of a bill, and it is only in the event of culpable negligence on the part of the Controlling Officer or the Treasury Officer that the question of recovery from either of them may be considered.

AUDIT OBJECTIONS AND RECOVERIES

220. Every Government servant must attend promptly to all objections and orders communicated to him by the Accountant General.

221. When the Accountant General disallows a payment as unauthorised the Disbursing Officer is 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 ; that no warning slip has been received by the Government servant against whom the retrenchment has been ordered or that being received, it has been answered, are facts with which the Disbursing Officer shall have no concern.

Note 1.—If a Government servant from whom a recovery is ordered is transferred to the jurisdiction of another Disbursing Officer, the order of recovery should be passed on to that Disbursing Officer without delay.

Note 2.—A Disbursing Officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accountant General or the Government servant concerned; it is his duty simply and promptly to carry out the orders he has received and to leave to the person aggrieved to refer the case to the proper authority.

Note 3.—Representations and protests against retrenchments ordered by the Accountant General may 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 Government servant. This provision does not remove from the Disbursing Officer the duty of enforcing immediately the recovery of a retrenchment order under this rule.

Note 4.—While a Government servant 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 servant 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.

222. Recoveries may not ordinarily be made at a rate exceeding one-third of pay or subsistence allowance unless the Government servant affected has, in receiving or drawing in excess, acted contrary to orders or without due justification.

Note.—For the purpose of this rule, "pay" includes emoluments classed as pay, under the Bombay Civil Services rule 9(39).

223. A register shall be maintained at the treasury and every other disbursing office for recording all retrenchments ordered by the Accountant General. Separate columns shall be provided to show the name and office of the person from whom the recovery is to be effected, the nature and amount of the overpayment and the method by which the overpayment has been adjusted.

CHAPTER II—PERSONAL CLAIMS OF GOVERNMENT SERVANTS GENERAL RULES

FORMS AND PREPARATION OF BILLS

224. 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 servants in Chapter III and in the case of non-gazetted Government servants in Chapter IV or this part.

DEDUCTION FROM BILL

Funds Deductions

225. The duty of noting the proper deductions to be made from pay bills on account of insurance, Provident and other Funds shall devolve on the drawers of the bills as such deductions are to be recovered by short drawings from the Treasury ; but no discretion is allowed to a Treasury Officer in carrying out any order received from the Accountant General to make any particular deduction.

Note 1.—In the following cases recoveries should be effected by deduction from bills :—Fines, rents, income-tax, all service funds and other funds, except when recoveries in cash is permitted by rules, recoveries in compliance with retrenchment orders issued by the Accountant General and recoveries in instalments of advances made to Government servants.

Note 2.—The Treasury Officer must, however, check the deductions in the case of Indian Civil and Indian Military Service Family Pension Regulations and the Superior Services (India) Family Pension Fund Rules.

The procedure to be followed in making such deduction is laid down in Part VIII.

Deductions of Taxes on Income

226. Deductions from the pay bills on account of Income tax shall be made strictly in accordance with the relevant provisions of the Income Tax Act, 1961 (43 of 1961), as modified from time to time, and the rules and orders issued thereunder.

HOUSE RENT DEDUCTIONS

227. (1) When demands for rent of public buildings, recoverable from Government servants, are received from the Public Works Divisional Officer or any other authority in charge of such buildings, the Government servants who draw their own pay bills, and heads of offices in the case of non-gazetted Government servants, shall make the necessary deductions as specified in the demands from the next bill in which pay is drawn. After the recovery has been made, one copy of the demand statement, which will be rendered in triplicate, shall be returned to the authority from which it was received after noting

the amounts recovered and recording a certificate to the effect, if the recoveries are in order, that the recovery has been made and the emoluments are correct. The other two copies should be attached to the bill from which the recovery has been made. In noting the deductions in the bills, the head of account to be credited and other particulars as given in the demand statement must be shown.

(2) If the rent recoverable from a Government servant is limited to a certain percentage of the emoluments of the Government servant, the particulars of such emoluments shall be noted in the remarks column of the demand statement before its return. Where, after the return of the demand statement, the emoluments of a Government servant are changed retrospectively, such changes shall either be shown in the next demand statement or intimated to the authority concerned by a special letter.

(3) Notwithstanding anything contained in this rule—

(i) the recovery of rents from Government servants of the Central Government in respect of public buildings belonging to State may be made in accordance with such procedure as may be prescribed by the Government of the State.

(ii) The Government and Department of the Central Government may after consultation with the Accountant General, prescribe such detailed rules of procedure as may be necessary for recovery of rents of public building under their administrative control.

(4) The provisions of this rule apply also to other charges, e.g. additional rent recoverable for furniture, electric, water, heating and sanitary installations charges for cost of water, electric energy, etc. which may, under the orders of competent authority, be recovered in the same way as and together with rents of buildings proper.

(5) Nothing in this rule will be considered to place the responsibility for recoveries on the Treasury Officer unless a copy of the order of recovery issued by a competent authority is simultaneously forwarded to the Treasury Officer with a request to effect the recoveries.

RECOVERIES

228. Deductions on account of sums disallowed from pay-bills shall be made strictly in accordance with the instructions issued by the Accountant General. The recovery of a sum disallowed from a pay-bill may be made from the next pay-bill, and of a sum disallowed from a travelling allowance bill, from the next payment of travelling allowances; but sums disallowed from a travelling allowance bill must be recovered in cash or from the pay-bill when the Government servant concerned does not, within a month, present any other travelling allowance bill from which they can be recovered.

229. Recoveries of advances on account of travelling allowance may be made after the usual period allowed for presentation of the detailed bill has expired.

ATTACHMENT OF PAY AND ALLOWANCES, ETC., FOR DEBT

230. (1) When the pay of a Government servant is attached by any order of a Court of Law, it is the duty of the officer receiving the attachment order to see that the proper deduction is made in satisfaction of such order from the pay of the Government servant concerned and he shall keep a record of such deductions in Form M.T.R. 14-A. For the extent to which the emoluments of a Government servant are exempt from attachment for debt, see Fin. Rule 89 of F. P. No. I.

(2) Any deduction which may have to be made on account of subscriptions to provident fund recognised by Government, taxes on income payable by the Government servant, and dues of co-operative societies and debts due to Government should be made from the non-attachable portion of the Government servant's salary.

231. Without prejudice to the appropriate provisions of the law as contained in Rule 48 of Order XXI in the First Schedule to the Civil Procedure Code, 1908, as amended by the Civil Procedure Code (Amendment) Act, 1939 (Act XXVI of 1939), the procedure to be followed by disbursing and drawing officers in making recoveries from pay of Government servants of amounts in compliance with attachment orders issued by Courts, shall be regulated in accordance with the following rules :—

(1) Subject as hereinafter provided in this rule, the gross amount of pay and allowances shall be drawn on a pay-bill, but only the net amount after deducting the amount recoverable under the attachment order, shall be disbursed to the Government servant concerned. The authority whose duty it is to make the deductions is responsible for remitting the amount without undue delay to the Court concerned.

(2) In the case of an attachment order issued by a Court in India against a Government servant on leave out of India, whose leave salary is disbursed in the United Kingdom, the appropriate authority in India, namely, the Accountant General in the case of gazetted Government servants, and the departmental drawing officer acting as or on behalf of the Accountant General in the case of others, will be responsible for drawing the amounts recoverable monthly in compliance with the attachment order and remitting them to the Court concerned, unless timely intimation is received by him of the death of the Government servant or of any other event necessitating the discontinuance of such payments. The transaction will not, however, be carried through before the 10th of the month following that to which the portion of the leave salary for the time being withheld relates. The recovery of income-tax (and super-tax) will be made wholly from the portion of the leave salary disbursed in the United Kingdom.

The Comptroller and Auditor General will issue such instructions as may be necessary in order to ensure that the amounts that will have to be deducted in compliance with the attachment order as specified in the original

or amended English Leave Salary Certificate of the Government servant concerned, with necessary directions to the disbursing authority in the United Kingdom to make the corresponding reductions in the monthly bills presented to it for payment.

Note.—The provisions of this sub-rule apply *mutatis mutandis* to other cases in which the salary or allowances of a Government servant subject to an attachment order issued by a Court in India are to be disbursed outside the local limits to which the Code of Civil Procedure, 1908, for the time being extends.

(3) In cases in which a judgment-debtor does not sign the acquittance roll and intentionally allows his pay to remain undisbursed, or the judgment-debtor, being a gazetted Government servant, or not being a gazetted Government servant but being permitted to draw his pay on a separate pay-bill, refrains from preparing his pay-bill and drawing his pay regularly in order to evade payment on account of an attachment order issued by a Court of Law, the head of the office or, in the case of a gazetted Government servant or of a Government servant treated in this respect like a gazetted Government servant, the administrative officer of the department concerned may draw the pay of the judgment-debtor in satisfaction of the attachment order, subject to the prescribed restrictions, and remit the amount to the Court concerned.

(4) The amounts drawn under sub-rule (2) and (3) above shall be treated in the accounts in the same way as leave salary or pay drawn by the Government servant concerned, the particulars of the attachment order being cited in the pay-bill or the acquittance roll, as the case may be, as an authority for the charge, and the Court's receipt for the amounts shall be filed with the attachment register or such other suitable record as may be kept by the drawing officer.

232. The cost, if any, of remittance to a Court of money realised under its attachment order shall be deducted from the amount realised and the net amount remitted to the Court.

233. Recoveries from the Salary of Government Servants on account of profession tax levied by State Governments under their Professions, Trades, Callings and Employments, Taxation etc., Acts and dues of Co-operative Societies, registered under the various Co-operative Societies Acts, where such acts impose a statutory obligation on the Government to make such deductions, shall be made by the Drawing and Disbursing Officer in the case of non-gazetted Government servants who do not draw their own bills, and, in other cases, by the Treasury Officer on the advice of the Accountant General or by the other appropriate Disbursing Officer concerned as the case may be, in accordance with such procedure as may be laid down by Government from time to time.

Note 1.—Procedure to be followed for making recoveries from salaries of Government Servants on account of dues of Co-operative Society.

(a) *Scope.*—It is obligatory to make recoveries of the amounts shown in the requisition that may be received in writing, from the co-operative society provided that—

(i) the Act under which Society has been registered provides for the execution of an agreement by the member in favour of the society requiring the employer to make the recoveries ;

(ii) recoveries are made only so long as the Government servant concerned is employed within the territorial jurisdiction of the state Act under which the Co-operative Society has been registered ;

Exception.—A disbursing Officer, even when not located within the territorial limits to which the Act under which a Co-operative Society has been registered applies, may effect recoveries on account of dues of such a co-operative society from the salary payable to a Government servant :

Provided that such Government servant gives in writing an authorisation to his Disbursing Officer to make the recoveries in respect of such dues and the Disbursing Officer, before effecting recoveries, ensures that the authorisation given to him by such Government servant is clear, unambiguous and has not been revoked.

(iii) and where the whole or a part of the attachable portion of the salary of the Government employee concerned is already under attachment, the recoveries on account of the demands from Co-operative Societies shall be made from that portion of his salary as is not liable to attachment under the provisions of the Code of Civil Procedure, 1908.

(b) *Non-Gazetted Servants.*—On receipt of the requisition, in writing, from the society it shall be the duty of the Drawing and Disbursing Officer of the Government servant concerned to make the recoveries in satisfaction of the requisition. The Drawing and Disbursing Officer should draw the gross amount of the pay and allowances of the Government servant concerned, in the usual manner but should disburse only the net amount, after making the recoveries. The amount thus recovered should be paid to the Co-operative Society concerned, without undue delay, after deducting the remittance charges, if any.

(c) *Gazetted Government Servants and such non-Gazetted Government Servants as are allowed to draw their own bills.*—It shall be the duty of the head of the office receiving the requisition from the Co-operative Society to send the necessary intimation to the Accounts Officer concerned under whose authority the officer draws his salary. On receipt of such intimation the Accounts Officer shall arrange to make the recoveries by issuing, if necessary, suitable instructions to the Treasury Officer concerned. The amount thus recovered by the Accounts Officer or the Treasury Officer, as the case may be, should be paid to the Co-operative Society, without undue delay after deducting the remittance charges, if any.

(d) *Where the Government Servant intentionally allows his pay to remain undrawn.*—In cases where the Government servant concerned intentionally allows his pay to remain undisbursed or undrawn, with a view to evading payment on account of the dues of Co-operative Societies, the Drawing and Disbursing Officer, in the case of non-gazetted servants who are not allowed to draw their own Bills, or the administrative Head of the Department concerned, in other cases should draw the pay of the debtor-employee, under intimation to him in satisfaction of the requisition received from the Co-operative Society and remit the amount to the Society, without undue delay, after deducting the remittance charges if any.

(e) *Treatment in the accounts.*—The amount recovered, in accordance with clauses (d), (c) or (b) above, shall be treated in the accounts in the same way as salary paid to the Government servant concerned, the particulars of the requisition received from the Co-operative Society being cited in the Pay Bill or the acquittance roll, as the case may be, as an authority for the charge, and the receipt of the Co-operative Society for the amounts remitted to it shall be filed with such suitable records as may be kept by the Disbursing Officer, including a Treasury Officer.

Note 2.—(a) Unlike the limitations laid down in Clauses (i) and (ia) of the proviso to sub-section (1) of Section 60 of the Code of Civil Procedure, 1908, in regard to the Attach-

ment of salary in the execution of a Court Decree in State Acts relating to Co-operative Societies do not usually prescribe any limit, either in regard to amount or period, upto which deductions from the Salary of a Government servant can be made, in accordance with the provisions of the relevant Act, in pursuance of a Demand from a Co-operative Society.

(b) The provisions of Section 60 of the Code of Civil Procedure, 1908, laying down the exemptions and limitations in regard to the Attachment of salary of a Government Servant, apply only to Attachment in execution of a Decree of a Court and not to any other deductions from salary, if otherwise authorised, like deductions in pursuance of Demands from Co-operative Societies.

(c) The deductions from the salary of Government servants in pursuance of Demands from Co-operative Societies, must be made strictly in accordance with the Demand, irrespective of the provisions of Section 60 of the Civil Procedure Code. In other words, while a part of the salary of a Government servant is exempt from Attachment in the execution of a Decree of Court, no such exemption is available in the matter of deductions on account of dues of Co-operative Societies. Similarly, while in regard to Court Attachment, a Government Servant enjoys a 'Holiday' after the whole or any part of the attachable portion of his salary has been under Attachment, either continuously or intermittently, for a total period of 24 months, no such 'Holiday' is available to him in the matter of deductions on account of Demands from Co-operative Societies.

Subject to what has been stated in the preceding paragraphs, the action to be taken in cases where both an Attachment Order of a Court and a Demand from a Co-operative Society are received in respect of the same Government Servant should depend on the facts of each case and the order in which the Demand of the Co-operative Society and Attachment Order of a Court are received by the Disbursing Officer.

FIRST PAYMENT OF PAY, ALLOWANCES, ETC.

234. When a Government servant presents his pay bill for the first time, or when the name of a Government servant appears for the first time in an establishment bill, the bill shall be supported by a last pay certificate in the form prescribed by the Accountant General; or if he did not previously hold any post under the Government, or is re-employed after resignation or forfeiture of past service, a certificate by the authority to whom the medical certificate of fitness has been submitted in the case of a gazetted officer or the drawing and disbursing officer in the case of a non-gazetted officer, to the effect that the medical certificate of fitness in the prescribed form, has been obtained in respect of the Government servant, must accompany the bill in conformity with, and if so required by, any rule or, order governing the conditions of the service to which he belongs.

When the competent authority under any rule or order authorises the drawal of pay and allowances of a newly appointed Government servant for a period not exceeding two months without a medical certificate of Health, a certificate to this effect shall be furnished in the first pay bill.

If a pensioner is re-employed the fact shall be stated in the bill.

Note 1.—The payment of pay, leave salary, etc., of gazetted Government servants are further subject to the provisions of Rules 20 and 253.

Note 2.—The form of last pay certificate prescribed by the authority in the rule and the detailed instructions issued by it for its preparation are reproduced in Appendix XII.

235. In all cases of transfers the responsibility for obtaining his own copy of the last pay certificate from his last Disbursing Officer shall rest with the Government servant concerned.

PAYMENT ON QUITTING THE SERVICE

236. The last payment of pay or allowances shall not be made to, or in respect of a Government servant whose pay is drawn on gazetted Government servants' bill form, finally quitting the service of the Government by retirement, resignation, dismissal, death or otherwise, or placed under suspension, until the Disbursing Officer has satisfied himself, by reference both to the Accountant General, the departmental authorities and his own records, that there are no demands outstanding against him. In cases of other Government servants payment may be made without reference to the Accountant General on the responsibility of the Head of the Office concerned.

Explanation.—The last claim referred to in this Rule may be deemed to be any claim preferred by Government servant finally quitting the service, placed under suspension or any claim preferred after the death of a Government servant.

Note 1.—The procedure prescribed in the first sentence of this rule shall apply to the last payment of dues or honorarium to non-officials, including members of any Commission or Committee, whether statutory or not, as it applies to the last payment of pay or allowances to, or in respect of a Government servant who finally quits the service of the Government.

Note 2.—With a view to expediting the disposal of pension cases, the last payment of pay and allowances may be made and the last pay certificate issued pending final assessment and realisation of outstanding demands, provided that adequate security for meeting the likely demands is taken either in cash or by surety bond from the Government servant concerned, or by withholding a part of gratuity payable to him in accordance with the provisions of the Bombay Civil Services Rules.

PLACE OF PAYMENT—PAY AND ALLOWANCES

237. (1) Save as hereinafter provided, and subject to any special rule or procedure that may be prescribed by departmental regulations, bills for pay and allowances are ordinarily payable only at the treasury of the district in which the claim arises.

Exception.—The Superintendent, Employees State Insurance Schemes Hospital, Mulund is allowed to prefer Bills relating to the Pay and Allowances of himself and his staff at the Treasury, Thana instead of at the Pay and Accounts Office, Bombay.

(2) Nothing contained in this rule shall have the effect of withdrawing any concession that has been or may be allowed by the Government to individual Government or class of Government servants for drawing a part of their pay at places other than district treasury of their headquarters.

Note 1.—The claims on account of pay and allowances of the non-gazetted personnel and all those gazetted officers whose claims are drawn in the same manner and in the same forms in which similar claims of non-gazetted officers are drawn should be deemed to arise at the station where the drawing and disbursing officer who draws the claims, is stationed. In cases where a non-gazetted Government servant is on tour and the 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 by Money Order, as may be necessary. 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.

Note 2.—(i) Every endeavour should be made to pay all personal claims for pay and allowances, including travelling allowance, up to date to Government servants on transfer as provided for in Financial Rule 51 (b) before issuing a last pay certificate. Such claims may, however, be paid after taking charge of the new appointment provided that reasons for not having complied with provision of Rule 237 (1) are recorded on the bills preferred for such claims.

(ii) The T.A. and such other claims of a G.O. transferred from one Audit Circle to another, duly countersigned by the controlling officer in the previous Audit Circle should be submitted by the Gazetted Officer to audit officer (from whose jurisdiction he had been transferred). That audit officer will audit and pass on the same for payment to the Audit Officer to whose jurisdiction the officer has been transferred. The Officer in the new circle will arrange for payment through the concerned disbursing officer, under intimation to the officer who has presented the claim.

Note 3.—The payment of the pay for a complete month of an officer who is deputed by a State Government to attend the session of the Central Legislature, may at the option of the officer, be made at the place where he may be performing duty at the time the payment falls due. Payment for the broken period of as month as for example when the Officer proceeds on leave out of India should also be made at the discretion of Officer at the permanent headquarters of the officer or at the place where he may be performing duty.

Note 4.—The Secretary, State Committee on National Discipline Scheme and State Inspector for Physical Education, Poona has been authorised to draw and disburse the pay and allowances etc. of the National Discipline Scheme, Physical Training Instructors, posted at different Schools in this State, excluding those from the Bombay Corporation area.

Note 5.—When a Gazetted Government servant whose duty requires him to travel about on inspection, desires to receive payment of his claims at a place where he is on tour, he shall send his bill to the Treasury Officer at his Headquarters duly receipted and stamped and endorsed as "Pay by Bank draft encashable at _____, to be sent by registered post". He shall also make an application to the Treasury Officer, along with the bill, *inter alia*, specifying therein the address to which the Bank draft may be sent by the Treasury Officer. The Treasury Officer shall arrange to send the Bank draft by registered post, the expenses incurred on postage (including registration charges) being treated as normal expenditure on correspondence by the Treasury.

238. Gazetted Government servants of the Public Works Department, in addition to the concession admissible under Rule 237, may present their pay and travelling allowance bills at the treasury or sub-treasury nearest to their headquarters or at any treasury or sub-treasury within their jurisdiction. After the place of payment has been selected, it can be changed only with the consent of the Accountant General or, if both the old and new places of payment are within his jurisdiction, of the Treasury Officer.

239. In case of transfer, the pay due in respect of the old post, which has not been drawn at the time of the transfer, may be drawn at the new headquarters or at the place in which the pay in respect of the new post is drawn the allocation of the charge to the old and new appointments being clearly specified on the bill.

Note.—In the case of gazetted officers whose last pay certificates are prepared by Treasury Officers, the responsibility for showing the correct allocations in bills rests with the officers themselves.

LEAVE SALARY

240. Subject to any orders or procedure that may be prescribed by Government in the case of a gazetted Government servant and in the Departmental regulations in the case of a non-gazetted Government servant, the leave salary of a Government servant, 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. Normally, the Government servant must make his own arrangements for getting his leave salary remitted to him. However, if the gazetted officer during the period of earned leave exceeding a month specifically requests the treasury officer for the remittance of his net dues by means of demand draft, the treasury officer, shall arrange to send him demand draft at par by registered post and the provisions of Note 5 below rule 237(2) would *mutatis mutandis* apply. In the case of non-gazetted establishment in similar circumstances their net dues may on specific request, be remitted by means of demand draft at par by their drawing and disbursing officers and the charges may be debited to office contingencies. In a case where a period of leave is followed by transfer, such portion of leave salary as would 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.

Note.—The net leave salary of a Class IV Government servant, when the period of leave exceeds one month, can on his express request, be remitted to him by the Drawing and Disbursing Officer by Postal Money Order at Government expenses.

PAY DUE TO GOVERNMENT SERVANT ABSENT OUT OF INDIA

241. If pay or allowances be due in India to a Government servant absent out of India, he must make his own arrangements to receive it in India :

Provided that when the Government servant has finally quitted India and it is not possible for him to make his own arrangements for receiving his pay and allowances in India, payment may be made to him through the High Commissioner for India in London or through the Foreign Embassy.

PAYMENT OF PAY, LEAVE SALARY, ETC., THROUGH AGENTS,
PAY AND ALLOWANCES

242. (1) Save as hereinafter provided, pay and allowances may be paid only upon the personal claim of the Government servant concerned and to his personal receipt, and not otherwise, except under the special authority in each case of the Government or of the Accountant General. The Government servant may be allowed to receive payment through a messenger duly authorised by him to receive the money on his account but there can be no endorsement on the bill to pay to any such person ; and in such a case, the Government accepts no responsibility in respect of money, cheque or draft that may be handed over to the messenger.

Note 1.—Pay and allowances of a person who is certified by a magistrate to be a lunatic should be paid in accordance with the detailed procedure given in Annexure 'B' prescribed below Rule 247 of the Central Government's compilation of the Treasury Rules, Volume I.

(2)(a) At this written request or order, the pay bill of a Government servant who is permitted to draw his own bills may be made payable to some well-known banker or agent ; provided that the receipt of the banker or agent shall not be accepted as a final quittance unless the bill itself is duly endorsed in favour of the banker or agent by means of a distinct pay order. The receipt of the banker of agent, alike if it is recorded in the bill itself or separately, shall be stamped, unless the receipt of the bill has already been duly signed and stamped by the Government servant himself.

(b) Pay and allowances of a Government servant 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 servant desiring to receive payment through a banker or agent must furnish the latter with a legal quittance for 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 must also furnish a formal receipt (which need not be stamped) to show that the money has been actually received by him.

Note.—Notwithstanding anything contained in this clause, Government may, in special circumstances, authorise payment of such part of a claim of a Government servant, 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 servant 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 servant concerned.

(c) A Government servant or a single person cannot be constituted an ' agent ' for the purpose of this rule, except when he holds a legally valid power of attorney to act for the Government servant concerned.

(3) The provisions of this rule apply to all payments in India, whether on account of pay, travelling or other allowances, which are made to Government servants on their personal account.

LEAVE SALARY

243. For drawal of leave salary by Government servant who signs his bills himself, when claiming leave salary in India in respect of earned leave or leave on average pay (other than leave preparatory to retirement) the provisions of rule 242 above will *mutatis mutandis* apply. In the case of all other kinds of leave, such a Government servant must either appear in person at the place of payment or furnish a life certificate signed by a responsible Government Officer or some other well-known and trustworthy person. If he draws his salary through an authorised agent, the agent must furnish the life certificate

aforesaid, or execute a bond to refund overpayments under the provisions of rules 244 and 245."

Note.—When separate bills for leave salary, vacation pay, etc., relating to different periods are presented and paid simultaneously it is not necessary to furnish separate "Life Certificates" for the different periods but only one certificate in respect of the date of presentation of the bills should be enough. In cases where the Government servant concerned has already returned to duty by the time the bill is presented or payment is made, personal appearance or furnishing of "Life Certificate" in respect of the earlier period of leave or vacation shall not be necessary.

* BOND OF INDEMNITY

244. (1) Government servants may make arrangements with their agents to draw their leave salary, vacation pay, etc. either granting them powers of attorney to enable them, to do so, or leaving their bills duly completed and signed in the agents' custody for collection, the agents in their turn giving the Government a bond of indemnity as a security against any loss in the case of overpayment.

Note.—A register of power of attorney should be maintained by the 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.

(2) The bond of indemnity, which must be stamped, may be of the following form in the case of a firm or bank :—

" In consideration of our/their being permitted to draw pay/leave salary/pension of during his absence from we/they (here insert the name of the Bank) hereby engage to refund to the Government on demand, any overpayment that may be made to us/them as his agents or agent "

It may be seen that the person signing the bond of indemnity has authority to bind the firm or bank.

245. (1) It is not necessary for a separate bond, to be entered into for each individual. Such banks as are included in the Second Schedule to the Reserve Bank of India Act, 1934, may be allowed to execute a general bond in Form M. T. R. 16 to cover the pay, leave salary, pensions, etc. of their constituents in general. The Nationalised Banks should execute a general bond of indemnity in Form M.T.R. 16-A.

(2) Separate bonds must be executed for payments relating to or for persons whose salaries or pensions are debitable to the Central Government and those debitable to a State Government.

The applications for such bonds will be dealt with by the Government (Central or State) concerned.

(3) Lists of agents who have executed general bonds of indemnity with either the Central Government or the State Government to cover the leave salary, pension, etc., of their constituents are contained in Appendix XLVII of the B.C.S.Rs. Vol. II (F.P. No. V).

CHAPTER III—BILLS OF GAZETTED GOVERNMENT SERVANTS

INTRODUCTORY

246. The provisions of this chapter shall apply primarily to claims of gazetted Government servants, including those of non-gazetted Government servants, drawing their pay in the forms provided for gazetted Government servants, which are payable on bills drawn directly on the treasury or on the office of the Pay and Accounts Officer. With regard to claims of Government servants which are payable by or through a departmental office of disbursement, these rules shall apply subject to such variation or modification as may be authorised by departmental regulations.

FORM OF BILLS—PAY, FIXED ALLOWANCES, ETC.

247. (1) The pay and fixed allowances of a gazetted Government servant shall be claimed on bills in Form M.T.R. 17, in which the whole of the fixed allowances claimable by a Government servant in respect of the same post shall be set forth. A Government servant who draws an additional allowance for a separate office need not present a separate bill for it unless it is payable from a source other than the revenues of the Maharashtra State.

(2) Subject as hereinafter provided in this chapter, the forms prescribed in this rule shall be used for claims relating to leave salary and all occasional payments to a gazetted Government servant that are made on his personal account.

Note.—A gazetted Government servant on leave preparatory to retirement or refused leave or terminal leave or such other leave on the expiry of which he is not expected to return to duty, should record a certificate on the leave salary bill that, during the period for which leave salary is drawn, he was not employed under, any Government, Local Fund or private employer.

248. (1) Government may permit Government servants belonging to establishments limited and fixed with reference to the requirements of a whole administration, who are not ranked as gazetted Government servants, to draw their pay and fixed allowances separately in the form provided for gazetted Government servants instead of through the pay bill of their office establishment. The Sub-Assistant Surgeons, Jailors, Epidemic Medical Officers and Police Prosecutors have been allowed to draw their own pay bills as above.

(2) A list of non-Gazetted Government servants who are allowed to draw bills on treasuries is given in Appendix VIII.

TRAVELLING ALLOWANCE

249. Travelling allowance bills of a gazetted Government servant shall be drawn in accordance with the rules under which such allowance may be due. For mileage, halting or daily allowance, Form M.T.R. 18 is prescribed for general use.

250. When a circuitous route is taken the reason for doing so must be stated on the bill. When a Government servant is entitled to draw actual expenses, such expenses shall, in the absence of special orders to the contrary, be set forth in detail.

251. The provisions of clause (ii) of Rule 272 apply *mutatis mutandis* to bills for travelling allowance of Gazetted Government servants.

COST OF MEDICAL TREATMENT

252. The expenditure incurred by, and to be reimbursed to Gazetted Government servants on account of medical attendance and treatment may be drawn by them in Form M.T.R. 18-A under the sub-head "allowances, honoraria, etc." without the prior authority of the Accountant General. The amount drawn in the bills must be supported by proper receipts and vouchers in all cases, or by an authority of Medical Department empowered to sanction such expenses.

ALTERATIONS OF PAY, ETC.

253. Save as provided in Rule 20, a Gazetted Government servant may not draw an increased or a changed rate of pay, leave salary, fixed allowance, or any reward or honorarium unless the bill on which he draws it, is either pre-audited by the Accountant General, or is accompanied by a letter of the Accountant General authorising the amount to be drawn. These letters will be issued from the Accountant General's Office as soon as possible; but as delay may occur if the change is made near the end of a month, or if it takes effect from a date which cannot immediately be ascertained, or cannot be fixed by a certificate of transfer of charge appended to the bill, Government servants shall, in the case of pay, leave salary or fixed allowances, either draw their bills for not more than old rates, or send their bills for pre-audit to the Accountant General, if they have not received his letter of authority.

Note 1.—The Audit Officer will not authorise an officer to draw pay at a rate above the stage at which an efficiency bar is fixed until he has received a declaration from the authority empowered to allow the increment over the efficiency bar that it has satisfied itself that the officer in question is fit to pass the bar.

In order to prevent the passing of an efficiency bar becoming a mere matter of form, it is imperative that every case should be carefully scrutinised by the sanctioning authority before signing the declaration prescribed above.

Note 2.—A Treasury Officer must be careful not to pay an allowance to a Gazetted Government servant to whom he has granted a last pay certificate unless the certificate is first surrendered.

Exception.—(1) Honorarium to Gazetted Officers of the State Government may be paid without an authority from the Accountant General if it is of non-recurring nature and supported by a proper sanction issued by the competent authority. The sanction should contain the full particulars viz., name of the payee, rate, the period, the rule or authority, etc., and also endorsed to the Treasury Officer, duly signed in manuscripts by the issuing authority.

LEAVE, PROMOTIONS, REVERSIONS, TRANSFERS, ETC.

254. No Gazetted Officer who has relinquished charge of a post consequent on his proceedings on leave or on training or promotion, reversion or transfer, shall draw any bill on account of his pay, allowances, leave salary etc. for any period beyond, the date of making over charge, without a fresh authority from the Accountant General :

Provided that, the provisions of this rule shall not apply to cases of transfers within the same Audit Circle and not involving any change in designation or emoluments of the officer concerned :

Provided further that, in cases where, on the expiry of leave or on return from training, an officer is appointed to the same post from which he proceeded on leave or training he shall draw bills for his pay and allowances from the date of his assumption of such charge on the basis of the authority for pay and allowances issued to him by the Accountant General before his proceeding on leave or training 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 should instead of returning the bill for amendment, pass for payment such portions of the claims as relates to the period up to that date and is otherwise admissible.

Note 2.—In the cases referred to in the proviso to this rule, the Treasury from which the officer concerned draws this claims, after transfer, shall commence making payments on the basis of the Last Pay Certificate issued by the Treasury Officer who last disbursed the claims of the officer. For this purpose, the Treasury Officer, issuing the Last Pay Certificate, should clearly indicate therein complete information given in the authority of the Accountant General in his possession, particularly the date, if any, up to which it is effective.

ADVANCES

255. The undermentioned advances to a Gazetted Government servant may be drawn from the treasury in the form prescribed in rule 540, on the authority of the sanction or a duly certified copy thereof appended to the bill, without any previous authority from the Accountant General, or the Pay and Accounts Officer, Bombay in the case of payment in Bombay City :—

- (i) Advances on transfer.
- (ii) Advances on tour.
- (iii) Advances on account of travel concession during regular leave.
- (iv) Advances in lieu of leave salary.
- (v) Advances for medical attendance and treatment.
- (vi) Advances of travelling allowance in respect of journeys to place of settlement on retirement, performed during leave preparatory to retirement or during refused leave.
- (vii) Other loans and advances on personal account e.g. house building advance, advance for purchase of conveyance and tentage advance.

No other personal advance can be paid to a Gazetted Government servant unless the payment has first been authorised by the Accountant General, or in case of payments in Greater Bombay, the Pay and Accounts Officer, or the claim has been pre-audited by the Accountant General or Pay and Accounts Officer as the case may be.

Note.—The sanction to personal advances, may, if preferred, be obtained in the form of countersignature on the bill itself before it is presented for encashment.

CHAPTER IV—BILLS OF NON-GAZETTED ESTABLISHMENTS

INTRODUCTORY

256. The rules of procedure prescribed in this chapter shall apply primarily to personal claims of Non-Gazetted Government servants whose pay, allowances, etc., are payable on bills drawn directly on a treasury or on the office of the Pay and Accounts Officer. In their application to personal claims of Non-Gazetted Government servants, which are payable at a departmental office of disbursement, these rules are subject to such variation or modification as may be authorised by departmental regulations.

MONTHLY BILLS

257. For purposes of this chapter, parts of an establishment under the same officer, which appertain to different major heads, shall be regarded as distinct establishments, e.g., a Collector's Excise establishment shall be treated as distinct and separate from his Land Revenue establishment.

258. In the bill presented for payment the establishment shall be distributed into such sections as may be fixed by the Accountant General in communication with the head of the office of establishment concerned.

FORM AND PREPARATION

259. (1) Bills for pay, fixed allowances and leave salaries shall be prepared in Form M.T.R. 19, separately for permanent and temporary establishments and for whom no service books are maintained, the instructions printed on the form being carefully observed. Except as provided in rule 262, the name of every substantive and officiating or temporary incumbent shall be shown against each post, and against each temporary post shall be noted the sanction thereto. The rate of pay claimed shall always be noted and when pay is drawn for a portion of a month only, the number of days for which it is claimed shall be stated either against the name of the Government servant in the body of the bill or in a note at foot of the page.

(2) The various sections comprising the establishment shall be shown separately, the description of each section as well as the sanctioned number of posts included therein being prominently written in red ink at the top.

Note.—All fixed allowances including permanent travelling allowance, conveyance allowance, etc., should be drawn in the establishment pay bill.

260. If for any reason, the leave salary admissible to a Government servant 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 which he would have been entitled had he remained on duty shall be entered in the money column of the form which is intended to show leave salary, the amount being left undischarged and treated as held over pending the fixation of the amount of his leave salary.

261. The entries in all the money columns of the bill shall be totalled separately under each section and the totals written in red ink. The totals must be checked by the drawing officer himself or by some responsible person other than the clerk preparing the bill. The Treasury Officer should see that the check has been applied by the drawing officer.

262. (1) Names of the following categories of Non-Gazetted Government servants shall be omitted from pay bills :—

(a) All persons in State Service, Class IV.

(b) All Constables, Head Constables, Wireless Operators, Head Wireless Operators, Radio Mechanics and Electricians in the Police Department.

(c) All Forest Guards in the Forest Department.

(d) Sepoys, Naiks, Havaldars, Jamadars, Subedars, Junior Matrons and Senior Matrons in the Jail Department :

Provided that in all such cases a certificate in the following form shall be endorsed on the bill :—

“ 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, 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 and that the emoluments drawn are according to the relevant rules and orders ” :

Provided further that, the Government may, in consultation with the Accountant General, extend the provisions of this rule to other specified classes of establishments when the entry of names in the bills is not essential for audit purposes.

Note.—In the case of a re-employed pensioner the drawing officer should show in the pay bill in the remarks column against the name of the re-employed pensioner, the manner in which his initial pay on re-employment has been fixed. The amount of pension drawn, and the number of Pension Payment order should be also indicated. If payment of pension is held in abeyance, a suitable note to that effect should be made against the name of the pensioner in the pay bill.

(2) The claims of Government servants whose names are omitted under the provisions of this rule shall not be lumped together and entered as a single item in the bills, but the bills must show separately the numbers on different rates of pay or with different designations.

263. (1) When leave salary based on average pay is drawn in a bill for a Government servant other than that belonging to any of the classes mentioned in sub-rule (1) of rule 262 the bill in which it is first drawn shall be accompanied by a statement, attested by the drawing officer, showing the calculation by which the amount drawn on account of leave salary has been deducted. If the calculation is based on pay drawn outside the Government servant's substantive section or office, a reference to the bills in, or the office from, which such pay was drawn shall be given in the statement.

(2) 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 following forms :—

(i) if the absentee is entitled to leave under the Bombay Civil Services Rules—

“ That the leave salary is based on the pay of a permanent post held substantively by the absentee at the time of taking leave and that the absentee was in permanent Government service.”

(ii) In all other cases—

“ That the leave salary claimed is admissible under (a) ”

(a) The rule under which the leave salary has been claimed should be specified here.

Note.—A certificate to the effect that the Government servant on leave preparatory to retirement or refused leave or such other leave or terminal leave on the expiry of which he is not expected to return to duty, was not employed under any State Government, Local Fund or Private Employer during the period of such leave should be recorded by the drawing Officer on the bill in which leave salary for such a Government servant is drawn after obtaining from him a declaration regarding non-employment.

ABSENTEE STATEMENT

264. (1) The monthly bill shall be supported by an absentee statement in Form M.T.R. 20, if any person in superior service was absent during the month, either on special duty or suspension, or with or without leave other than 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 of amalgamated establishments, a consolidated absentee statement showing the complete chain of arrangements shall be separately furnished by the controlling authority within a period fixed by the Accountant General. No separate absentee statement need be furnished by the drawer of the bill along with the monthly pay bills, but in cases in which the power to sanction leave and officiating arrangements within the office has been delegated to heads of offices, the requisite absentee statements shall be furnished by them along with 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.—(1) In the case of amalgamated establishment on time-scale of pay the arrangements made by heads of offices should be reported to the countrolling authority for inclusion in the consolidated absentee statement.

(2) Whenever an absentee statement accompanies a bill, certificate No. 2 printed on the bill form should be struck out.

265. Whenever leave salary is drawn in respect of a non-gazetted Government servant who has served under another Government or department which is treated as a separate unit for purposes of allocation of leave salary, a detailed statement showing the allocation of such leave salary shall be prepared and attached to the absentee statement of the month in which the leave salary is first drawn.

INCREMENT CERTIFICATE

266. To the first bill in which a periodical increment is drawn for Government servant, a certificate in Form M.T.R. 21, shall be appended.

267. Of the two alternative certificates printed in Form M. T. R. 21, the former may be used in any case in which the increment becomes due to the Government servant concerned for having been incumbent of the post specified for the prescribed term counting from the date of the last increment or of appointment to the post, excluding periods of absence from duty not counting for increment and absence on extraordinary leave, etc. and, if he has held the post in an officiating capacity, all other kinds of leave during which he would not have continued to officiate in the post, which are shown in the tabular portion of the 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. However in the case of claims arising in Greater Bombay which are presented to the Pay and Accounts Officer, such certificate shall be submitted about one month before the increment falls due, to the Pay and Accounts Officer, who will pass and return it after check. The increment may be drawn only on a certificate passed by the Pay and Accounts Officer.

Note 1.—It is not necessary to attach the increment certificates in respect of class IV staff in Form M.T.R. 21, to the pay bills, intended for payment and submission to the treasury. But for facility of test check during local audit, these certificates should be attached to office copies of the pay bills retained by the disbursing officers.

Note 2.—In cases where names of staff are not included in the annual establishment returns, sent to the Office of the Accountant General, and where the names are not individually mentioned in the salary bills, the Drawing Officers should endorse a certificate to be separately signed in the following form on all supplementary claims in favour of persons whose names are not shown in the salary bills :—

“Certified that the increments (travelling allowance and other allowances) drawn in this bill have not been drawn and paid before and I have satisfied myself that the present claim is a *bona fide* one and should be admitted.”

268. When an increment claimed operates to carry a Government servant over an efficiency bar, it must be supported by a declaration from the authority empowered to allow the increment over the efficiency bar that it has satisfied itself that the Government servant concerned is fit to cross the bar.

In order to prevent the passing of an efficiency bar becoming a mere matter of form, it is imperative that every case should be carefully scrutinised by the sanctioning authority before signing the declaration prescribed above.

OVERTIME ALLOWANCE

269. Subject to any general or special orders issued by the Government in this behalf, every bill in which overtime allowances are claimed shall contain a certificate of the head of the office to the following effect :—

“ Certified that—

(a) the men for whom overtime allowances are claimed in this bill have actually earned by working overtime ;

(b) the periods for which overtime allowances are claimed in this bill have been checked with the initial records and found correct ;

(c) the overtime allowances are claimed at rates sanctioned by competent authority ; and

(d) the overtime allowances have been taken into account in calculating the income-tax due from the Government servants noted in this bill. ”

Note.—In cases in which overtime allowance is paid out of fees recovered from private parties and credited in the Government Account, the Drawing Officer should certify on the bill that the prescribed fees have been realised and credited into the treasury.

ARREARS BILLS

270. Arrears of pay, fixed allowances or leave salary shall be drawn not in the ordinary monthly bill, but in a separate bill, the amount claimed for each month being entered separately with quotation of the voucher number 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 a competent authority granting a new allowance or an increase in pay. A note of the arrear bill shall invariably be made in the office copy of the bill for the period to which the claim pertains, over the dated initials of the drawer of the arrear bill, in order to avoid the risk of the arrears being claimed over again. The drawing officer shall also record the following certificates on the arrear bill under his dated signature :—

(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.

Subject to the conditions laid down in Rule 151, arrear bills can be presented at any time and may include as many items as are necessary.

271. When a non-gazetted Government servant is transferred from one Division/Office/Department to another, the bill on account of his arrears of pay, allowances etc., should be prepared by the Drawing and Disbursing officer of the Division/Office/Department in which the Government servant concerned is actually working at the time the bill is preferred and the bill so prepared should be forwarded to the Drawing and Disbursing officer of the concerned Government servant in respect of his post before his transfer for taking suitable notes in the office copies of the original bills and recording the classification.

On receipt of the bill back, the Drawing and Disbursing officer at the new station may sign thereon as the Drawing and Disbursing officer and get it encashed at the treasury of his District and disburse the amount to the concerned Government servant.

TRAVELLING ALLOWANCE BILLS

272. Subject as provided in Rule 275, bills for travelling allowance, other than permanent or fixed allowances, shall be prepared and presented in accordance with the following rules :—

(i) The bill shall be prepared in Form M.T.R. 22, the instructions printed on the form being strictly observed. When a circuitous route is taken, the reason for doing so must invariably be stated in the bill.

(ii) When actual expenses are drawn on account of carriage of horses or conveyances, details of the horses or conveyances transported should 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 must be furnished by the Government servant of the number and relationship of the members of his family for whom the allowances are claimed. No other details in these or other cases need be furnished, but every claim for the cost of carriage of personal effects, horses and conveyances should be supported by a certificate that the actual expense incurred was not less than the sum claimed.

(iii) Separate bills shall be submitted for Government servants of different grades under the travelling allowance rules, if the bills require different treatment in the office of the Accountant General.

(iv) All travelling allowance bills must bear a certificate of the drawing officer in the following form :—

“Certified that I have satisfied myself that the amounts included in the 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 servants therein named and their receipts taken in the office copy of the bill or in a separate acquittance roll.”

273. The bill completed as under the last preceding rule may be cashed at the treasury on the receipt of the head of the office ; but no bill requiring previous countersignature of a controlling authority shall be presented at the treasury before such countersignature has been obtained.

274. The travelling allowance bills of non-gazetted Government servants proceeding on tour shall be presented at convenient intervals during the period of their tour or immediately on return to the headquarters and as far as practicable before 31st March, if the tour has been completed before that date.

275. In the Public Works Department, save where any special rule or procedure has been authorised by departmental regulations, travelling allowance bills can be presented for payment only after the claims have been passed by the controlling officers concerned.

The subordinates shall prepare their travelling allowance journals in Form M.T.R. 23, and after these are duly countersigned by the controlling authority, an abstract bill showing the totals under each head of claim for each person shall be prepared in Form M.T.R. 24 by the Divisional Officer for presentation at the treasury, the original journals being retained by the Divisional Officer concerned.

Note 1.—The Government may, in consultation with the Accountant General prescribe the use of Form M.T.R. 18 by non-gazetted upper subordinates in lieu of Form M.T.R. 23.

Note 2.—The original T. A. journals retained in the Divisional Office, should be made available to the Accountant General, during his local inspection for the purpose of test audit.

Note 3.—The provisions of this rule apply to claims on account of Travelling Allowance on tour only and not to claims on account of Travelling Allowance on Transfer which are regulated according to provision of M.T.R. 272.

275-A. The Police Department shall draw claims on account of Travelling Allowance of Head Constables and Constables on Temporary establishment, if any, from the Treasury on abstract bills. Detailed bills thereof shall be submitted direct to the Accountant General afterwards as per Departmental Manual

COST OF MEDICAL TREATMENT

276. The expenditure incurred by, and to be reimbursed to, non-gazetted Government servants on account of medical attendance and treatment may be drawn in "Form M.T.R. 24-A" under the sub-head "allowances, honoraria, etc." The amount drawn in the bills must be supported by proper receipts and vouchers in all cases.

DISBURSEMENT OF PAY AND ALLOWANCES—ACQUITTANCE ROLLS

277. (1) The head of an office is personally responsible for the amount drawn on a bill signed by him or on his behalf until he has paid it to the persons entitled to receive it, and obtained a legally valid quittance on the office copy of the bill. If, in any case, owing to the large size of an establishment or for any other reason, it is not found feasible or convenient to obtain the receipts of the payees on the office copy of the bill, the head of the office may maintain separate acquittance roll in Form M.T.R. 25.

(2) If for any reason, payment cannot be made within the course of the month, the amount drawn for the payee shall be refunded by short drawing in the next bill ; his pay or allowances may be drawn anew under rule 270 when the occasion for making the payment arises :

Provided that if in the opinion of the head of the office this restriction is likely to operate inconveniently, the amount of undisbursed pay or allowances may, at his option, be retained for any period not exceeding three months, but this concession shall not be availed of unless the head of the office is satisfied, that proper arrangements can be made for the safe custody of the sums retained.

(3) Undisbursed pay or allowances may not, under any circumstances, be placed in deposit at a treasury.

Note 1.—Acquittance rolls and office copies of bills are not required to be submitted to the Accountant General, but being important records, they should be stamped "paid" and preserved carefully for the periods prescribed. In respect of payments made through Acquittance Rolls on the pay day, the disbursement certificate at the foot thereof should invariably be signed by the disbursing officer in token of the total amount actually paid. The "paid" stamp, 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 should be stamped "paid" individually and attested by the drawing officer while signing the Cash book.

Note 2.—Cash drawn on pay and travelling allowance bills of establishments should not be mixed with regular cash balances of the department, if any. An account of undisbursed pay and allowances should be kept in a suitable Register. Entries of the total and particular amounts of undisbursed pay and allowances may be made against each bill serially, and subsequent payments thereof entered in the appropriate columns of the Register and the Cash Book, each such entry being attested by the Gazetted Officer. From this Register, an abstract of amounts remaining undisbursed for three months should be prepared to ensure their refund, either in cash or by short drawal from the next bill.

Note 3.—A bill register in the Form M.T.R. 26 should be maintained by all heads of offices who are authorised to draw moneys from the treasury on bills signed by them. The register should be reviewed monthly by a gazetted officer and the result of the review recorded thereon.

Note 4.—(1) In the case of bills which are not pre-audited it is not sufficient that the component items of an establishment bill should be checked. The total shown in the bill should also be checked by adding up the items. This should be done by a responsible officer of the staff of each office, other than the person preparing the bills.

(2) When a drawing officer checks an acquittance roll, he should either himself total the items of it, check the total of the corresponding establishment bill and the money received from the Treasury, and see that any difference between the totals is properly accounted for, or cause this to be done either by a gazetted officer or by another responsible member of the staff as may be found convenient.

(3) When an officer signs an absentee statement accompanying an establishment bill, he should see that a diagonal line is drawn across the blank space, if any. Similarly, if the statement is blank, he should see that a diagonal line is drawn across it with words "blank" in brackets in the middle of the line.

(4) In offices where cashier who have given securities are not employed, the duty of disbursing the money drawn should be entrusted to a clerk other than the clerk who prepares the bills and is responsible for the cash.

Note 5.—In order to avoid double claims in respect of pay bills drawn on supplementary bills a subsidiary register should be maintained by the drawing officer in the following form :—

Name of establishment and post	Name of incumbent	Nature of claim	Period for which claim is made	The month of the original pay bill in which the claim remained undrawn	Remarks	Signature of the Head of Office
1	2	3	4	5	6	7

The entries in the subsidiary register should be attested by the head of the office or by a responsible officer who is authorised to sign the pay bills. In respect of supplementary bills on account of (i) withheld amounts, (ii) undisbursed pay refunded, and (iii) refund of fines, it is not necessary to enter the items in the subsidiary register ; but necessary notes should be made in the appropriate places in the original bill.

Note 6.—A Bill Transit Register in Form MTR 26-A should be maintained by all Heads of Offices who are authorised to draw money from the treasury. The bills of the Self-drawing Officers may also be transmitted to the Treasury through this register. To prevent presentation of fraudulent bills to the Treasury, the register should be reviewed biweekly by a gazetted officer and the result of the review recorded thereon.

CHAPTER V—CONTINGENT CHARGES

Section I—Introductory

278. The term "contingent charges" or "contingencies" used in this chapter means and includes all incidental and other expenses which are incurred for the management of an office as an office or for the technical working of a department other than those which under prescribed rules of classification of expenditure fall under some other head of expenditure, e.g., "works", "stores", "tools and plant", etc.

279. The rules of procedure prescribed in this chapter shall apply primarily to contingencies, but miscellaneous expenditure which is not classed as contingencies, is also subject to these rules, except in so far as it may be governed by any special rules of procedure prescribed in other chapters of this Part or by any departmental regulations.

280. The provisions of this chapter shall apply primarily to contingent charges of heads of offices, etc., who draw money required by them to disburse these charges by bills drawn on the treasury. Contingent charges of other departments and offices are also subject to the rules in this chapter, except in so far as they are supplemented or modified by departmental regulations.

Section II—General Rules

PERMANENT ADVANCE

281. 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 competent authority, subject to recoupment on presentation of contingent bills; but all such bills should be marked on their top with the words "For recoupment of permanent advance or imprest". All such claims upto Rs. 50 may be disbursed out of permanent advance or imprest.

GENERAL LIMITATIONS

282. (1) All charges actually incurred must be paid and drawn at once, and under no circumstances may they 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 premissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

283. The charges relating to two or more major heads may not be shown in one register, nor included in one bill. But expenses which are shared in some fixed proportion between two branches of the same office may, unless they are

reviewed by different authorities, appear in one bill. In such a case the joint grant may be entered in one register only for purposes of control, the account of adjustment being left to the Accountant General.

284. (1) Save as hereinafter provided in this rule, no pay of any kind and no additions to pay may be drawn on bills for contingent expenditure.

(2) Subject to any general or special orders issued by the Government, the pay of class IV servants, by whatever designation they may be called, who have been, or may be, declared by competent authority to be ineligible for pensions and who discharge the duties of the classes mentioned below, may be treated as contingent expenditure :—

(i) Hot weather establishment.

(ii) Mazdoors engaged on manual labour and paid daily or monthly wages.

(iii) Sweepers.

(iv) Other classes of class IV servants, e.g., dhobies, tailors, syces, grass-cutters, etc.

The wages of temporary Field Establishment of Surveys and Settlements and of extra potdars (shroffs) entertained for accompanying remittances, etc., may also be drawn on contingent bills.

285. Contingent charges incurred on account of pay, etc., of the class IV servants mentioned in rule 284(2) shall be supported by a certificate signed by the disbursing officer to the effect that the class IV servants were actually entertained and paid.

286. 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 Government offices should be accompanied by the following certificate signed by the disbursing officer :—

“ Certified that the amount drawn on account of rent, rates and taxes in Contingent Bill dated the was actually paid to the parties concerned and that—

(i) no portion of the building for which the expenditure was incurred was utilised for residential or other purposes during the period the charges were paid;

(ii) the expenditure in respect of the portion of the building used for residential or other purposes during the period for which the charges were paid, has been recovered from the undermentioned Government servants 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 prescribed above due to the fact that the imprest amounts held by each of them are much less

than the monthly rate of contingent expenditure of rent, rates and taxes, etc., requiring to be paid by each of them to different parties, the following certificate should be furnished in lieu of the first portion of the certificate prescribed above :—

“ Certified that,—

(a) the amounts drawn on account of rent, rates and taxes, etc., in the previous contingent bill No. dated..... have actually been paid to the parties concerned ; and that

(b) the amounts drawn in this bill will be paid to the parties on realisation.”

287. Contingent bill which include charge on account of purchase of goods on which Sales Tax has also been charged should be supported by the following certificate signed by the disbursing officer:—

“ Certified that in the case of sub-vouchers attached to the bill and those retained in my office relating to the purchase of goods on which Sales Tax has been charged, the goods have not been exempted under the Central/State Sales Tax Act or the Rules made thereunder and that the amounts paid on account of Sales Tax on these goods are correct under the provisions of that Act, or the Rules, made thereunder and that in case of supplies against regular contracts, the relevant contract includes a specific provision that Sales Tax is payable by Government.”

288. The following certificate, signed by the drawing officer, shall be attached with all the contingent bills which include charges on account of expenditure on light refreshment at formal meetings and conferences :—

“ Certified that the expenditure on entertainment charges included in this bill was incurred in accordance with the terms and conditions laid down by the Government from time to time, and that the prescribed monetary limits have not been exceeded.”

RESPONSIBILITY OF DRAWING OFFICERS

289. Every Government officer shall exercise the same vigilance in respect of petty contingent expenses as a person of ordinary prudence may be expected to exercise in spending his own money. The drawing officer is further responsible for seeing that the rules regarding the preparation of bills are observed, that the money is either required for immediate disbursement or has already been paid from the permanent advance, that the expenditure is within the available appropriation and that all steps have been taken with a view to obtaining an additional appropriation if the original appropriation has either been exceeded or is likely to be exceeded, and that in the case of contract contingencies, the proposed expenditure does not cause any excess over the contract grant.

RESPONSIBILITY OF CONTROLLING AUTHORITY

290. The countersigning officer shall be responsible for seeing that the items of expenditure included in a contingent bill are of obvious necessity and are at fair and reasonable rates, that previous sanction for any item requiring it is attached, that the requisite vouchers are all received and in order, that the calculations are correct, and specially that the grants have not been exceeded nor are they likely to be exceeded and that the Accountant General has been informed either by a note on the bill or otherwise of the reason for any excess over the monthly proportion of the appropriation. If expenditure be progressing too rapidly, he shall communicate with the drawing officer and insist on its being checked.

CANCELLATION AND DESTRUCTION OF SUB-VOUCHERS

291. The following rules for the prevention of the fraudulent use of sub-vouchers shall be observed by all drawing and controlling officers in the matter of cancellation and destruction of sub-vouchers :—

(i) Unless in any case it is distinctly provided otherwise by any rule or order, no sub-vouchers may be destroyed until after a lapse of three years.

(ii) Every sub-voucher which under the provisions of Section IV of this chapter is not forwarded either to the Accountant-General or to a controlling officer along with bills but is recorded in the office to which the expenditure relates, must be duly cancelled by means of a rubber stamp or by an endorsement in red ink across the voucher, the cancellation being initialled by the officer authorised to draw the contingent bills of the office. The cancellation should be made at the time when the contingent bill in which the sub-voucher or sub-vouchers are included is actually signed. If the amount of sub-voucher exceeds the permanent advance, the cancellation should be made immediately the payment is made and entered in the contingent register.

(iii) Sub-vouchers submitted to a controlling officer, which he is not required to forward to the Accountant General, should be duly cancelled by him after check and the cancellation should be attested by the controlling officer at the time of countersignature of the bill.

(iv) In all cases in which sub-vouchers are not required to be submitted to the Accountant General or the controlling officer, the drawing officer should certify in the bill that sub-vouchers other than those attached to the bill have been so defaced or mutilated that they cannot be used again. A similar certificate should be furnished by the controlling authority in respect of sub-vouchers submitted to him by drawing officer but which he is not required to submit to the Accountant General. The Treasury Officer may return a bill which does not carry a certificate as required by this rule.

Note.—Sub-vouchers which are required to be sent to the Accountant General should not be cancelled either by the drawing officer or by the controlling officer, as the duty of cancelling these sub-vouchers and keeping them in proper custody to prevent their fraudulent use devolves on the Accountant General.

Section III—Record of Contingent Expenditure

CONTINGENT REGISTER

292. A register of contingent expenditure shall be kept in each office and the initials of the head of the office or of a gazetted officer to whom this duty has been delegated by him, shall be entered against the date of payment of each item.

293. The standard form of the contingent register will be as in Form M.T.R. 27. The actual details such as the number of columns to be opened the sub-heads and detailed heads and such further detailed classification as may be required for the purpose of control, may be settled by the Account General and the controlling authority to suit the conditions of each department and office.

As a general rule, the most common sub-heads and detailed heads may have separate columns with appropriations noted at the top. The less important and trivial items may be lumped together in one column when each of the separate items need not be accounted for or watched separately. Any charge falling under any of the separate columns but requiring explanation may be described in the column headed, "Description" though the amount of it is entered only in its special column, and the same "Description" column will serve also for note of the month or period to which any recurring charges (e.g. rent, wages of punka pullers, etc.) entered in the other column belong.

Note 1.—If more convenient a separate register may be maintained for each class of contingent charges.

Note 2.—If during the absence of the head of the office and of the gazetted officer to whom the duty of maintenance of contingent register has been delegated the entries in the contingent register have been initialled by a non-gazetted Government officer, the register must be reviewed and the entries re-initialled by the head of the office or such gazetted officer on return to duty in the head-quarters.

294. As each payment is made, entries must be made in the contingent register of the date of payment, the name of payee and number of sub-vouchers in three columns to the left, and the amount in the proper column ; and in the case of any charge requiring explanation, the initial of the officer incurring it shall be taken against the description.

295. To enable the disbursing officer to watch the progress of the expenditure under each detailed head, as compared with the appropriation for it, a progressive total of all the columns must be made monthly immediately after the monthly total, so as to include all payments under each head, as also charges adjusted by book transfer under Rule 310, from the commencement of the year up to the end of the last expired month.

Section IV—Bills for Contingent Charges

GENERAL

296. (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 separate bills for each class of contingent expenditure. The head of the office or the officer to whom this duty has been delegated, shall carefully scrutinise the entries in the register or registers with the sub-vouchers, initial them if this has not already been done and sign the bill which will then be dated and numbered and presented for payment at the treasury.

(2) The heads of contingent expenditure may be entered in manuscript in the bill and the totals posted against them, provided that in a case of expenditure requiring explanation, full details of the charges must be entered in the bill, except when they are given in the sub-vouchers sent to the Accountant General.

Note 1.—Sub-vouchers for petty contingent expenditure shall be prepared in Form M.T.R. 27-A.

Note 2.—When the permanent advance is running short, a demand may be presented in excess of the balance; this item too should be entered in the register and included in the bill, the number given being that which the sub-voucher or sub-vouchers will bear when payment has been made.

297. (1) Subject to any order or instruction issued by the Government in this behalf, a contingent bill for payment to suppliers, etc., may be endorsed for payment to that party at the request of that party. This procedure shall not apply to cases where the disbursing officer is authorised to incur expenditure by drawing cheques on the treasury.

(2) Whenever under the provisions of clause (1) of this rule, a contingent bill is endorsed to a private party, the Drawing 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 Officer shall simultaneously issue an advice direct (not through the endorsee) to the Treasury Officer and the Bank (in case of bank treasuries) giving full particulars of the bill. The bill must at once be entered in the contingent register and a note made to the effect under the initials of the Drawing Officer that the amount has been drawn.

Where the endorsee wishes to collect payment on the bill through a messenger (other than a banker), the messenger must produce a letter of authority in Form M.T.R. 46 which may be obtained from the Drawing Officer concerned.

(3) 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.

Note 1.—Endorsement will in all cases remain current for three months only, counting from the date of issue. In the case of bills issued in the last quarter of the year, however, an endorsement should be entered to the effect that the payment order will lapse unless the bills are cashed by the end of March.

Note 2.—In the event of a contingent bill having been endorsed to a private party under the provisions of sub-rule (1) of this rule and being presented before the relative advice is received from the Drawing 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.

298. When, in paying rewards to informers, or in any other case, it is not desirable to disclose the names of payees, a certificate in the handwriting of the disbursing officer to the effect that the payment has been duly made, shall be submitted to the Accountant General in support of the payment in lieu of the payee's receipt ordinarily required, and attached to the bill.

CONTRACT CONTINGENCIES

299. In respect of contract contingencies, the bill shall be presented in a form similar to Form M.T.R. 28, or in such other form as may be prescribed by the Government after consultation with the Accountant General. No Sub-vouchers need be sent to the Accountant General.

FULLY-VOUCHED CONTINGENT CHARGES

300. (1) Officers whose contingent bills do not require countersignature and who do not embody in their bills charges of any officer dealing separately with the Treasury, need not submit monthly bills; but they should draw money from the treasury by bills in Form M.T.R. 28, showing full details of the charges.

Note.—The following illustration explains the second condition. *A*, whose bills do not require countersignature, 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 subordinate 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.

(2) Unless in any case the Accountant General directs otherwise sub-vouchers for more than Rs. 100 shall be submitted to the Accountant General.

CHARGES REGULATED BY SCALES AND SPECIAL CONTINGENCIES

301. Charges regulated by scales, and special contingencies which require the previous sanction of superior authority before they can be incurred shall be drawn in Form M.T.R. 28 with a full description of the charges and accompanied by sub-vouchers above Rs. 100 or such other limit as may be prescribed by the Accountant General. In the case of special contingencies, the orders of sanctioning authority must be quoted on the bill, and a copy of the orders attached to it; 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 months' bill shall bear a note of how much has been spent up to date under the sanction.

COUNTERSIGNED CONTINGENCIES

302. *Abstract bill.*—Except in the case of contingencies requiring counter-signatures before payment, contingent charges falling under this group may be drawn from the treasury by presentation of abstract bills in Form M.T.R. 29, subject to the presentation of detailed bills to the Countersigning Officers for countersignature and transmission to the Accountant General in accordance with the procedure hereinafter prescribed.

303. The numbers assigned to the sub-vouchers pertaining to each entry in the abstract bill (Form M.T.R. 29) shall be detailed against the entry concerned the amount being given only in those cases where a sub-voucher is for more than Rs. 100. A certificate in the following form duly signed by the Drawing Officer presenting the abstract contingent bills at the Treasury/Sub-Treasury should be obtained before such bills are enfaced for payment. The Treasury/Sub-Treasury Officers will be held personally responsible for passing such bills in the absence of such certificate.

"All detailed contingent bills in respect of abstract bills for the period ending (mention last day of the month preceding the last month) 19—have already been submitted. All such bills for the period subsequent thereto (except those set forth in the attached memorandum which also explains the reasons for their non-submission) have been submitted to the Countersigning Officer/the Accountant General, Bombay/the Senior Deputy Accountant General, Maharashtra State, Nagpur/the Pay and Accounts Officer, Bombay, under letter No. , dated "

On no account may an abstract bill be cashed without this certificate.

304. *Detailed bills.*—From the monthly totals of the contingent register the monthly detailed bill shall, in the case of contingent charges countersigned after payment, be prepared in Form M. T. R. 30, headed 'Not payable at the treasury', and showing the monthly total of each column with description of each charge requiring explanation. The numbers assigned to the sub-vouchers shall be entered in detail against each item; and the number and date of every abstract contingent bill cashed at the treasury and the sub-vouchers included in each shall be shown in the memorandum at foot. The amount shown in the bill must be agreed with the total of the abstract bills cashed during the month. Differences, if any, between the total of a detailed bill and the register must be adequately explained.

The detailed bill shall be signed by the head of the office and submitted to the Countersigning Officer, or if there be no Countersigning Officer to the Accountant General direct, with all sub-vouchers above Rs. 100 his signature to the certificate endorsed on the bill, taking the place of the smaller ones.

305. 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.

306. *Countersignature.*—On receipt of the monthly detailed bill in the office of the countersigning officer, it shall be reviewed by the countersigning officer with the sub-vouchers. Any disallowance, with the number of the sub-voucher concerned and explanation of the objection, must be noted on the bill, and in the contingent register of such other record as may be kept in the office of the Countersigning Officer. The countersigning officer shall then record the date of admission under his initials, sign the bill and despatch it to the Accountant General direct, with the sub-vouchers for items for more than Rs. 200, his signature to the certificate endorsed on the bill taking the place of the smaller ones. The countersigning officers shall forward the detailed contingent Bills to the Audit Office within a maximum period of 15 days from the date of receipt of such bills in their offices from the Drawing Officers.

Note (1).—The term "items" refers to items of expenditure and not items of charge, e.g., a charge for Rs. 220 for section-writers would not require to be supported by a sub-voucher, if the amount is made up of sums paid to several individuals, none of which exceeds Rs. 200.

The limit of Rs. 200 is, however, subject to alteration by the Accountant General.

Note (2).—In the absence of the countersigning officer, the examination and countersignature of the bill may be performed by some responsible gazetted officer authorised by the countersigning officer.

Note (3).—A register of contingent expenditure may also be kept in the office of the controlling officer in such form and according to such method as may be settled by the Government in consultation with the Accountant General.

Note (4).—A register of Abstract contingent Bills may be kept by all Drawing and Controlling Officers in the Form prescribed below in order to watch the submission of Detailed contingent Bills in respect of amounts drawn on Abstract Bills within the period specified in rule 303.

Name of Office					Name of Controlling Office		
Sr. No.	Name of Drawing Officer	Date of drawing of Abstract bill	Major Head	Voucher No.	Amount	No. and date of the submission of the D.C. bill to the Controlling Audit Office	Remarks (Initials of G.O.)
1	2	3	4	5	6	7	8

All the abstract bills drawn by the Controlling Officer and the officers subordinate to him should be entered in this Register and note of the despatch of the detailed contingent Bills should be taken against the respective items as soon as detailed contingent Bills are submitted to the Controlling Audit Officer. This Register should be reviewed every month by the gazetted officer concerned, who should report all cases of delays in the submission of detailed contingent Bills to the Controlling Officer.

307. *Disallowances.*—After despatch of the bill to the Accountant General, the countersigning officer shall communicate any disallowance to the drawing officer and its amount shall without fail be refunded by short drawing in the next contingent bill presented at the treasury for the same department or office. The gross amount of each sub-voucher shall be entered in such bills and below the total shall be entered "Deduct disallowed", from the bill of

Rs. , the receipt given being for the net amount only. If, after correspondence, the countersigning officer withdraws his objection, the amount may be redrawn in the next bill presented at the treasury by entering after the total of the sub-vouchers "Add amount disallowed from bill of refunded by deduction from contingent bill No. , dated

and allowed as per "; the receipt would be for the gross amount, and the items would be re-included in the next monthly contingent bill.

308. Bills for contingent charges requiring countersignature before payment shall be drawn in Form M. T. R. 31.

INSPECTING OFFICERS' BILLS

309. An inspecting officer who is not authorised to take advances on account of office contingent charges may provide himself with a portion of his permanent advance, and recoup himself from time to time by presenting at the different treasuries or offices of disbursement contingent bills in the ordinary form.

In the case of countersigned contingent charges, one detailed bill may adjust moneys drawn at more than one treasury, details of places of payment of the several encashed bills, as well as their dates of payment and amounts, being noted at foot of the bill. The amounts drawn must be taken as final payments, and not as advances.

Section V—Miscellaneous Rules

INTER-DEPARTMENTAL TRANSFERS

310. In the case of work done by a Government factory (such as Jail or Workshop) as also in other cases in which inter-departmental adjustments are permissible, the office-in-charge shall, if the adjustment is to be made by book transfer, prepare an invoice of the quantity and price of the work done and forward it in triplicate to the officer served, who on approving

the invoice, will countersign all and return one copy to the supplying officer. Another copy he will file in his own office, and the third he will attach to his contingent bill for the current month, noting the amount in the statement of account at foot in order to work out the available balance of the grant, but not including it as a disbursement among the charges of his bill. Before despatching his monthly bill, he must post the amount of the work bills in his contingent register, and include it in the forward total, in order that he may agree the forward total with that shown in the statement of account of his contingent bills. In the register of the countersigning officer, where such a register is kept, the amount of such a bill must in like manner be separately entered. Such invoices shall never be retained by the countersigning officer.

Note : Deleted.

SERVICE POSTAGE STAMPS

311. The following procedure should be adopted by Government servants for obtaining service postage stamps—

I. Government servants who draw money from the Treasury on contingent bills :—

A bill in a special form (M. T. R. 32) should be prepared by disbursing officers, containing provision for their acknowledgement of the receipt of the stamps indented for and will be treated in the same way as a contingent bill for drawing cash from the treasury. No sub-voucher in support of the entry in the bill will be required, as no cash is paid into the treasury.

II. Government Servants who draw money by cheques from Treasuries :—

Cheques to be presented in payment of the value of service stamps should be drawn in favour of the officer (designation without name) who supplies the stamps, whether they are drawn by the Government servant who indents for the stamps or by a departmental indenting officer on the indenting officer's requisition. A separate indent drawn in Form M. T. R. 33 should accompany the cheque.

III. Government servants whose bills are pre-audited by Civil Audit Officers :—

The charges for service postage stamps will be drawn on separate contingent bill forms in the usual way, and separate cheques therefor will be issued by the Audit Office in favour of the Government servant who supplies the stamps. Cheques so issued will not be subject to any special minimum amount.

CHAPTER VI—PENSION PAYMENTS

Section I—Introductory

312. (1) Subject as hereinafter provided, the rules in this chapter shall regulate the procedure with regard to the payment of pensions payable by or out of the revenues of the Maharashtra State.

(2) Nothing contained in this rule shall be taken as affecting the provisions of the Pensions Act (XXIII of 1871) or of any rules made thereunder.

313. In this chapter, except where it is expressly otherwise provided or the context otherwise requires :—

“Service Pension” means a pension including provisional pension under Bombay Civil Service Rule, 198-B payable to, or in respect of a person in consideration of past employment under the Government of Maharashtra, and includes a gratuity so payable ;

“Political Pension” means a pension, not being a service pension or granted or customarily payable to, or in respect of a pension on political consideration or compassionate grounds, or in consideration of distinguished or meritorious services, or of the surrender of rights or emoluments, and includes assignments or compensations when payable in the form of fixed allowances or grants.

314. Pensions or any other sums payable in respect of contributions to a Family Pension Fund, and any sums payable under the Workmen's Compensation Act are not subject to the rules in this chapter.

Section II—Place of Payment

315. (a) Subject as hereinafter provided, service pensions payable in India may be drawn from any treasury in India or from the office of the Accountant General performing the function of a pension disbursing officer with the consent of and subject to such conditions, as may be laid down by the Comptroller and Auditor General of India.

Note 1.—Provisional pension, where payable through head of office, shall be drawn by the head of office in which the Government servant served immediately prior to his retirement at the Treasury or office of the Pay and Accounts Office, Bombay, or authorised office of disbursement at which the pay and allowances of the establishment are drawn by him.

(b) Political Pension may be drawn from offices of Political Officers and Agents and such other offices as may be authorised by Government to disburse such pensions.

316. Pensions due to Military pensioners may be disbursed by one or other of the following agencies :—

(i) Treasury Officers.

(ii) Pension Payment Officers of the Defence Department.

(iii) Pay and Accounts Officer, Bombay.

Section III—Authority for Payment

PENSION PAYMENT ORDER

317. (1) Except in the case of Military pensions which are payable on Pension Certificates or other authorities issued by the Controller of Defence Accounts (Pensions), Allahabad, or in the case of payment of provisional pensions by heads of offices or unless the Government orders otherwise in the case of any particular class of pensions, payment of pensions can be made only upon Pension Payment Orders issued by the Accountant General.

(2) In issuing a Pension Payment Order, the Accountant General will—

(i) attach to the Order a specimen signature of the pensioner if he can sign his name in English, Hindi or the official regional language, otherwise the thumb and finger impressions of his left hand or, where this is not possible due to physical incapacity, the thumb and finger impressions of his right hand, failing which, his toe impressions, the specimen signature and thumb 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 in passport size on the Disburser's portion of the Pension Payment Order, and in case of Government servants governed by the Family Pension Scheme for State Government Employees, 1964 of his wife or her husband also, as the case may be.

This requirement will not apply to pardahnashin ladies, persons who are in receipt of family pensions granted under the Wound and Extraordinary Pension Rules and the Liberalised Pension Rules, persons who hold Government titles or to any other persons specially exempted by the Government from the operation of this rule.

318. (1) On receipt of a Pension Payment Order at treasury the Pensioner's portion shall be made over to the pensioner after proper identification when he appears to receive his pension for the first time. The specimen signature or the thumb-impression or, where this is not possible due to physical incapacity, the thumb and finger impressions of his right hand, failing which, his toe impressions, the specimen signature and thumb and finger or toe impressions as the case may be, of the pensioner shall be taken, where necessary, in the space provided for the purpose in the Disburser's portion of the Pension Payment Order.

Note.—In cases 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.

(2) The Disburser's portions of the Pension Payment Orders shall be pasted in serial order in separate files, one for each class of pensions, such as Service, Political, etc. These files must be kept in the personal custody of the Disbursing Officer in such a manner that pensioners shall not have access hereto.

Note.—Pension Payment Orders should ordinarily be filed in one series for the whole district or circle of disbursement, but the Accountant General may allow filing by sub-treasury any other series as may be found convenient.

319. When a pensioner is specially exempted from personal appearance, the facts shall be noted by the Disbursing Officer on his Pension Payment Order, and in all cases of non-appearance of a pensioner, a note shall be made on the Pension Payment Order of the form in which proof was given, within each year, of the pensioner's continued existence, e.g., "appeared in person on" and the initials of the Disbursing Officer or of the officer verifying the facts shall be put against the note.

320. Disbursing Officers are authorised to renew Pension Payment Orders without reference to the Accountant General in cases in which Pensioner's portion is lost, worn or torn or the entries on the reverse of either the Pensioner's or the Disbursing Officer's portion are completely filled up. The renewed Pension Payment Order shall bear the old number, date and facsimile of signature of the issuing officer and the old ones, if available, shall be retained by the Disbursing Officer for three years and then destroyed. A note of the issue of the new Pension Payment Order shall be made in the 'Remarks' column of the register mentioned in Rule 325.

321. On the renewal of a Pension Payment Order, the portion of the original order containing the facsimile of the pensioner's signature, or his thumb impression, 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.

322. In commutation cases, the Accountant General will issue the authority for payment of the commuted value of the portion of pension commuted along with a communication intimating the date of commutation 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 will be noted in both halves of the P.P.O. by the disbursing officer under his attestation, quoting A.G.'s letter as authority, under intimation to the A.G. After the commuted money is paid, the voucher for the commuted value will be sent to the A.G. in a separate schedule, payments of pension from the date of commutation will be made at the revised rates based on the amended P.P.O.

323. In case where an anticipatory pension payment order has been issued by the A.G., the final pension, when intimated by the A.G. will be noted in both halves of the P.P.O. by the disbursing officer under his attestation, quoting A.G.'s letter as authority. An intimation to this effect may be sent to the A.G. simultaneously. Future payments will be made to the pensioner at the revised rates based on the amended P.P.O. The voucher for the first payment of the final pension will be sent to the A.G. in a separate schedule.

PAYMENT AT SUB-TREASURIES

324. When the payment of a pension is authorised at a Sub-Treasury, the Sub-Treasury Officer shall be furnished by the Treasury Officer with an authenticated copy of the Disbursing Officer's portion of the Pension Payment Order in English

or in the regional language with the Treasury Officer's Order for payment at the sub-treasury endorsed thereon. In issuing copies of Pension Payment Orders aforesaid the Treasury Officer shall reproduce the full orders of the Accountant General and make the endorsement "Made payable at sub-treasury with effect from". A similar endorsement shall be recorded over the Treasury Officer's signature on the Disburser's portion of the Pension Payment Order, so that payment may not be made at the District Treasury as well.

TRANSFER OF PENSIONS

324-A. (1) The Accountant General may, on an application made by a pensioner, transfer the payment of his pension from any Treasury in Maharashtra to any other Treasury in India.

(2) A Treasury Officer may, on an application made by a pensioner, transfer the payment of his pension from the district treasury to a sub-treasury subordinate to the district treasury or from such sub-treasury to another such sub-treasury or from such sub-treasury to the district treasury in accordance with the procedure laid down in rule 324. A treasury officer may, on an application made by a pensioner, also transfer the payment of his pension to another treasury within the Maharashtra State and within the same audit circle without intervention of the Accountant General.

Note.—In cases where the pension is to be transferred to another Treasury within the Maharashtra State but outside Audit Circle, the Treasury Officer should send both the halves of Pension Payment Order direct to the Audit Office, which will issue fresh Pension Payment Order on transfer instead of *via* original audit office on receipt of application for transfer of pension.

(3) When a pensioner applies for transfer of payment of his pension outside the State of Maharashtra, either to the Accountant General or the Pay and Accounts Officer, Bombay or to the Treasury Officer, the treasury officer shall, except as provided in sub-rule (2) above, and in cases where the pensioner has so applied to the Accountant General on receipt of an authority from him, forward both halves of the pension payment order to the Accountant General. Where payment is desired at a treasury outside the State, two slips containing specimen signatures or thumb or great toe impression, as the case may be, of the pensioner shall also be sent to the Accountant General along with the pension payment orders. The Accountant General will either issue an authority for making the payment to the treasury officer where the payment is desired by the pensioner, if the latter is situated within his audit circle, or move the Accountant General of the State in which such treasury is located to arrange for the payment.

REGISTER OF PENSION PAYMENT

325. Each Disbursing Officer shall keep a register in Form M.T.R. 34 of the Pension Payment Orders issued on his office which will serve as an index to the files of orders referred to in sub-rule (2) of Rule 318. After seeing that a new order is correctly entered in this register, the Disbursing 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 order are returned on account of death of pensioner or application for transfer or otherwise, which causes strike it permanently off the list of pensioners under his payment, the date and cause of return shall be entered under the Disbursing Officer's initials.

326. On the receipt of an intimation about the death of a pensioner prompt action shall be taken to record the fact in the register and on the Disburser's portion of the Pension Payment Order.

In the case of pensioners whose pensions are paid by money order under the provisions of Rule 349 the necessary note shall be made on *both* portions of the Pension Payment Order.

327. Pension which are not granted for life but are subject to special condition, e.g., when they are to cease on marriage or at given age or under other specified circumstances, shall not be entered in the same register with other pension, but shall be recorded in special registers to be kept for the purpose. All Pension Payment Orders of such pensions will 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.

Section IV—Manner of Payment

DUE DATE

328. Pension fixed at monthly rates are payable monthly on and after the first day of the following months :

Provided that when there is a variation in the rate of a pension consequent on the disbursement of the commuted value of a portion thereof pension for the broken part of the month at the original rate may be paid before the end of the month.

329. If the first day of a month falls on a Sunday or is a Public Holiday, on which funds for disbursement of pensions cannot be drawn from the treasury or the banks, as the case may be, the pension bills shall be paid on the last working day of the month to which they relate, except in case of pension bills for the month of March, which shall be paid on the first working day of the succeeding month.

The bills for payment of financial assistance to the freedom fighters/their dependents drawing monthly payments of Rs. 200 or less shall be made on the last working day of the month to which they relate except in case of payment for the month of March which shall be paid on the first working day of the succeeding month.

329-A. Unless there is anything repugnant in the subject or context, the procedure with regard to the payment at any treasury of pensions payable by the Government on behalf of the Union Government, Other State Governments, any Local Fund or of any other authority, shall be regulated by the rules in this chapter unless there are express orders of the Government to the contrary,

330. Save as hereinafter provided and except in the case of provisional pensions payable through heads of offices a pensioner must take payment in person after identification by comparison with the Pension Payment Order.

Note:—The disbursement of provisional pension drawn by the head of office shall be made in the same manner in which pay and allowances are disbursed by him.

331. A pensioner specially exempted by the orders of competent authority from personal appearance, a female pensioner not accustomed to appear in public, or a pensioner who is unable to appear in consequence of bodily illness or infirmity, may receive his or her pension through a representative upon the production of a life certificate signed by a responsible Government Officer or by some other well-known and trustworthy person.

332. A pensioner of any description, who produces a life certificate signed by some person exercising the powers of a Magistrate under the Criminal Procedure Code, or by any Registrar or Sub-Registrar appointed under the Indian Registration Act, 1908, or by any pensioned officer, who, before retirement, exercised the powers of a Magistrate or by any Gazetted Officer, or by a Judge or by any person holding a Government title, or by a Police Officer not below the rank of Sub-Inspector or Inspector in charge of a Police Station, or by a Post Master, a Departmental Sub-Post Master, or Inspector of Post Offices, or by a Class I Officer of the Reserve Bank of India or an Officer including Officers Grade II of the State Bank of India, or an Officer of a subsidiary bank of the State Bank of India, or by the Head of a Village Panchayat, Gram Panchayat or Gaon Panchayat, or by the Head of an Executive Committee of a Village or by a bank included in the second schedule to the Reserve Bank of India Act, 1934, in respect of a pensioner drawing his pension through that Bank is exempted from personal appearance.

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 a diplomatic Representative of India is exempted from personal appearance.

In places where no postal facilities exist for payment of pensions by postal money orders, village officers are authorised to sign life certificates of all pensioners who draw pensions of Rs. 20 per month or less, subject to the condition that the disbursing officer should be in possession of the specimen signature of the Village Officer issuing such life certificates.

333. Payment of pensions to police pensioners may be made in accordance with the rules in this section, but if the Disbursing Officer entertains any doubt as to the identity of such a 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.

334. A pensioner not resident in India may with the permission of the 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 overpayments, in which case he has to produce the life certificate at least once a year.

Note : Deleted

335. (a) A pensioner of any description resident in India is exempted from personal appearance if he draws his pension through an agent who has executed a bond to refund over-payments and produce at least once a year a life certificate signed by a person authorised under Rule 332 to sign such certificates.

(b) Pension bills presented by the agents who have executed the requisite indemnity bonds may be accepted in the Treasuries and Sub-treasuries at any time during the last four days of a month (including the last day of month) to which the claims relates, including the month in which a life certificate is required to be produced provided of course that actual payment is made only on production of the life certificate in respect of that particular month.

(c) *Deleted.*

336. The pension of a person drawing his pension through an authorised agent who has executed a bond to refund overpayments, 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 Disbursing Officer shall be on the watch for authentic information of the demise of any such pensioner and on receipt thereof, shall promptly stop further payments.

337. When a pensioner is a 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 Collector 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, the pension due to him, and payments of pension may be made to such manager or guardian in the same way as to the original holder, provided that 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 Collector.

Note—Pension of a person who is certified by a Magistrate to be a lunatic should be paid in accordance with Section 95 (1) of the Indian Lunacy Act, 1912.

FORMS OF PENSION BILLS AND CONNECTED CERTIFICATES

338. (1) Save as hereinafter provided in this rule, claims of payment of pensions shall be presented on bills in a form similar to Form M. T. R. 37, a copy of which will be supplied by the Disbursing Officer to each pensioner or his agent or representative. The bill must be duly receipted by the pensioner or by some other person authorised to give legal acquittance on his behalf, and if the pensioner cannot sign his name, his thumb impression or where this is not possible due to physical incapacity, his great toe impression, the thumb or the great toe impression being duly attested by a well known and respectable person, shall be taken on the bill.

Save as provided in sub-rule (3) of Rule 345, the Pensioner's portion of the Pension Payment Order must invariably be presented with the bill.

In the case of physically handicapped *pensioners* who are unable to sign or put their thumb/great toe impressions and *pardahnashin ladies*, acquittance by seal mark attested by some well-known and respectable person may be accepted in lieu of signature or thumb/great toe impressions.

(2) Instead of requiring each individual pensioner to present a separate bill in Form M.T.R. 37, the Disbursing Officer may, subject to such general or special instructions as the Accountant General may issue in this behalf, prepare a single bill in Form M.T.R. 38, for all on account of each class of pensions. On this *plan* the receipt of each pensioner appearing personally shall be taken in the column provided for that purpose, while separate receipt shall be appended to the bill in support of payments, if any, made at the sub-treasury, or on life certificate, note being made in the latter case on the separate receipts of the names of the persons actually receiving the money. On all such documents shall be entered the number of the entry in the bill.

(3) Claims for provisional pension sanctioned in respect of a retired non-gazetted Government servant or a gazetted Government servant whose pay and allowances immediately before retirement, were drawn on establishment pay bill, shall be preferred by the head of office separately for each pensioner in Form M.T.R. 38-A.

339. In case [other than those specified in rules 334, 335 and 338(3)] where the pensioner desires to draw pension through an agent or a representative nominated by him, a life certificate must accompany every pension claim for the months of June and December. The life certificates shall be signed by a person authorised under these rules to sign such certificates and must be dated not earlier than the last day of the month concerned.

340. When a pensioner draws his pension through an agent or representative, the claim must be supported by the written authority of the pensioner to pay the pension to the agent or the representative nominated by him to receive payment on his behalf. In such cases, the endorsement "Received payment" must be signed by the pensioner and a separate receipt which need not be stamped shall be endorsed by the agent or the nominee, as the case may be, in token of having actually received the payment.

341. Where the determination of a pension cannot be fixed for a precise date, the pensioner's bill must be accompanied by a certificate in Form M.T.R. 39, duly signed by any of the authorities contemplated in Rule 332. However in the case of a female Pensioner whose pension is terminable on marriage or remarriage, a certificate signed by the Pensioner to the effect that she is not married/remarried shall be furnished on the body of every Pension bill, except for the months of June and December. The Pension bills for June and December shall be supported by a declaration in Form M.T.R. 40 *vide* Rule 342.

Note : Deleted

342. A declaration in Form M.T.R. 40 shall be obtained half yearly from female pensioners whose pension is terminable by their marriage or re-marriage, and shall be attached to the bills for pension paid for June and December.

Every pension Disbursing Officer shall submit to the Accountant General concerned a statement showing particulars and dates of last payments of pensions in respect of the cases of failure to furnish the above declaration in the months of January and July.

Note—The female pensioners who are above the age of 70 years are exempted from giving such declaration.

343. (1) A certificate of non-employment as printed on the forms of bills shall be obtained from all pensioners in receipt of Service pensions, other than retired Class IV servants and ex-policemen, who are in receipt of pensions of not more than Rs. 10 a month. If a pensioner who is required to sign the certificate is re-employed either permanently or temporarily in a Government establishment or in an establishment paid by a State Government or by a Local Fund, during the period for which pension is claimed, he must furnish the necessary particulars therein, and the Disbursing Officer shall ascertain and report whether the rules regarding such re-employment have been duly observed.

In the case of a pensioner permitted under rules of the Government to draw pension after re-employment the certificate must be modified according to facts.

In the case of an employed/re-employed pensioner drawing family pension under the revised pension rules, the pensioner shall furnish the details of his/her emoluments on employment/re-employment, duly verified by the head of office where he/she is employed/re-employed once a year in the pension bill for the month of December.

(2) When a pensioner draws his pension through an agent who has executed a bond of indemnity under Rule 245, the certificate modified suitably may be signed by the agent, provided that the pensioner himself furnishes once a year a certificate concerning the period for which pension has been drawn on the basis of the agent's certificate.

344. A treasury officer will in case of death of a pensioner governed by the Family Pension Scheme for State Government Employees, 1964, start paying family pension to the widow/widower on receipt of death certificate of the pensioner and the application in form M.T.R. 41 for the grant of family pension to her/him, and he will also send an intimation in this regard to the Accountant General in Form M.T.R. 42.

Provisional Family Pension wherever payable through the Head Office, shall be drawn by the Head of Office in which the Government servant was serving immediately before this death, in Form M.T.R. 38-A at the treasury or the office of the Accountant General or authorised office of disbursement at which the pay and allowances of the establishment are drawn by him.

Note 1.—The relevant provisions for the drawal and disbursement of provisional pensions to the pensioners by the Head of Office will apply *mutatis mutandis* for the drawal and disbursement of provisional Family Pension in terms of the above Rule by the Head of Office, wherever necessary.

Note 2.—Family pension or provisional family pension upto Rs. 100 per month of the Maharashtra State Government Pensioners other than those residing at places where a district Treasury or a Sub-Treasury is located may, at the request of the concerned pensioner be remitted to him by postal Money Order, at the cost of Government. The charges on account of money order commission should be shown as a distinct item in the bills relating to such claims, debiting the expenditure thereof to the appropriate head of account. Pensioners residing in the Bombay Suburban District and drawing pension from Pay and Accounts Office, Bombay, will however, be eligible to avail of the above concession.

CHECKS TO BE APPLIED BY THE DISBURSING OFFICER

345. (1) 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 shall be compared with the facsimile of the signature taken on the Disburser's portion of the Pension Payment Order. If the pensioner cannot sign his name, his thumb/great toe impressions on the receipt shall be compared with the original impression taken on the Order. In cases of doubt, payment may be made on the strength of the resemblance between the pensioner and his photograph, where one is pasted on the Disburser's portion of the Pension Payment Order, pending final settlement of any question which may arise about identification marks, signature or finger impressions.

(2) A pensioner drawing pension for the first time shall be required to produce his personal copy of the letter of the Accountant General forwarding his pension payment order to the Treasury Officer and his signature or thumb/great toe impression on the bill shall be compared with the specimen signature or thumb/great toe impressions received with the Pension Payment Order.

346. When a pensioner draws his pension through another person, the Disbursing Officer must take special precautions against fraudulent presentation of claims and satisfy himself of the existence of the pensioner and on the identity of the payee before any payment is ordered, and if he feels any suspicion, shall refer it to the pensioner before payment.

Note.—In so far as the Disbursing Officer is concerned, the authority of a person to receive payment of pension on behalf of a pensioner, shall be deemed to remain unimpaired until its termination, by the death of the pensioner or otherwise, becomes known to the Disbursing Officer.

347. In view of the special risk of fraud involved in the payment of pensions of women who do not appear in public, special care shall be taken in the identification of such pensioners. The descriptive rolls, when originally prepared, and the periodical certificate of the continued existence of such women shall be attested by two or more persons of respectability in the town or village.

RECORD OF PAYMENT

348. Every payment must be entered on the reverse of both portions of the Pension Payment Order and attested by the signature of the Disbursing Officer. In the case of pensions paid at a sub-treasury to which only a copy of the order with the Treasury Officer's order thereon is supplied under Rule 324, 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 head quarters treasury shall, from the connected voucher make the necessary note on his original of the Order.

348-A. As soon as the payment of provisional pension drawn by the head of office has been completed, he shall inform the Accountant General of the particulars of the payment actually made by him.

PAYMENT OF PENSIONS BY POSTAL MONEY ORDER

349. The payment of pensions may be made by postal money order at the option and expense of pensioner. When this mode of payment is adopted, the following rules shall be observed :—

(i) A pensioner who elects to have his pension paid by money order should present in person to the Treasury Officer a declaration to that effect with his copy of the Pension Payment Order. The Treasury Officer should then indentify the pensioner as laid down in Rule 345. After this has been done he should paste the declaration and both portions of the Pension Payment Order in a separate file headed " Pension Payable by Money Order ". On a date not later than the 10th of each month, the Treasury Officer should arrange to make out a money order form for each pension recorded in the file mentioned above, less money order commission, and make corresponding payment entries in the table on the Pension Payment Orders. The Treasury Officer should sign the money order form and initial the entries on the Pension Payment Order after carefully comparing the three documents.

Note.—Pension upto Rs. 100 per month of Maharashtra State Government pensioners other than the pensioners who are residing at places where a District Treasury or Sub-Treasury is located may at the request of the pensioner be remitted to him by postal Money Order at the cost of Government, the charges on account of money order commission to be shown as a distinct item in the bills relating to such claims, debiting the expenditure thereof to the appropriate head of account. Pensioners residing in the Bombay Suburban District and drawing pension from Pay and Accounts Office, Bombay, will however, be eligible to avail of the above concession.

(ii) In order to minimise the risk of fraud, the Treasury Officer should compare the signature on the money order receipt every month with the pensioner's signature on the disburser's portion of the Pension Payment

Order. The Treasury Officer should 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 must 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.

(iii) In case of female pensioner whose pension is terminable on marriage or remarriage, a declaration in Form M.T.R. 40 as prescribed in Rule 342 shall be obtained by the Treasury Officer before remitting the pensions, for the months of June and December. In other cases, where the termination of Pension cannot be fixed from a precise date, the Treasury Officer should, before remitting the pensions for the months of June and December, obtain from the Pensioner certificate in Form M.T.R. 39.

(iv) The Collector should arrange with some village official or other suitable sub-ordinate agency, such as the police, for reporting promptly to the Treasury Officer the death of a pensioner whose pension is paid by money order.

(v) It will not be necessary to prepare separate pension bills for such payments. The payments should be shown in a separate schedule which will serve as a voucher. A certificate in the following form in the handwriting of the Treasury Officer should 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.”

(vi) In the schedules for January and July each year, an additional certificate in the following form should be added :—

“Certified (1) that I have obtained, where necessary, from each pensioner a declaration that he has not received any remuneration for serving in any capacity under the Central Government or any State Government or under a Local Fund during the past six months, and (2) that in all cases where determination of a pension cannot be fixed for a precise date I have obtained the certificates in Form M.T.R. 39 or the declaration Form M.T.R. 40, as the case may be.

Note 1.—The words “or the declaration in Form M. T. R. 40, 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 342.

Note 2.—Provisional Pension drawn by the head of office may be paid by Postal Money Order or by bank draft, if so desired by the pensioner, at the cost of the pensioner”. Provisional pension upto Rs. 100 per month of the Maharashtra State Government pensioners, other than the pensioners residing at places where a District Treasury or Sub-Treasury is located may, however, at the request of the pensioner be remitted to him by postal Money Order at the cost of Government, the charges on account of the money order commission to be shown as a distinct item in the bills relating to such claims debiting the expenditure thereof to the appropriate head of account. Pensioners residing in the Bombay Suburban District and drawing pension from Pay and Accounts Office, Bombay, will, however, be eligible to avail of the above concession.

(vii) In the schedule for the month following, the month of payment, the Treasury Officer should furnish the following certificate :—

“Certified that I have satisfied myself that all pensions included in the schedule for the previous month have been paid to the proper persons and that I have obtained all money order receipts in support of these payments and filed them in my office.”

(viii) The amount to be remitted by money order should be adjusted by transfer credit to the Post Office in accordance with the procedure prescribed in Rule 205.

Note.—The procedure authorised in this rule may be applied *mutatis mutandis* to pensions payable at sub-treasury or any other disbursing office.

350. (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, an written declaration signed by the pensioner and duly verified under his seal by a gazetted officer, a magistrate, a Justice of Peace, a tahsildar, a naib tahsildar, a block development officer, a police officer not below the rank of Sub-Inspector in-charge of Police Station or any Government Officer of equivalent rank having his headquarters at the place where the pensioner is living for the time being. 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 the pensioner be physically incapable of signing the declaration, the Disbursing Officer may authorise payment on production of a certificate from the Civil Surgeon of the district or a registered medical practitioner to the effect that the pensioner is alive but is unable to sign the required 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 Collector 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.

SPECIAL RULES APPLICABLE TO POLITICAL PENSIONS

351. Every Disbursing Officer shall maintain a register of political pensions, payable by himself, showing for each pension separately :—

- (i) origin and nature of the pension and the ground on which it was sanctioned ;
- (ii) the amount and period of payment ;
- (iii) the orders of competent authority sanctioning its payment ;
- (iv) the name and residence of the pensioner, with specification of shares, if any ;
- (v) reference to the Register of Pension Payment Orders ;

- (vi) whether tenable for life only ; or if it is heritable, the manner and extent to which it will descend, with quotations of orders affecting it ;
- (vii) any special condition attached to the grant of the pension ;
- (viii) any other matter worthy of note in connection with the pension.

352. With the special sanction of the Accountant General in each case, the following procedure may be *employed* in the case of groups of political pensioners who are paid by, and are in-charge of, a Political Officer :—

(a) In lieu of a Pension Payment Order for each pensioner, an order for the payment of the whole group will be issued by the Accountant General in Form M.T.R. 34, each entry having a number in the forms 330/1, 330/2 and so on, where 330 is the register number of whole documents.

(b) The officer in charge of the pensioners should draw up a monthly bill, in the following forms, in which all the names should be entered in their proper order, even though nothing is drawn for the pensioner entered :—

(i) *Number* of pensioner.

(ii) Name.

(iii) Monthly Pension.

(iv) Amount of arrears drawn :—

(1) Month.

(2) Amount.

(v) Amount drawn for current month.

(vi) Income-tax deductions.

(vii) Net amount payable to each pensioner.

(viii) Remarks ; this space will be used for acquittance in the Political Officer's own copy of the bill.

(c) The following certificate should be appended to the bill :—

“ Certified that all amounts drawn in last month's bill have been duly disbursed and receipts taken, with due precautions as to the indentification of the payees, with the exception of the following amounts, now refunded :—

No.	Name	Amount refunded	Remarks
(1)	(2)	(3)	(4)

(d) The total to be paid will be made as follows :—

	Rs.	P.
Arrears, as per item (iv)(2)	..	
Current Month as per item (v)	..	

Total	..	

Less Income-tax and Surcharge	..	
Less undisbursed amounts now refunded.		

Net amount to be paid	..	

Any refunded amount can be drawn at any time upon quotation of the month's bill in which the amount was refunded.

(e) If any alterations have been made in the list of pensioners during the past month, the Political Officer should append a statement showing:—

No. of pensioner	Name	Nature of alteration or lapse	Reasons or quotation of order
(1)	(2)	(3)	(4)

(f) No new name can be brought on the list and no new pension drawn, until the Accountant General has registered and given a number to the new name, and communicated it to the Political Officer-in-charge.

(g) If there have been no alterations, the Political Officer should append to his bill a statement that "there have been no alterations in the list of pensioners under my charge in the past month."

Note.—Political pension upto Rs. 100 per month of the Maharashtra State Government pensioners, other than the pensioners residing at places where a District Treasury or a Sub-Treasury is located may at the request of the pensioner, be remitted to him by Postal Money Order at the cost of Government, the charges on account of Money Order commission to be shown as a distinct item in the bills relating to such claims debiting the expenditure thereof to the appropriate head of account. Pensioners residing in Bombay Suburban District and drawing pension from Pay and Accounts Office, Bombay, will however, be eligible to avail of the above concession.

353. In cases in which political pensioners are exempted from personal attendance, the disbursing officer, if he entertains any doubt which has no convenient means of removing, shall refer the case to the Government through his immediate superior for orders, but payment of the pension may not be suspended pending the result of such reference.

PAYMENT OF COMMUTATION MONEY

354. The payment of the commuted value of a 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.

GRATUITIES

355. (1) Save as hereinafter provided Gratuities shall not be paid except on an authority received from the Accountant General, to whom the sanction is communicated by the sanctioning authority or by another Audit Officer. Payment can be claimed on the letter of authority itself and no separate bill is necessary, and shall be made in the same manner as laid down in Rule 481 and 483 in relation to Provident Funds.

Note.—When at the option of the gratuitant, the balance of gratuity is to be drawn by the Head of an office, he shall do so by presenting a bill in Form M.T.R. 35 and shall furnish to the Accountant General, within a month of the date of drawal, a certificate of disbursement.

(2) Each Disbursing Officer shall keep a register in Form M.T.R. 36 of the Gratuity Orders issued on him, which will serve as an index to the authorities referred to in sub-rule (1).

355-A. Provisional gratuity sanctioned by a competent authority in respect of a retired non-gazetted Government servant or a retired gazetted Government servant whose pay and allowances immediately before retirement were being drawn on establishment pay bills, shall be drawn separately for each gratuitant by the head of office in which he last served, in Form M.T.R. 38-A, and disbursed to the gratuitant.

Note.—The above provisions for the drawal and disbursement of provisional gratuity to the gratuitants by the Head of Office will apply *mutatis mutandis* to the drawal and disbursement of provisional death-cum-retirement gratuity payable to family of a deceased Government servant who died while in service and whose pay and allowances immediately before death were being drawn on establishment pay bills.

Section V—Periodical Identification of Pensioners

GENERAL RULES

356. (1) On the first appearance of a pensioner on or after the first of April each year, the disbursing officer shall, except in the case of pensioners whose specimen signatures are attached to the Pension Payment Orders, take 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 Disburser's portion of the Pension Payment Order or in the Audit Register, as the case may be. Identification shall also be made by an examination of the impressions given on the bill with those attached to the Pension Payment Order or kept in the Audit Register, or by reference to the pensioner's photograph where one is pasted on the disburser's portion of the Pension Payment Order, if he cannot be identified by other means with absolute certainty.

The provisions of this sub-rule with regard to the taking of the thumb and finger impressions of pensioners and the examination of such impressions for purposes of identification may be relaxed or modified by the Government.

(2) Pardhanshin ladies and illiterate pensioners must give a thumb impression on their bills in the presence of the person who grants the life certificate, or, in the case of illiterate pensioners who personally attend the paying office, before the Disbursing Officer.

357. In all cases referred to in Rules, 331, 332 and 337 the disbursing officer must take special precautions to prevent impositions and must, at least once a year, receive proof independent of that furnished by the life certificate of the continued existence of the pensioner. For this purpose, the disbursing officer shall, save in cases of exemptions from personal appearance allowed by orders of competent authority 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 pensioner's existence. The disbursing officer is personally responsible for any payment wrongly made, and in all cases of doubt, he must consult the Accountant General.

Exception.—In a case where a pension claim submitted by a pensioner is supported by a Life certificate granted under the provisions of Rule 332, 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 Criminal Procedure Code or by a Registrar or Sub-Registrar appointed under the Indian Registration Act, 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.

Note 1.—A pensioner of rank may be privately identified by the disbursing officer and need not be required to appear at the disbursing office.

Note 2.—The rules in this section do not apply to cases governed by Rule 349.

Note 3.—Whenever a pensioner is not able to appear in person before the Pension Disbursing Officer due to old age or physical infirmity and is also unable to produce a Life Certificate as required under Rules in this section, the Pension Disbursing Officer may, on specific request of the pensioner, visit his residence for the purpose of identification. The pensioner should, for this purpose, be however, charged a fee of Re. 1 in case of pensioner drawing a gross pension not exceeding Rs. 100 and Rs. 2 in case of pensioner drawing pension exceeding Rs. 100 per month. The amount of fee collected should be credited to Government as Departmental receipt and the Pension Disbursing Officer concerned may claim T. A. for journey undertaken by him for the purpose in accordance with the Government orders for the time being in force.

Section VI—Undrawn Pensions and Arrears

GENERAL

358. (1) Unless the Government by general or special orders direct otherwise, if a pension payable in India remains undrawn for more than 12 months, the pension shall cease to be payable by the disbursing officer. If the pensioner

afterwards appears, or a claim is presented on his behalf, the disbursing officer may resume payments. He shall not, however, make the said payments :—

- (i) if the pension in arrears is to be paid for the first time, or
- (ii) if the amount of arrears exceeds Rs. 2,500, without the sanction of the authority by whom the pension was sanctioned which shall be obtained through the Audit Officer :

Provided that, if in any case a pension remains undrawn for more than three years in the case of a service pension, or six years in the case of a political pension, it cannot be paid without the authority of the Accountant General.

Note 1.—If the suspension of payments is attributed to error or neglect by any Government officer, the Accountant General may direct payment of the arrears on his own authority.

(2) A gratuity payment order shall remain in force for one year only, and no such order shall be retained in a disbursing office if payment has not been made on it within a year of its issue.

DEATH OF PENSIONERS

359. (1) Subject to any rule or order made 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 man's death ; the hour at which death takes place has no effect on the claim.

(b) On the death of a pensioner, payment of any arrears actually due may be made to his heir, provided that they apply within one year of his death. They cannot be paid thereafter without the sanction of pension sanctioning authority envisaged in Rule 227 of Bombay Civil Services Rules, 1959, to be obtained through the Accountant General :

Provided that, if the arrears do not exceed Rs. 500 and the case present no peculiar features, the Accountant General may pass the arrears on his own authority.

(c) Subject as provided in the preceding clauses the provisions of Rule 228 of the Bombay Civil Services Rules, 1959, shall apply to payment of arrears of pensions due in respect of a deceased pensioner.

Note 1.—The indemnity bond referred to in Rule 228 of the B. C. S. Rules may be in form M. T. R. 15.

Note 2.—The arrears due in respect of a deceased pensioner who, immediately before his death, was being paid provisional pension through the head of office, 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 or if no 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 by the disbursing officer to the Accountant General with a report of the date of death of the pensioner except in the case of pensioners governed by the Family Pension Scheme for State Government Employees, 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 THE ACCOUNTANT GENERAL

360. Every pension-disbursing officer shall submit to the Accountant General every six months a statement of cases of failure to draw pensions. The statement shall be prepared in two parts, one part showing the names of all pensioners who have not drawn their pensions for six years or for three years, according as the pensions are classed as political pensions or other pensions, and the other part showing the names of pensioners other than those included in the former part, who have not drawn their pensions for more than one year. The reason for the non-drawal, if known, shall be stated against each name.

The Disburser's portions of the Pension Payment Orders of all pensioners, whose names are included in Part I of the statement, as also of deceased pensioners, where the arrears of pensions due are not claimed within one year of the pensioner's death, shall be returned to the Accountant General along with the statement. The disbursing officer shall sort out such cases by examining the files of Pension Payment Orders every month.

361. 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.

SPECIAL ANNUAL ENQUIRIES

362. *Deleted.*

363. *Deleted.*

CHAPTER VII—PAYMENTS FOR PURCHASE OF STORES

INTRODUCTORY

Note.—In this chapter the term "Stores" is used to indicate all articles and materials required for the public service and coming into an officer's possession for various purposes and includes stationery, furniture, machinery, tools and plants, etc.

364. Subject to such general or special rules or subsidiary instructions as may be issued by the Government for the guidance of officers who are required to make purchase of stores on Government account, the payments for acquisition of stores required for the public service shall be regulated in accordance with the provisions of this chapter, except in so far as they are supplemented or varied by special departmental regulations.

Local purchases of petty articles or consumable stores out of office contingent grants are not subject to the rules in this chapter.

PURCHASES IN INDIA

Purchases through the Indian Stores Department

365 (1) Without prejudice to the generality of the provisions contained in this part with regard to withdrawal of moneys from the Government Account for disbursement on Government account, the procedure relating to payments for stores purchased through the Indian Stores Department or the Central Stores purchasing officer may be regulated by special order issued by the Government in this behalf.

(2) Subject as aforesaid, payments will be made by the Chief Controller of Supply Accounts and the Controllers of Supply Accounts (Civil) by means of cheques drawn on any treasury or the Bank.

Provided that when the amount payable is less than one rupee, the payment will be made by the indenting officer concerned in accordance with the procedure applicable to contingent expenditure.

Other Purchases in India

366. Subject as hereinafter provided, the provisions of Chapter V shall apply generally to payments for stores purchased in India otherwise than through the Indian Stores Department.

367. As a general rule, payment for supplies is not permissible unless the stores have been received and surveyed. Payments prior to verification of quality and quantity of the materials may be permitted in exceptional cases only, provided that adequate safeguards exist to secure the Government against all losses in the event of the materials being found short or defective. In all such cases a bill based on actual measurement must be obtained as soon as possible after payment has been made for submission to the Accountant General.

368 If not provided otherwise by departmental regulations, bills presented in support of payments for purchases of stores shall be accompanied by a certificate that the articles detailed in the vouchers have been actually received and entered in the stock register, that their quantities are correct and their quality good, and according to specifications, that the rates paid are not in excess of accepted or market rates and that suitable notes of payments have been made in the indents and invoices concerned to prevent double payment. The authority, unless it is a general one, under which the purchase is made shall also be quoted.

369. The provisions of rule 310 apply also to supplies of stores by one department of the Government to another where the adjustment of the cost of such supplies has to be made by book transfers.

Note.—The following instructions should be printed on all forms of invoices for the supply of stores, etc., and the officer receiving the supply should comply with them before the invoice is countersigned :—

“ It is essential for purpose of accounting and audit that the entries below should be filled in. Failure to do so may result in unnecessary delay and return of this invoice for compliance.

(1) Head of Accountant (Major, Minor, Sub-Head and Detailed Head).

(2) Month and year to which charge relates

(3) Accounts Officer by whom the amount is adjustable

(4) Department to which the charge is debitable

PURCHASES IN THE UNITED KINGDOM, ETC.

370. Payment for all purchases ordered through Indian Supply Missions, London and Washington will be made by the High Commissioner for India, London or the Director General, India Supply Mission, Washington, as the case may be, the debits being passed on to India for adjustment.

(1) Payments for articles obtained by placing direct orders on private firms or individuals in United Kingdom shall be made through the Accountant General. The Officer desiring to make such a payment shall, as soon as all the checks necessary in connection with the receipt, inspection and verification of articles have been applied, forward the firms bill *in original* to the Accountant General for audit and payment. Particular care must be taken to ensure that no double payment is authorised in respect of the same claim.

(2) (i) The Accountant General, after audit of the firm's bill, will purchase a sterling draft in favour of the supplier in the United Kingdom and remit it direct to the supplier under intimation to the departmental officers concerned in India.

(ii) The Accountant General will bring the cost of the sterling draft finally to account against the relevant appropriation in the Indian portion of the budget.

(3) In the case of stores ordered direct from firm's abroad on F. O. B. basis subject to inspection by the Director General, India Supply Mission, London, the payment will, if the Purchasing Officers have so desired be made directly by the High Commissioner for India on receipt of supplier's bills duly verified and certified by the Director General. Such payments will be passed on to the Accounts Officer concerned in India for adjustment through the Account current between England and India supported by the supplier's bills duly certified by the Director General.

Note.—(1) Special care should be exercised by the Purchasing Officer in differentiating the articles purchased through the agency of the Director General, India Supply Mission, London, from those merely delivered to or shipped through his agency. In the former case, payment cannot be made from India, whereas in the latter case the procedure prescribed above should be observed.

Note (2).—The procedure laid down in this rule may be followed *mutatis mutandis* in the case of other payments of a similar nature, e.g., those chargeable to the estimates of work, to be made direct to a party in the United Kingdom.

Note (3).—The procedure laid down in this rule and the directions contained in Notes (1) and (2) above, may be followed *mutatis mutandis* in the case of payments to be made for articles obtained by direct order from private firms or individuals in America and in cases where the payment is made by the Director General, India Supply Mission, Washington, in accordance with the procedure prescribed in sub-rule (3) above the payment will be passed by him to this Accounts Officer in India for further necessary action."

371. Payments for direct purchases made in a foreign country other than United Kingdom and America may be made direct to the suppliers by the purchasing officers, the cash required for such payments being drawn under the rules in Chapter V of this part.

CHAPTER VIII—WORKS EXPENDITURE

GENERAL

372. The rules in this chapter shall apply to expenditure on special services connected with the construction, repair, and maintenance of buildings, roads and other works of public utility, whether carried out by the Public Works Department or under special orders of the Government, by the department using or requiring such works.

Expenditure on petty construction and repairs, which under any order issued by the Government is treated as contingent expenditure of the department incurring it, is subject to the rules in Chapter V of this part.

PAYMENTS TO LABOURERS

373. As a general rule, and subject to such exceptions as may be authorised by departmental regulations, wages of labourers engaged departmentally shall be drawn on muster-rolls showing the names of the labourers, number of days they have worked and the amount due to each. The daily attendance and absence of labourers and fines, if any, inflicted on them must be so recorded as to prevent any tampering with, or unauthorised additions to, the entries once made.

Subject as provided above, the muster-rolls may be kept in such form and in accordance with such methods as may be authorised by departmental regulations.

374. The payment made on muster-rolls must be made or witnessed by the officer of the highest standing available in the disbursing office, who should certify to the payments individually or by groups. The amount paid on each date shall be noted in words as well as in figures at the foot of the muster-roll.

375. If any items remain unpaid, the details there of must be recorded separately in the muster-roll in which they were originally drawn, before it is finally passed by the person who made the payment. Unpaid items shall subsequently be carried forward from muster-roll to muster-roll until they are paid, the payments being recorded and certified in the same way as current items.

Notwithstanding anything contained in this rule, it will be optional with the disbursing officer to adopt any other alternative method of making payment of unpaid wages provided that a systematic record of items remaining unpaid is maintained on the basis of the original entries in the muster-roll in which they were drawn, and that suitable precautions are taken to prevent double payments.

376. The Divisional Accountant should certify in the bills presented to the treasury that the requirements of these rules have been satisfied.

PAYMENTS TO WORK-CHARGED ESTABLISHMENT

377. Wages of members of work-charged establishment may be drawn on the form of pay-bill of establishment (Form M.T.R. 19), or on such other suitable form as may be prescribed by departmental regulations, according to local circumstances or to meet local requirements.

378. The names and claims of the entire work-charged establishment concerned, including absentees, must be shown in detail in each bill. The names shall be grouped by works on which the men are employed and the drawing officer must certify that the men were on duty during the periods shown against their names, each man being employed on the work and on the duties for which his appointment was sanctioned. Sanctions to the entertainment of the establishment shall be quoted in each case.

Note 1.—Deductions on account of fines, income-tax, etc. should be shown by special entries against the names concerned.

Note 2.—If the acknowledgement of the payee cannot conveniently be obtained on the bill itself, it may be obtained separately and attached to the bill as a sub-voucher.

379. Wages remaining unpaid on a passed bill on the date fixed for closing the accounts of the month may be paid subsequently when claimed, on a separate bill, reference to the bill in which the charge was originally included and to the particular item thereof being quoted in each case. In making payment of arrears suitable note of payment must be kept against the original entries in the bill or other records so as to guard against second payment.

PAYMENTS TO SUPPLIERS AND CONTRACTORS

380. Unless in any case the Government after consultation with the Accountant General directs otherwise, payments for all work done otherwise than by daily labour and for all supplies shall be made on the basis of measurements recorded in measurement books kept for the purpose. Claims for such payments shall be prepared as far as possible by the claimants themselves in authorised form of bills and vouchers and no payment other than an advance payment may be authorised unless the correctness of the claim in respect of quantities and rates, as well as the quality of the work done or supplies made have been accepted and all calculations carefully checked by a responsible officer.

Subject to such general or special instructions as may be issued by the Government after consultation with the Accountant General, measurement books may be kept in such form and according to such methods as may be authorised by departmental regulations.

PAYMENTS FOR WORKS DONE THROUGH LOCAL BODIES

381. When the maintenance of any Government buildings or roads is entrusted to a Local Body, the payment made to it on this account shall be treated in the same way as payment for work done by a contractor.

If lump-sum payments have been agreed upon, each payment must be supported by a certificate recorded by a responsible Government officer that the work has been done in accordance with the conditions agreed upon.

BILLS AND VOUCHERS

382. Without prejudice to the generality of the rules in this chapter, in making payments for works expenditure and the forms of bills and the detailed procedure to be observed by departmental disbursing officers, vouchers on which such payments are to be made may be prescribed by departmental regulations.

CHAPTER IX—MISCELLANEOUS PAYMENTS

REFUNDS OF REVENUE

383. 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 revenue 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 should draw the amounts on his receipt and make payment to the refundees concerned. However, on no account these may be drawn to be lodged in a deposit account pending demand.

383.A. 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, should, at the request of the refundees, make payment of such claims as are upto Rs. 50 from out of permanent advances or imprests which they may be permitted to hold under the orders of competent authority, subject to recoupment on presentation of refund bills.

384. Every refund shall be noted against the original credit in the departmental accounts or other documents in which the moneys received are entered in detail, and a certificate of such a note having been made must be given in all vouchers for refunds.

Note.—Except in cases of refunds of fines ordered by the Judicial Courts, a copy of the order of the competent authority sanctioning the refund shall also be sent independently to the Treasury/Sub-Treasury Officers concerned for verification before payment of the amount to be recipted by the party on the order.

As regards refunds of fines ordered by the Judicial Courts, the Court preferring the refund bill shall independently forward an advice in form M. T. R. 43-A to the Treasury Officer/Sub-Treasury Officer making the payment. The Treasury/Sub-Treasury Officer concerned should check the particulars in the bill, when presented by the party, with the advice and after satisfying himself about the identity of the person, make the payment.

385. (1) Except as hereinafter provided, or unless some other form has been prescribed by departmental regulations for any particular class of refunds, bills for drawing money from the treasury on account of refunds of revenue shall be prepared in Form M.T.R. 43. The officer who received the original amount shall fill in columns 1 to 5 of the form and sign the certificate at foot, while the Treasury Officer shall verify the credit by means of the particulars in columns 4 and 5 and affix his signature in column 6 in token of his having done so.

Where under the provisions of rule 383 or 383-A a departmental officer is required to draw the amount for refund of revenue, he will prepare a bill in Form Maharashtra Treasury Rule 43 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 claimant's signature and after scoring out the words "claimant's signature". The treasury officer will then make the payment to the departmental officer after verifying the credit as stated in the first paragraph of this rule."

(2) Payment of such refunds may be made to the refundee himself or to a person duly authorised by him to receive payment, provided that the receipt at the foot of refund voucher is signed by the refundee himself. The precautions prescribed in Rule 193 shall be observed in this case with special care.

Note. (1)—Special forms have been prescribed for refund of Sales-tax.

Note. (2)—The provisions of sub-rule (2) above are also applicable to refunds of Income-tax and Super-tax the procedure of which is regulated by the provisions of appendix 5 of the Central Government—Compilation of Treasury Rules, Volume II.

386. (1) If the amount of an examination fee, originally deposited in the treasury or sub-treasury, is to be refunded a certificate will be endorsed upon the original receipt by the Secretary, Maharashtra Public Service Commission, or the appropriate authority concerned, specifying the amount to be refunded ; and the amount so authorised may be paid on presentation of the original receipt endorsed as above, the recipient giving his receipt below the endorsement.

If the original amount was paid into the Bank at Bombay, the refund will be made in accordance with the above procedure by the Pay and Accounts Office, Bombay.

(2) If the amount of an examination fee originally received from a candidate through or by means of cross postal order, or any part of it, is to be refunded, the Secretary, Maharashtra Public Service Commission, will present to the Pay and Accounts Officer, a bill for the amount to be refunded duly supported by the original chalan crediting the money to the Government account (along with the money order forms duly filled in). The accompanying chalan should also indicate under the Secretary's dated signatures the total amount to be refunded. If the amounts were deposited in lump sum into the Bank, a statement showing the names of the candidates demanding refunds, the amounts to be refunded to each, the number and date of the chalan in which the money was originally deposited and the amount, if any, already refunded, duly attested by the Secretary, Maharashtra Public Service Commission, should accompany the bill instead of the chalan. The bill will then be preaudited by the Pay and Accounts Officer and endorsed for payment to the Post Master concerned. The Secretary, Maharashtra Public Service Commission, will thereafter present the bill together with money order forms duly filled in to the Post Master who will arrange for the remittances by transfer credit to the Post Office in accordance with the procedure prescribed in Rule 205. The postal money order receipts will be watched by the Secretary, Maharashtra

Public Service Commission and recorded after necessary check. The Secretary Maharashtra Public Service Commission, will also note in the original copy of the chalan under his dated signature the amounts refunded.

387. The following provisions shall apply to refunds of revenue credited (other than taxes on income), where the amount involved does not exceed Rs. 100.—

(i) On receipt of a refund order passed by the Collector or other officer concerned, the Treasury Officer may at his discretion issue a notice (a) inviting the person to whom the refund is to be made to receive payment at the Treasury and (b) intimating that on failure to comply with the invitation within one month (or such longer period as may appear necessary) the amount of the refund will be remitted to the payee by Postal Money Order at his expense.

(ii) When the payee appears in person at the treasury, the Treasury Officer should see that no avoidable delay occurs in getting the voucher for the refund signed by the payee who may then receive the payment personally or by a duly authorised agent or by money order at his own expense.

(iii) When a money order is issued under clause (b) of the notice referred to in (i) above, the Treasury Officer should follow the procedure prescribed in sub-rule (1) of Rule 205.

(iv) On receipt of the money order acknowledgment duly signed by the payee, it should be attached to the refund voucher in which the full amount of the refund and the deduction made therefrom on account of the money order commission should be clearly shown ; the voucher should then be disposed of in the usual way. The Accountant General will accept such voucher with the money order acknowledgement as a valid receipt for the full amount of the refund entered therein.

Note.—Refunds of income-tax and super-tax by money order are regulated by the provisions of paragraph 8 of Appendix 5 of the Central Government Compilation of Treasury Rules, Volume II.

388. Unless otherwise provided by any law or rule or departmental regulation, an order for 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 revalidated by the sanctioning authority.

Note 1.—This rule does not apply to the refund of "Court fee Stamps" in respect of which a certificate is granted for such refunds by the Courts under the provisions of the Bombay Court Fees Act, 1959, or rules made thereunder.

Note 2.—"The above rule does not apply to the refund of fines ordered by the Judicial Courts."

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 claimant's signature and after scoring out the words "claimant's signature". The treasury officer will then make the payment to the departmental officer after verifying the credit as stated in the first paragraph of this rule."

(2) Payment of such refunds may be made to the refundee himself or to a person duly authorised by him to receive payment, provided that the receipt at the foot of refund voucher is signed by the refundee himself. The precautions prescribed in Rule 193 shall be observed in this case with special care.

Note. (1)—Special forms have been prescribed for refund of Sales-tax.

Note. (2)—The provisions of sub-rule (2) above are also applicable to refunds of Income-tax and Super-tax the procedure of which is regulated by the provisions of appendix 5 of the Central Government—Compilation of Treasury Rules, Volume II.

386. (1) If the amount of an examination fee, originally deposited in the treasury or sub-treasury, is to be refunded a certificate will be endorsed upon the original receipt by the Secretary, Maharashtra Public Service Commission, or the appropriate authority concerned, specifying the amount to be refunded ; and the amount so authorised may be paid on presentation of the original receipt endorsed as above, the recipient giving his receipt below the endorsement.

If the original amount was paid into the Bank at Bombay, the refund will be made in accordance with the above procedure by the Pay and Accounts Office, Bombay.

(2) If the amount of an examination fee originally received from a candidate through or by means of cross postal order, or any part of it, is to be refunded, the Secretary, Maharashtra Public Service Commission, will present to the Pay and Accounts Officer, a bill for the amount to be refunded duly supported by the original chalan crediting the money to the Government account (along with the money order forms duly filled in). The accompanying chalan should also indicate under the Secretary's dated signatures the total amount to be refunded. If the amounts were deposited in lump sum into the Bank, a statement showing the names of the candidates demanding refunds, the amounts to be refunded to each, the number and date of the chalan in which the money was originally deposited and the amount, if any, already refunded, duly attested by the Secretary, Maharashtra Public Service Commission, should accompany the bill instead of the chalan. The bill will then be preaudited by the Pay and Accounts Officer and endorsed for payment to the Post Master concerned. The Secretary, Maharashtra Public Service Commission, will thereafter present the bill together with money order forms duly filled in to the Post Master who will arrange for the remittances by transfer credit to the Post Office in accordance with the procedure prescribed in Rule 205. The postal money order receipts will be watched by the Secretary, Maharashtra

Public Service Commission and recorded after necessary check. The Secretary Maharashtra Public Service Commission, will also note in the original copy of the chalan under his dated signature the amounts refunded.

387. The following provisions shall apply to refunds of revenue credited (other than taxes on income), where the amount involved does not exceed Rs. 100.—

(i) On receipt of a refund order passed by the Collector or other officer concerned, the Treasury Officer may at his discretion issue a notice (a) inviting the person to whom the refund is to be made to receive payment at the Treasury and (b) intimating that on failure to comply with the invitation within one month (or such longer period as may appear necessary) the amount of the refund will be remitted to the payee by Postal Money Order at his expense.

(ii) When the payee appears in person at the treasury, the Treasury Officer should see that no avoidable delay occurs in getting the voucher for the refund signed by the payee who may then receive the payment personally or by a duly authorised agent or by money order at his own expense.

(iii) When a money order is issued under clause (b) of the notice referred to in (i) above, the Treasury Officer should follow the procedure prescribed in sub-rule (1) of Rule 205.

(iv) On receipt of the money order acknowledgment duly signed by the payee, it should be attached to the refund voucher in which the full amount of the refund and the deduction made therefrom on account of the money order commission should be clearly shown; the voucher should then be disposed of in the usual way. The Accountant General will accept such voucher with the money order acknowledgement as a valid receipt for the full amount of the refund entered therein.

Note.—Refunds of income-tax and super-tax by money order are regulated by the provisions of paragraph 8 of Appendix 5 of the Central Government Compilation of Treasury Rules, Volume II.

388. Unless otherwise provided by any law or rule or departmental regulation, an order for 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 so revalidated by the sanctioning authority.

Note 1.—This rule does not apply to the refund of "Court fee Stamps" in respect of which a certificate is granted for such refunds by the Courts under the provisions of the Bombay Court Fees Act, 1959, or rules made thereunder.

Note 2.—"The above rule does not apply to the refund of fines ordered by the Judicial Courts."

GRANT-IN-AID, CONTRIBUTIONS, ETC.

389. Grant-in-aid, contributions, etc., sanctioned by Government and by subordinate authorities under the powers delegated to them, may be disbursed at the treasury without specific authority of the Accountant General.*

Note.—The term grant-in-aid contributions, etc.; includes such classes of co-operative as grants to local bodies, religious, charitable or educational institutions, stipends, scholarships, contributions to public exhibitions and fairs, expenditure from discretionary grants placed at the disposal of Heads of Departments, Commissioners, etc., and compensations to Government servants for accidental losses, subsidies, etc.

390. Educational scholarships and stipends sanctioned by the Government may be disbursed by the Treasury Officer without specific authority from the Accountant General.

391. Save as hereinafter provided, bills for grants-in-aid, contributions, etc., shall be presented in Form M.T.R. 44 unless some alternative form is authorised by departmental regulations. The orders sanctioning the payment must be quoted in each case. Unless in any case the sanctioning authority directs otherwise, the bills shall be prepared and vouched for by the grantee and no such bill shall be paid by the Treasury Officer unless it bears the signature or counter-signature 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 as 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 signature or countersignature of a Government official.

391-A. Compensations to Government servants for accidental losses, etc., due to effect of floods, cyclones, earthquakes, or otherwise may be drawn in ordinary pay bill form, and bills so drawn may be paid at the treasury on the authority of the sanction noted in the bills.

392. In the Public Works Department, grants in-aid may be included in the same bill as contingent charges, but the abstract of the bill should show the total amounts for each class separately.

SCHOLARSHIPS AND STIPENDS

392A. Scholarships and stipends, other than those payable under the various scholarships schemes sanctioned by Government shall not be disbursed at the treasury except under the authority of the Accountant General. Such expenditure, when sanctioned by subordinate authorities under the powers delegated to them, may however, be disbursed by the treasury officer without specific authority of the Accountant General.

393. Bills for educational scholarships, stipends, etc., Maharashtra Treasury Rule shall be presented in Form 45, or in such other form as may be prescribed by the Authority competent to sanction such payments after consultation with

the Accountant General. In the case of payments to institutions under private management such bills shall be prepared and signed by the authorities of the institutions concerned and sent to such Government official as may be nominated in this behalf by the sanctioning authority, who will present the bill and draw the amount therefrom from the treasury and make payment to the institution concerned. The orders sanctioning the payment which should clearly state that the amount will be drawn by the departmental officer nominated therein, must be quoted in each case.

If any conditions are attached to the payment of scholarships or stipends the bill must bear a certificate of the countersigning officer that he is satisfied that the prescribed conditions have been fulfilled.

Note.—The provisions of this rule are not applicable to the various scholarship schemes of the Government. The amounts of scholarship in respect of students, awarded scholarship under these schemes are drawn by presentation of bills by the Departments/Offices in accordance with the rules governing the Schemes and the cheques/Bank Drafts obtained in favour of the Heads of Institutions and sent to them for making payments to the students concerned."

394. *Deleted.*

INVESTMENT BY GOVERNMENT

394-A. Bill 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 Maharashtra Treasury Rule 44, duly supported by a copy of sanction for such payment. The drawing officer will obtain cheques, in case the treasury officer makes payment by cheque, or bank drafts wherever necessary and make arrangement for payment.

INTEREST ON GOVERNMENT DEBT

395. The procedure with regard to payments 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 of India.

COMPENSATION FOR LAND

396. (1) The procedure to be observed for the payment of compensation for land taken up for public purposes shall be regulated by the orders contained in Appendix XIII, unless otherwise provided by the Government in the departmental regulations.

(2) to (6) *Deleted.*

DISCOUNT ON STAMPS

397. Discount on Stamps is allowed by deduction from the purchase money. A detailed bill in the Form Maharashtra Treasury Rule 30 headed 'Not payable at the Treasury' shall be prepared by the Treasury Officer every month for the amount of discount allowed and submitted to the Controlling authority concerned for countersignature and transmission to the Accountant General.

398. The Government may, after consultation with the Accountant General, dispense with the submission of detailed bills, provided that the connected schedule accompanying the treasury account is supported by a certificate of the Treasury Officer that the discount has been actually allowed to the parties to whom it was due, according to sanctioned rates.

COMMISSION TO REGISTRARS

399. Commission to Registrars may be drawn under departmental regulations on bills which must exhibit the fees upon which the commission is claimed, in such a form as to be capable of verification by comparison with the treasury accounts.

400. In cases in which the commission is calculated upon number of documents registered, the bill shall be supported by a certificate of the District Registrar or other controlling officer that the amount has been correctly calculated.

PAYMENTS TO THE RESERVE BANK

401. Bills for sums payable to the Reserve Bank, e.g., bills in connection with flotation of new loans, management of public debt, etc., shall be countersigned by an officer of the Finance Department before they are paid.

Note.—The Bank is authorised to debit to Government account, in advance the submission of consolidated bills for expenses incurred in connection with the flotation of a Government loan, payments which it may make to a banker, etc. on account of brokerage, subject to the condition that the Bank accepts the responsibility in the event of any excess payment being made. The advance so made should be adjusted against the final bill of the Bank.

COMMISSIONS AND COMMITTEES

402. The procedure to be observed by commissions and committees of the Government in drawing moneys for their expenditure shall be governed by the orders embodied in Appendix 7 of the Central Government—Compilation of Treasury Rules, Volume II.

EXPENDITURE AGAINST GRANTS AT THE DISPOSAL OF AN ADMINISTRATIVE DEPARTMENT OF THE GOVERNMENT

403. (1) When a sum of money is placed under the orders of an administrative department of the Government for expenditure on specified objects,

all appropriations sanctioned against it must be supported by an order of the department concerned stating :—

- (i) the particular object of the expenditure, which must always be within the general purpose of the grant ;
- (ii) the amount of the appropriation sanctioned for it ;
- (iii) the person in whose charge the expenditure is to be ;
- (iv) the treasury or treasuries where the money is required.

(2) A copy of this order shall be sent to the Accountant General, who will thereupon authorise the treasury to pay the amounts on the receipt of the disbursing officer.

404. The disbursing officer may draw the money on his receipt, specifying the order under which it is sanctioned. He may not draw more than what he actually require from time to time for expenditure, but can draw as often as he finds convenient. He may also make his receipts payable to any other person, advising the Treasury Officer of his action.

405. An account of the expenditure against the appropriation must be rendered to the Accountant General, in which the officer should enter on the receipt side all sums he has drawn from the treasury and on the expenditure side all amounts he has spent. Vouchers must be furnished in the same way and under the same rules as in the case of a contingent bill. A copy of this account (without vouchers) shall also be sent to the administrative department concerned.

406. The account must be sent at the end of every month, except when it is estimated that the sanctioned expenditure will be completed and the account closed within three months from the date of the orders sanctioning it. In such a case, the account may be with held till the end of the said period of three months, and then sent in complete up-to-date. An account must in any case be made up and sent in up to the 31st March of the year.

PART VI—SPECIAL RULES FOR BANK TREASURIES

Section I—General

407. The rules in this part are intended primarily for the guidance of Collectors and Treasury Officers and of Officers of the Bank in dealing with the receipts and disbursements on account of Government at places in which the cash business of the treasury is conducted by the Bank. They include information on most points likely to arise; but in cases of doubt, and as a general rule, the Collector shall refer the matter to the Accountant General.

Note.—At places, where there are offices of the Reserve Bank, viz., Bombay and Nagpur, the cash business, is for the most part conducted by the Reserve Bank. At other places where there are branches of the State Bank of India or their subsidiaries, the cash business of the Treasury is conducted by those branches as agent of the Reserve Bank.

408. In printed and manuscript forms or documents used in connection with Government business at the Bank, the words "General Treasury" shall never be used, as those words do not correctly represent the relation of the Government to the Bank. Any other erroneous expressions which misrepresent this relation shall be carefully avoided by all Government officers.

409. The Bank will be kept open for the transaction of Treasury business on a recognised holiday, if so required by the Collector.

410. At Bombay the functions of the Treasury Officer under the rules in this part will, except where the context otherwise requires, and subject to the provisions of Rule 7, be performed by the Pay and Accounts Officer.

411. All bills, cheques and other documents passed by Treasury Officers and the Pay and Accounts Officer for payment at the Bank, as well as Interest Payment orders, etc. being non-negotiable instruments, warrant special precaution on the part of the Bank in the matter of identification of the payee. All such claims have normally to be presented by the payee personally, but where payment is desired to be made to an endorsee (other than a banker) or a messenger, the provisions of Rule 297 (2) or 419 as the case may be, should be strictly followed by the Drawing Officer. The Bank will not, however, disburse payments of such claims unless the Bank is satisfied about the identity of the person receiving payment as attested by the Drawing Officer in accordance with Rule 297 (2) or 419 as the case may be. The Bank shall also verify before making the payment that the signature of the Drawing Officer attesting the payee's signature tallies with that on the bill as passed by the Treasury Officer.

Note 1.—The signature of the messenger, in whose name the bill is endorsed should be taken on the bill in the presence of the endorsing officer and that signature should be compared with the signature taken in the presence of the treasury official. If both these signatures agree payment may be made otherwise, the bill may be returned with a statement of objection to the office concerned directly and not through the messenger. The messenger should date his signature on each occasion he signs in the presence of endorsing officer, at the time of suing authority in the presence of the Treasury Official, at the time of receiving back the

bill duly endorsed for payment, and in the presence of the Bank official, at the time of receiving the payment in cash. The first two signatures will be on the bill itself and the third one may be obtained either on the bill or on the letter of authority to the Bank in Form Maharashtra Treasury Rule, 46.

Note 2.—An endorsement on the contingent bill by a drawing officer in favour of suppliers etc., made under the same circumstances as are stated in sub-rule (1) of Rule 297 is not an endorsement for the purpose of this Rule.

412. Payment of cheques including Public Debt Office interest Warrants which are governed by the Negotiable Instruments Act will be made in accordance with the provisions of that Act and any generally recognised practice established among bankers by custom.

Section II—Payments into the Bank

413. (1) Save as hereinafter provided, and subject as provided in Rule 112 any person who desires to pay money into the Bank on Government Account shall first present at the treasury a chalan (Form M.T.R. 6) in duplicate (or in triplicate when so prescribed). The Head Accountant or other Official entrusted with the duty of examining the chalans shall, after examination, write on all copies of the chalan the word "correct" he shall then affix his initials to the chalan with the date, specify the head of account and, if the amount is not less than Rs. 1,000 submit the chalan to the Treasury Officer who if it is in order in all respects, shall enface it with an order to the Bank to receive the money and to grant a receipt.

All the copies of the chalan thus enfaced shall then be returned to the payer, who will proceed with them to the Bank. There the money will be received and credited to the proper head of account and, subject as provided in Rule 119, an acknowledgement will be granted to the payer on the original chalan, the other copies being retained by the Bank to be forwarded to the treasury with the daily account.

Note 1.—Chalans for sum of Rs. 1,000 and above must be enfaced by the Treasury Officer, but those for sums less than Rs. 1,000 may be enfaced by the Head Accountant or Deputy Accountant. All chalans presented at a sub-treasury must invariably be enfaced by the Sub-treasury Officer.

Note 2.—The acknowledgment on the chalan, for moneys received, may be signed by the Authorised Office of the Bank, under his full signature, only in the original and such other copies as are required to be returned to the tenderer, the acknowledgment in other copies being merely initialled by him.

(2) In cases in which chalans are presented in triplicate the acknowledgement of the Bank will be given on the original chalan or on such other copy as may specially be marked for the purpose, the other copies being retained by the Bank to be forwarded to the treasury with the daily account.

Note 1.—While granting receipts, the Bank should acknowledge the amount in words as well as in figures, except in the copies, other than the original copy which is required to be given to the tenderer of moneys, of chalans in form M. T. R. 6, prescribed in Rule 112, in which case, the receipts may be expressed in figures only.

Note 2.—In case of Income-tax Chalan forms the Bank may return the 'Original' copy of the chalan direct to the Income-tax Officer concerned instead of routing it through the treasury.

(3) Moneys tendered with a chalan signed by a departmental officer under the provisions of rule 115 and those tendered in payment of Central Excise duty may be received direct at the Bank without the intervention of the Treasury Officer. Moneys tendered with special form of chalan prescribed for payment of Income-tax (and super-tax) or Sales Tax revenue, may likewise be received by the Bank direct even when such chalans are not signed by the Income-tax Officer or Sales Tax Officer.

Note 1.—Chalans in respect of repayment of loans and advances tendered by a private person should be presented to the Departmental Officer concerned in the payment who will after entering the proper classification in the chalan and attaching the requisite schedules to the chalan or mentioning in the chalan the details of Treasury Voucher No. and month under which the original amount was drawn and after enfacing return it to the party for presenting it to the Bank/Sub-Treasury as the case may be.

Note 2.—Chalans for the remittance of the cost of foodgrains presented by the foodgrain dealers may be endorsed by the Supply Aval Karkun when the Tahsildar is away and accepted by the Bank without the intervention of the Treasury/Sub-Treasury Officer. The Supply Aval Karkun should check the classification in the chalan.

Note 3.—The Chalans could be signed by Departmental Officer who may be an officer of the Department concerned, available at the place, who is concerned with the collection of revenue of the Department and not necessarily the Head of the Department/Office or gazetted Officer. Whenever the Heads of Departments/Offices have to authorise a Non-gazetted subordinate to sign the chalans on their behalf, they should, as far as possible, nominate the Non-gazetted officer of the highest rank concerned with the receipts, available at their offices for the purpose.

(4) Where circumstances warrant, Government may authorise the Head Accountant of a Treasury to sign chalans for amounts of Rs. 1,000 and above.

(5) In case of receipt to be credited to the Reserve Bank of India, Bombay, chalans should be presented in duplicate (instead of in triplicate).

414. Chalans shall be valid only for such time not exceeding ten days, as may be fixed by the Collector ; if they are presented after the allotted time, the money will not be received by the Bank until they are re-validated by the Treasury Officer or by the departmental officer as the case may be.

Note.—The time limit of 10 days shall not apply to chalans in respect of amounts tendered for payment of Income Tax, Super Profits-tax, Wealth-tax, Gift-tax, Expenditure-tax Companies (profits) Sur-tax and Estate duty.

415. Cheques on local Banks will be accepted by the Bank in accordance with Rule 100. There will be a daily clearance of cheques accepted and the transactions will be included in the daily account rendered to the treasury after the cheques have been cleared.

REMITTANCES OF DEPARTMENTAL OFFICERS

416. Money received by officers of the departments named below will be received at the Bank direct without the intervention of the Treasury Officer in accordance with the special rules specified against each :—

Public Works..... Rules 447-448.

Forest..... Rules 459-462.

Chalan forms shall be supplied to the Bank by the Treasury.

417. Money received by departmental officers, other than those of the departments mentioned in the preceding rule, shall be forwarded by them daily to the Bank direct with a chalan in duplicate, describing the several items and the heads under which they should appear in the accounts, a separate chalan being used as far as possible, for each Major Head of Account. The duplicate copy of the chalan will be retained by the Bank and forwarded with the account of the day to the Treasury and the original returned, receipted, to the departmental officer for record in his office.

The original chalan may be in the form of a book (i.e. Remittance or Pass book) sent daily for signature.

Note.—Rules 416 and 417 apply only in cases of revenue realised by Departmental officers. In case of other recoveries such as recoveries on account of Objection Book Advance, General Provident Fund, Loans and Advances, etc., made by the Departmental Officers, the chalan in duplicate with the requisite schedules or the details of Treasury Voucher No. and month under which the Original amount was drawn should be presented to the Treasury Officer who will enface it with an order to the Bank to receive the money and to return the original to the Departmental Officer duly receipted. The Treasury Officer will be responsible to ensure that the classification on the chalan is in order and is accompanied by relevant schedules and contains other required details where necessary.

DEPOSIT AND LOCAL FUND RECEIPTS

418. The detailed account of Local Funds and registers of deposits will be kept in the treasury or in the Magistrate's and Judge's offices, the Bank only receiving the amounts tendered in accordance with Rule 413 and crediting them under their proper designation.

Section III—Withdrawal from the Government Account at the Bank

CIVIL CHARGES

419. Subject as hereinafter provided all bills for pay and allowances and contingent expenses of officers of the civil establishment, which are ordinarily drawn upon the treasury, shall be presented to the Treasury Officer, in the first instance for examination. The Treasury Officer, if he passes the claim, shall enface on the bill an order to pay specified amount. Such orders shall be recorded in the register of payment orders issued, which is kept under Rule 440 and shall be numbered, dated and signed. The bill shall then be returned to the person presenting it, and will be paid at the Bank in accordance with the order of the Treasury Officer, the Bank being responsible only for strict adherence to this order and for obtaining a proper discharge from the payee/endorsee of the bill in addition to his signature at the foot of the bill. In cases where the payee/endorsee does not find it convenient to receive payment personally, this discharge should be signed before the bill is presented at the treasury. In such cases, the person through whom payment is desired to be made shall be required to produce a letter in Form M.T.R. 46 authorising him to take the payment.

Note.—When payment is desired wholly or partly in Reserved Bank draft, and a formal application, for a draft accompanies the bill, the Treasury Officer, if he is satisfied that the grant of the draft is permissible, will forward the application to the Bank specifying clearly in the pay order the manner in which payment should be made.

420. Bills of civil establishments, which are payable at Bombay where the Pay and Accounts Officer is required to make payment of such bills after pre-audit, shall be presented in the first instance at the office of the Pay and Accounts Officer for pre-audit and, unless there is a special request on the bill for cash payment, or the sum payable to one single party does not exceed Rs. 20, such bills may be paid by cheques upon the Bank issued by the Pay and Accounts Officer or by any subordinate Gazetted Officers authorised by the Pay and Accounts Officer in this behalf.

421. Without prejudice to the generality of provisions made in these rules with regard to withdrawal of money from the Government account, the procedure to be followed in the payment of claims presented for pre-audit at the office of the Accountant General may be governed by such instructions as may be issued in this behalf by the Accountant General.

PENSIONS

422. Subject as provided in section 11 of Chapter VI of Part V, claims for pensions payable at Bombay shall be presented at the office of the Pay and Accounts Officer and paid in cash or by cheque.

At other stations, save where any other procedure has been duly authorised, pension bills will be cashed by the Bank upon pay orders issued by the Treasury Officer concerned.

Exception—(i). The Treasury Head Accountant is authorised to pass all pension bills for payment up to a limit of Rs. 150 per month including temporary increase. Additional temporary increase and *Ad-hoc* increase etc., of Pensioners drawing pension through Banks which have executed a bond to refund over-payments. All bills in respect of payment of gratuity should however continue to be passed by the Treasury Officers/Senior Treasury Officers. When a pension is paid for the first time, the claim should be scrutinized and passed by the Treasury Officer, irrespective of the amount of pension involved.

(ii) The Treasury Head Accountant is authorised to pass all other pension bills for payment up to a limit of Rs. 60 per month in each case (inclusive of Temporary Increase), where the pensioners collect their pension in person except the pension bills for the month of March, June, September and December payable in the subsequent months which should be checked and passed by the Treasury Officer/Senior Treasury Officer. Bills of pension paid for the first time as well as gratuity bills should be signed by the Treasury Officer/Senior Treasury Officer himself.

Note.—These orders are applicable only to Maharashtra State Pensioners.

DEPARTMENTAL PAYMENTS

423. Funds required for departmental disbursements by officers of the department named below may be obtained from the Bank direct in accordance with the rules specified against it—

Public Works Department Rule 449.

Forest Rules 464 to 466.

424. (a) Officers of the Public Works Department are authorised to draw funds by bills as well as by cheques.

(b) Bills will be cashed by the Bank only on payment orders endorsed thereon by the Treasury Officer.

(c) In respect of cheques on letters of credit will be issued by the Accountant General, but where a Divisional Officer has intimated any limits on the drawings of a Sub-Divisional Officer, the Bank will observe prescribed limitations. In all other cases, cheques will be cashed without any limitations, if otherwise in order.

REFUNDS

425. Refunds of revenue, etc., will be made by Bank on bills bearing pay orders signed by the Treasury Officer in accordance with the procedure prescribed in Rule 419.

This Rule does not apply to refunds of income-tax, estate duty, wealth tax expenditure tax, gift tax, sales tax or refund of tax under M. V. Tax Act, 1958, refund of tax under the Maharashtra Tax on Goods (carried by Road) Act, 1962 and refund of tax under the Bombay Motor Vehicles (Taxation of Passengers) Act, 1958 ; In the case of such refunds the Income-tax Officer, Controller of Estate Duty, Wealth Tax Officer, Expenditure Tax Officer, Gift Tax Officer, Sales Tax Officer or the authority competent to sanction refunds under M. V. Tax Act, 1958, the Maharashtra Tax on Goods (carried by Road) Act, 1962 the Bombay Motor Vehicles (Taxation of Passengers) Act, 1958, as the case may be, is authorised to make out the refund order in the form of a direct order on the Bank and the endorsement of a Second Pay Order by the Treasury Officer will be unnecessary.

DISCOUNT ON SALE OF STAMPS

426. Discount on Sale of Stamps is allowed by deduction from the amount paid by the purchaser. The net amount will be received and brought to account under Rule 413, the receipted chalan being the payer's authority for receipt of the stamps from the Treasury.

PUBLIC DEBT

427. *Government Promissory Notes.*—Government Promissory Notes, on which interest may be due shall be presented to the Treasury Officer, who having made the necessary examination and record shall give the holder an order on the Bank in the following form :—

Pay to Rupees being
interest for half year at
per cent, due on Government Promissory Note No. of
for Rupees.....

428. *Bearer bonds*.—The interest coupon attached to a Bond shall be presented to the Treasury Officer, who, having made the necessary scrutiny and record, shall issue necessary orders on the Bank to make the payment.

429. *Stock Certificates*.—Interest on stock certificates will be paid by the Bank on Interest Warrants issued by the Public Debt Office concerned without the intervention of the Treasury Officer. The Bank will arrange to pay the interest due on the Warrant to the proprietor of the Stock Certificate.

430. The provisions of Rules 427 to 429 apply *mutatis mutandis* to repayment of principal of any promissory Note, Bearer Bond or Stock Certificate, which may be notified for discharge; but nothing in these rules shall be deemed to override any rule of order contained in the Government Securities Manual, regulating the procedure for the payment of interest on or principal of any Public Debt.

DEPOSIT PAYMENTS

431. (1) Repayment of deposits standing at credit of individuals in the treasury register or in the Magistrate's or Judge's accounts will be made on the order of the officer on whose register they are. Persons claiming repayments of such deposits must, therefore, apply to the officer who received them, who, after examining the appropriate register and making the necessary record, will give the applicant an order for payment at the Bank. A Magistrate's or Judge's order must be taken to the Treasury Officer for countersignature before being presented at the Bank, unless the Bank keeps a personal ledger account of deposits of each Court.

(2) In cases in which personal ledger accounts of Civil or Criminal Court Deposits are kept by the Bank each Court will duly intimate from time to time to the Bank the amount of lapsed deposits to be deducted from the personal ledger pass book.

432. Unless in any case the Government directs otherwise, cheques for withdrawal from a personal deposit account at the treasury shall be drawn upon and presented to the Treasury Officer, who will enface them with an order on the Bank to make the payment.

LOCAL FUNDS

433. Payments will be made on cheques drawn by competent drawing officers of the local body concerned. Unless in any case the Government directs otherwise, such cheques will be drawn on the treasury and cashed by the Bank on pay orders issued by the Treasury Officer.

Where, under any special order, a local body draws money from the treasury by presentation of detailed bills, the procedure prescribed in Rule 419 shall be followed.

REMITTANCES

434. The procedure with regard to remittance of treasure from the Bank and the testing of remittance made to the Bank from treasuries will be regulated by the provisions contained in Part XI.

CURRENCY OF PAY ORDERS

435. Pay orders issued on the Bank by the Treasury Officer shall be valid only for a time not exceeding ten days, fixed by the Collector ; if presented after the allotted time they will be refused payment by the Bank until revalidated by the Treasury Officer. Provided that when the Sub-Treasury Officer is required to enfance pay orders passed by the District Treasury Officer the period will be counted from the dates of such enfancements of the Sub-Treasury Officer.

Note 1.—The District Treasury Officer shall forward the passed bill to the Sub-Treasury Officer instead of to the Disbursing Officer.

Note 2.—The pay orders issued by the Sub-Treasury Officer on the bank in respect of bills which are enfaced by the District Treasury Officer for payment at the Sub-Treasury are also valid for a period not exceeding 10 days. If presented after allotted time, they will be refused payment by the bank until revalidated by the Sub-Treasury Officer.

Section IV—Daily Accounts and returns

436. The accounts and returns to be rendered by the Bank to the Treasury Officer in respect of transactions of Government will consist of ; (i) a daily account of receipts and payments in Form T. R. 44, given in the Central Government Compilation of Treasury Rules, Volume II, together with connected chalans and vouchers, (ii) a pass book or register of receipts and payments to be daily forwarded to and returned by the Treasury Officer.

437. In the daily accounts rendered by the Bank, such payments and receipts will be classified as may be directed by the Accountant General, in order that their arrangement may fit in with the forms prescribed for accounts kept at treasuries. The daily account will be prepared every day and the manager or agent, as the case may be after satisfying himself as to its accuracy, will docket and forward it to the Treasury Officer with the register of daily receipts and payments and with all the appertaining chalans and vouchers at the close of the day.

The net amounts of payments only are to be entered, that is, when a deduction is made from the amount of a bill, the daily account will show only the amount paid after deduction and not the gross amount of demand.

Note 1.—It is of importance that these documents be secured in a locked box when sent by the Bank to the Treasury Officer, in order that there may be no possibility of any alteration or abstractions of any paper before they reach the hands of the Treasury Officer.

Note 2.— With the concurrence of the Accountant General the daily accounts may be submitted in the morning following the date to which they refer, instead of at the close of the same day.

438. Care shall be taken that vouchers sent to the Treasury are conspicuously marked by the agent/manager with the word "paid" In attention to this rule may lead to documents being paid twice in the event of their falling into unscrupulous hands.

439. The register of daily receipts and payments has five columns for : (1) the date, (2) the total receipts for the day, (3) the total payments of the day, (4) the initials of the manager or the agent, as the case may be, and (5) the initials of the Treasury Officer. It will be written up and forwarded with the daily account to the Treasury Officer, the entries being certified with the initials of the manager or agent in the fourth column. The Treasury Officer shall check the receipts and disbursements columns of the daily account, agree their totals with the figures entered in the register and examine the vouchers, and after initialling in the fifth column of the register in token of his verification, shall return the register to the manager or agent the same day or as soon as possible on the following day.

Section V—Miscellaneous

REGISTER OF ORDERS FOR PAYMENT

440. The Treasury Officer shall maintain a register of orders for payment.

DAILY POSTING OF ACCOUNTS

441. When the daily account with the chalans and vouchers is received from the Bank, the account shall first be examined against the chalans and vouchers which support it. Then the vouchers which have been already approved and registered by the Treasury Officer, shall first be marked off in the register of orders for payment, that is the date of discharge shall be noted against the entries in the register. Each item of receipt or payment will then be posted from the daily account with its chalans and vouchers, into the cash book either direct or through some subsidiary register and the net difference between the total receipts and the total payments posted in the Register of Reserve Bank Deposits in accordance with the directions contained in this behalf in the Account Code. Volume II. The daily posting in this register must be checked and agreed, with the daily accounts received under rule 436.

ADVICES AND CERTIFICATES

442. Advices of receipts or payments which, according to any rule or order have to be sent to Public Officers or Departments, and consolidated receipts or certificates of receipts or payments required by any rule or order to be given to any Public 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 or paid at the Bank, but that the receipt or payment has entered the treasury accounts.

Nothing contained in this rule shall be deemed to override any local usage or practice under which advices and certificates referred to above are prepared by the Bank.

TREASURY RETURNS

443. All treasury returns, with the exception of those the Bank is instructed to furnish under the rules in this part or under express orders of the Accountant General, shall be prepared in the treasury and not in the Bank.

PART VII—SPECIAL RULES APPLICABLE TO PARTICULAR DEPARTMENTS

CHAPTER I—PUBLIC WORKS DEPARTMENT

INTRODUCTORY

444. The rules in the chapter apply primarily to officers of the Public Works Department in relation to their transactions with treasuries. They are equally applicable to Special Land Acquisition Officers and other officers not belonging to the Public Works Department, who may be authorised to incur expenditure against the grant for public works. In their application to treasuries the cash business of which is conducted by the Bank these rules are subject to provisions of Part VI.

445. When a Government servant of another department is authorised to incur charges on account of the Public Works Departments against the grant for "Public Works", he will do so as a Public Works disbursing officer.

446. Treasury Officers are prohibited from issuing any money for the disbursement of officers acting as Public Works disbursing officers except in accordance with the rules in this chapter.

REMITTANCE TO TREASURY

447. 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 sub-rule (2) of rule 8 he must, 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 Public Works Department."

Note.—Recoveries on account of rents of public buildings borne on the books of the Public Works Department, including rents of electric installations, water-supply and other special services, when such recoveries are made by deduction from pay bills of Government servants, should be credited as receipts of the Public Works Department.

448. No deposit account can be opened in a treasury by officers of the Public Works Department, whatever sums are paid into a treasury by them, or on their account, must be carried to the credit of the Public Works Department concerned.

Note.—This rule applies also to deposits made, at the instance of the Public Works Department, by Municipalities or other Local Funds or Local bodies to meet the cost of works to be carried out by that department. In such cases, the accompanying chalan should state clearly the name of the Public Works Division to which the amount is creditable and of the work to which the deposit relates.

DRAWING FROM TREASURY

449. Funds may be supplied to Officers of the Public Works Department in two ways :—

(1) in direction and other special offices directly by pay and travelling allowance bills of non-gazetted Government servants and contingent bills presented by heads of offices, and by bills in respect of personal claims of Gazetted Officers; the relevant provisions of Part V shall apply to these bills as they apply to bills of other Civil Departments, and

(2) by means of cheques in all other cases.

450. Deleted.

CHEQUES

451. Officers in charge of Public Works Divisions and other Public Works Disbursing Officers, who may be so authorised by the Accountant General in accordance with departmental regulations, may draw cheques on specified treasuries and thus obtain the funds required by them for departmental disbursements not covered by the bills cashed directly at treasuries. No letters of credit will be issued specifying the limit up to which such cheques may be drawn.

Note 1.—The term "treasury" includes a Military treasure chest for the purpose of this and other rules of this chapter.

Note 2.—Payment for value of service postage stamps obtained by indent should invariably be made by cheque in accordance with the provisions of rule 311.

SUBORDINATE OFFICERS

452. (1) A Divisional Officer authorised to draw cheques on the treasury may empower any of his Sub-divisional Officers to draw against his own account. Separate accounts for Sub-divisional Officers shall not be opened either at the District Treasury or at Sub-treasury; the Divisional Officer shall give a letter of authority only and the cheques drawn and paid under his authority will be dealt within the same way as if drawn by himself. But if the Divisional Officer has intimated any limitation on the drawing of a Sub-Divisional Officer for any month, the cheques drawn by the letter during that month shall be noted, irrespective of the date of payment, on the reverse of the letter advising the limitation, in the manner prescribed in rule 201.

Note.—As the accounts of all Public Works Officers are not closed on the last day of the calendar month, the letters of limitation should specify the dates of commencement and termination of the month in each case, and the limitations advised therein should be held to be applicable to cheques drawn during the month thus defined. Any undrawn balance should not be available for drawing in a subsequent month.

(2) When funds are required for a Sub-Divisional Officer at a different treasury from that with which the Divisional Officer himself banks, the latter shall get himself placed in account with that treasury, and then empower his subordinate to draw against his account. Funds may not be made available for such purpose by means of Reserve Bank Drafts.

PAYMENT AT SUB-TREASURIES

453. Subject as provided in rules 163 and 171, funds may be obtained by the Divisional Officer or his Sub-Divisional Officers from sub-treasuries by means of cheques.

PASS BOOK

454. The amount of each cheque paid must be recorded in a pass book or list of cheques cashed (Form M.T.R. 47), which will remain with the Divisional Officer, and be sent by him periodically to be written up by the Treasury Officer from the register of cheques paid.

Note.—A Divisional Officer at the headquarters station should 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 should be fixed. A Divisional Officer, having banking accounts with two treasuries, will, of course, have two pass books.

MONTHLY SETTLEMENT

455. The Treasury Officer shall arrange to have a monthly settlement very early in the month with the Divisional Officer; he should have the pass book written up in respect of cheques cashed during the previous month, 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 subordinate 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 on cheques drawn against the account of Shri officer-in-charge, Division, during 19 , amounted to Rs. (in words)

RETURN OF FORMS SUPPLIED

456. The Treasury Officer shall send quarterly, to each Divisional Officer a statement showing the numbers and dates of all public works cheque books issued on requisition received from the Divisional Officer and each of his Sub-Divisional Officers.

SUPPLEMENTAL

457. Subject to the general provisions of this chapter, supplementary instructions for the guidance of departmental officers may be laid down by departmental regulations.

CHAPTER II—FOREST DEPARTMENT

INTRODUCTORY

458. The rules in this chapter are intended primarily for the guidance of Forest Officers in their dealings with treasuries and of Treasury Officers dealing with the transactions of those officers. They are equally applicable to any other officer not belonging to the Forest Department, who may be authorised to incur expenditure against Forest grant. At places where the cash business of the treasury is conducted by the Bank, these rules shall have effect subject to the provisions of Part VI.

REMITTANCE TO TREASURY

459. Moneys received by officers of the Forest Department shall be paid as soon as possible into the nearest treasury for credit as forest remittances.

Note 1.—Earnest money deposits tendered by contractors or purchasers of forest produce should be paid by them direct into the treasury, where they will be credited to Revenue Deposits and not to Forest Remittances. Refunds of these deposits will be regulated by rule 501.

Note 2.—Remittances by Forest Officers may be in cash, or partly in cash and partly by a cheque or wholly by a cheque, the amount paid in cash and the amount remitted by a cheque being shown separately in the chalan or remittance note.

460. If a Forest Officer makes use of his cash receipts temporarily for current expenditure under the provisions of sub-rule (2) of rule, 8, he must, 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 Forest Department".

The amounts remitted by cheques shall be shown separately in the chalans or remittance notes.

461. The Treasury Officer shall receive forest revenue—

- (i) when paid in by a Forest Officer ; or
- (ii) when the chalan is countersigned by a Forest Officer under rule 115 ; or
- (iii) when he is specially authorised to receive it. In such cases a copy of the chalan shall be forwarded by the Treasury Officer direct to the Divisional Forest Officer, in order that the revenue may be brought to account in the books of the latter.

Note.—Treasury Officers have been specially authorised to accept remittances of forest revenue payable to the Madras and Madhya Pradesh Governments on chalans countersigned by Madras and Madhya Pradesh Forest Officers, respectively.

462. Forest revenue collected at outlying stations may be remitted to treasuries by means of money orders. In such cases, the remittances may be credited to the Forest Department without any chalan. The acknowledg-

ment with the coupon of the money order shall be forwarded by the Treasury to the Divisional Forest Officer and also an advice of all the remittances received by money order on each day on which such transaction may occur.

Note.—Yard karkuns employed at fish-curing yards, who are not within a reasonable distance of treasuries or sub-treasuries, may be permitted to remit the sale proceeds of salt by money orders. The above procedure will apply in the case of such remittances.

463. A consolidated receipt in Form M.T.R. 48 for the Forest remittances received and credited during the month shall be furnished by the Treasury Officer on the first day of the ensuing month to each of the Forest Officers dealing with the treasury.

Note.—Under the directions contained in the Account Code, Volume II, a simple schedule of Forest remittances showing separately the cash received from each Forest Officer and acknowledged in the consolidated treasury receipt will be prepared every month by the Treasury Officer for submission to the Accountant General.

DRAWING FROM TREASURY

464. Officers in charge of Forest Divisions are authorised to obtain funds required for departmental disbursements by drawing cheques on treasuries with which they may be placed in account by the Accountant General. No letter of credit will be issued, specifying the limit up to which such cheques may be drawn.

Note.—The Chief Conservator of Forests, the Conservator of Forests, Research and Working Plans Circle, and Silviculturist, Maharashtra State, Pune, are authorised to issue cheques on Government account on all Treasuries and Sub-Treasuries and on all branches of the State Bank of India within the State and also on the Reserve Bank of India, Bombay.

Conservators of Forests, Divisional Forest Officers, the Forest Engineers and Sub-Divisional Forest Officer, Janjira are permitted to issue cheques on the Treasuries, Sub-Treasuries and Branches of State Bank of India, at their own headquarters. They are also authorised to issue cheques for payment at those Treasuries outside their own headquarters which are specified in Appendix IX.

The Forest Utilization Officer, Maharashtra State, Pune is authorised to issue cheques on Government account on all treasuries and Sub-Treasuries and on all branches of the State Bank of India within the State.

465. The Treasury Officer may cash, against the drawing account of a Divisional Officer, a cheque drawn by an officer holding charge of a forest sub-division or range, provided that he has received from the Conservator instructions to that effect in writing. Such instructions must empower the officer personally and may specify the extent to which he may draw. That officer must not use the same cheque book as the Divisional Officer.

466. The Treasury Officer shall arrange to provide funds at a sub-treasury to meet the demands of a Forest Officer for drawing at that sub-treasury, provided that he has received due warning from that officer of the probable amount to be so drawn.

FOREST OFFICERS ON LEAVE

467. The leave salary of gazetted Government servants of the department on leave in India at a place where there is no Forest Disbursing Officer, may be drawn from the treasury on presentation of bills in the same way as gazetted Government servants of other departments.

SUPPLEMENTAL

468. The provisions of this chapter may be varied or supplemented to such extent as may be deemed necessary by Government after consultation with the Accountant General.

PART VIII—PUBLIC DEBT**Section I—Permanent and temporary loans**

469. When under the terms of a loan notification issued by the Government, subscriptions to any new loan are receivable at the treasury, the procedure to be observed by the Treasury Officer in receiving such subscriptions and crediting them into the Government Account shall be regulated by the provisions of Chapter VII of the Government Securities Manual and by such supplementary instructions, if any, as may be issued by the Government in this behalf.

470. The procedure to be followed by Treasury Officers and the Public Debt Offices 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**

471. Unless the Government directs otherwise, Treasury Bills will be issued from and repaid at the office of the Reserve Bank at Calcutta, Bombay and Madras and at the branches of its Banking Department, at Kanpur.

The procedure to be observed by the Bank in connection with the sale and discharge of such bills will be governed by such instructions as may be issued by the Government to the Bank.

472. Treasury Bills can only be paid on maturity at the office or branch of the Reserve Bank from which they were issued. After payment the discharged 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.

WAYS AND MEANS ADVANCES

473. When ways and means advances are taken by the Government from the Bank, the request to the Bank shall be accompanied by a demand promissory note for the amount on behalf of the President. At the same time, the particulars of the advance, that is, the amount and the interest payable thereon, will be communicated by the Government to the Accountant General.

474. When notifying a repayment, the Government will endorse to the Accountant General concerned a copy of the instructions to the Bank. The Bank will cancel the promissory note for the advance repaid or make a note on it if it is a part-payment. The note on final cancellation will be returned to the Government.

475. Interest on the advance will be debited by the Bank at the time of repayment.

Section III—Other Obligations

A—PROVIDENT AND OTHER FUNDS

476. *Recovery of Subscriptions, etc.*—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 the rules of the Fund. Such premia or subscription shall in no circumstances, be received at the treasury, payment in cash being permissible at Post Offices only.

477. Contributions, donations, etc., payable in respect of the Indian Civil Service and the Superior Service (India) Family Pension Funds are recoverable by deduction from pay bills of the subscribers, or in cash if tendered at the treasury, at the rates communicated by the Accountant General, Central Revenues.

Note.—The Treasury and other Disbursing Officers must check the deductions in respect of the Funds mentioned in this rule, at the time of passing for payment the pay bills of the Government servants concerned.

478. In cases in which subscriptions, including refunds of withdrawals, are paid by deduction from pay bills, the requisite particulars shall be entered by the subscriber, if he draws his own pay, or by the head of the office in other cases, in a separate schedule in one of the Form M.T.R. 49 M.T.R. 50 or M.T.R. 51, as may suit the requirement of the Fund concerned, and the form so completed shall be attached to the pay bill. If the subscription is paid in cash, the number of the account or policy, as the case may be, and all other 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 shall also be quoted in the form or, in case of cash payment, in these separate documents of particulars.

Note.—The Schedules in respect of the recoveries effected from Class IV Government Servants, whose General Provident Fund Accounts are maintained by heads of Offices, shall be signed by the drawing officers when signing the pay bills, after comparing the totals in the schedules with the total deductions shown in the pay bills. The schedules in such cases will not be attached to the pay bills sent to the treasury for payment, instead a certificate will be attached to the pay bills indicating the total amount deducted as subscription and refund of withdrawals.

479. When a subscriber to any Fund whose subscriptions are realised by deduction from a pay bill is transferred to another district or audit circle the fact that he is subscribing to the Fund shall be certified on the last pay certificate by noting thereon the amount of his monthly subscription and the number of his account or policy.

Note.—When a subscriber to the Post Office Insurance Fund is transferred to another audit circle, notice of the transfer should be given to the Accountant General of the new audit circle and the Director, Postal Life Insurance, Calcutta through the Accountant General, Bombay or Senior Deputy Accountant General, Maharashtra State, Nagpur as the case may be.

B—WITHDRAWALS

480. *Provident Fund*: (1) Advances and subject to the provisions of sub-rule (2) of this rule and rule 481 funds required for withdrawals from a Provident Fund, if permissible under the Rules of the Fund, may be drawn by Gazetted Government Servants on Form No. M.T.R. 52, the bill being supported by a duly certified copy of the order sanctioning the advance or withdrawal, as the case may be. In the case of Non-Gazetted Government servants, the advance or funds required for withdrawal, if admissible, may be drawn on the same form, 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 Non-Gazetted subscriber after having his signature attested on the bill, provided the amount of the advance or withdrawal exceeds Rs. 1,000. The subscriber may re-endorse the bill in such a case to his banker or messenger for collection, the conditions prescribed in proviso (2) of rule 177 being applicable *mutatis-mutandis*.

Payment may be made on the authority and responsibility of the Officer sanctioning the advance or withdrawal without the previous authority of the Accountant-General provided that the bill is supported by a certificate in form Maharashtra Treasury Rule 52 that the advance or withdrawal is covered by the balance at the credit of the Government servant concerned.

(2) (i) Withdrawals from a Fund, when permissible under the rules of the Fund, to meet payments towards policies of life insurance or subscriptions to a Family Pension Fund may be made, as and when required, by heads of offices for their subordinates on their own authority and responsibility without every time making a previous reference to the Accountant-General, provided that the Accountant General's authority had initially been obtained which should be quoted in every such bill. Gazetted Government servants may also draw the amounts required for their own policies, etc., in a similar manner and under similar conditions. The bills may be prepared in the same manner as for advances mentioned in sub-rule (1) the particulars regarding the policy or policies on which premium or subscription is to be paid being noted on the bills.

In all such cases, the Drawing Officer shall be responsible for seeing that there is no overdrawal for which purpose the bills shall be supported by a certificate to the effect that the withdrawal is covered by the balance at the credit of the Government servant concerned.

Note 1.—Withdrawals from Provident Funds by officers and staff serving abroad for payment of insurance premia in India may be remitted by the Reserve Bank of India Drafts.

Note 2.—In so far as the withdrawal relates to a gazetted Government servant, the Treasury Officer should be kept informed by the Accountant General of the details of the policies which are being financed from the provident fund account of the subscriber. These details will include name of the Insurance Company, Policy numbers and amounts and dates of payments of premia, etc., which will be on record of the Treasury Officer for the purpose of verification of withdrawals on subsequent bills.

(ii) The first withdrawal for the payment of the premia will be made on the authority of the Accountant General, which should be quoted in the first and also in every subsequent Bill.

(iii) An intimation should 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 for payment of premia.

(3) Save as provided in this rule, no payment on account of any Provident Fund, whether as a refund or subscription overpaid, or as a repayment of the whole or a part of the amount accumulated to credit of the subscriber, can be made without the express authority of the Accountant General or the competent authority, in the case of Class IV Government servants whose General Provident Fund Accounts are maintained by Heads of Offices. Such payments, other than those covered by rule 481, being drawn in accordance with the procedure prescribed in the first paragraph of sub-rule (1).

481. When a subscriber to a Provident Fund is about to retire and under the rules of the Fund the money lying at his credit in the Fund becomes payable to him he shall place himself in communication with the Accountant General by whom his Fund account is maintained giving the date of his retirement and requesting that steps be taken to close his account and pay him the amount due. The Accountant General being satisfied of the correctness of the claim and on ascertaining the date up to which the subscription has been paid, will arrange for the payment of the amount at credit of the subscriber in the account of the Fund. The bills may be prepared in the same Form M.T.R. 52. as prescribed in sub-rule (1) of rule 480, the bill being supported by a duly certified copy of the letter of authority from the audit officer. In case of non-gazetted Government servants, the letter of authority should be attested by the head of the office. Bills for final withdrawal from Provident Fund shall be signed and presented, in the case of a gazetted officer by the officer himself, and, in the case of a non-gazetted officer by the drawing and disbursing officer of the office concerned unless the subscriber has in writing, opted for receiving the payment at the treasury, in which case the bill shall be signed and presented by the non-gazetted officer himself and for purpose of identification a copy of the specimen signature sent to the Accountant General along with the requisite application for withdrawal of Provident Fund balances shall be forwarded by the Accountant General to the treasury officer concerned.

The procedure prescribed in this rule shall apply *mutatis mutandis* to all other cases in which the amount lying at credit of a subscriber in his Provident Fund account becomes payable to him on finally quitting the service.

Note 1.—In the case of Class IV Government servants whose General Provident Fund Accounts are maintained by heads of offices, the verification and arrangement for payment of claims will be made by the Heads of Offices concerned instead of by the Accountant General. In case such a Government servant opts in writing, to obtain payment from the Treasury himself, the drawing and disbursing officer of the office concerned will arrange to forward an attested copy of the specimen signature of the Government servant in question to the treasury officer.

Note 2.—So far as the provisions of this rule relate to preparations, signing and presentation of bills, these will not apply to cases in which an Accountant General makes final payment of the Provident Fund balances outside his jurisdiction under rule 481-A.

481-A. When the final payment of the balance at the credit of a subscriber (other than a Class IV Government Servant) to a Provident Fund is to be made outside the jurisdiction of the Accountant General who maintains the Provident Fund Account of the subscriber, that Accountant General will, 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 will intimate the amount payable to the payee, and also send a form of receipt to be filled in by him which is given below. On return of the form of receipt duly signed by the payee, a Bank draft will be purchased by the Accountant General and sent to the payee by registered post.

Received payment of Rs.(Rupees

.....) only being the accumulation in my Provident Fund

Account No.

Station

Signature

Dated

Address

Please pay by Bank draft.

Signature

Address.

Note.—In so far as the final payment relates to an amount less than Rs. 50 is to be made outside the jurisdiction of the Accountant General who maintains the Provident Fund Account of the subscriber, that Accountant General will issue Special Seal Authority, on other Accountant General for arranging the payment and also furnish the following particulars to facilitate the identification of the payee duly attested :—

1. Personal marks of identification of the payee.
2. Thumb and finger impression of the left hand of the payee.
3. Specimen signature of the payee.

482. Cheques issued on the Bank at out-stations in final payment of Provident Fund deposits of a subscriber should always be sent to the Treasury Officer concerned for delivery to the payee after proper identification.

483. Except as hereinafter provided, final payment on account of any Provident Fund when authorised, shall be made on the personal receipt of the subscriber or, when he is absent from India, on that of his duly authorised agent. Payments may, however, be made to an authorised banker, if so desired by the subscriber, in the manner laid down in Rule 242(2). The drawing and

disbursing officer of the office concerned may also draw the bill and obtain the payment thereof for disbursement to the subscriber ; if the subscriber, who before finally quitting service, whether by retirement or otherwise, held a non-gazetted post and opts in writing to receive payment through his office. Provided further, that in the event of death of the subscriber, before payment has been made payment may be made to such person or persons as may be authorised to receive payment under the rules of the Fund concerned and such subsidiary instructions as may be issued by Government in this behalf.

483-A. The payment of additional amount payable under the provident fund deposit linked Insurance Scheme on the death of a Government employee shall be sanctioned by the Head of Office under whom Government servant was serving at the time of his death and also drawn and disbursed by him to the person(s) entitled to receive that employee's Provident Fund dues.

484. *Funds not under Government Management.*—In the case of Funds not under Government management, withdrawals from the Government Account in respect of sums credited, either by way of subscription, or interest allowed by the Government, shall not be permitted, except under the authority of the Accountant General through whom the accounts of the Fund are settled. The Accountant General may issue letters of credit on specified treasuries, against which withdrawals may be made by the authorities of the Fund concerned by means of cheques.

PART IX—DEPOSITS

Section I—Introductory

485. Moneys received at the treasury for deposit in the Government Account are classified according to the department through which they are received, the usual classes being (1) Revenue Deposits, (2) Civil Court Deposits, (3) Criminal Court Deposits, and (4) Deposits for Works Done for Public Bodies or Private Individuals.

Another important class is 'Personal Deposits' of which the account kept at the treasury is of the nature of a banking deposit account, the receipts and payments being recorded in personal ledgers. Other classes of deposits may be added under special orders of the Government.

Note.—Separate registers must be kept for each class of deposits in accordance with the directions contained in this behalf in the Account Code, Volume II, or under special instructions of the Accountant General.

486. Unless there be anything repugnant in the subject or context, the relevant provisions of this part shall apply to deposit transactions of the Defence, Railway, Posts and Telegraphs, Public Works and other Central Departments whose initial accounts are kept in departmental offices, except in so far as they may be varied or supplemented by departmental regulations.

Note.—This rule does not apply to Post Office Savings Bank Deposits.

487. At places where the cash business of the treasury is conducted by the Bank, moneys tendered as deposits will be received and payment of such deposits will be made by the Bank in accordance with the procedure laid down in Rules 417 and 431 to 433.

Section II—General Rules and Limitations

488. No moneys shall be received for deposit in the Public Account, unless they are such as by virtue of any statutory provision or of any general or special orders of the Government are required for authorised to be held in the custody of the Government.

Subject as aforesaid, it is the duty of the Treasury Officer to see that, save as expressly otherwise provided by these rules, no money is 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 representation to the Court or authority ordering its acceptance or in whose favour the deposit was received.

489. The treatment of the following items as deposits is prohibited :—

(i) No pay, pension or other allowances should be placed in deposit on the ground of the absence of the payee for any other reason.

Note.—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, the balance being placed in deposit.

(ii) No fines should be placed in deposit on the ground that appeal is pending ; they should be credited at once to the Government, and refunded if necessary, on order of the Appellate Court. But 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 they lapse under the ordinary rule.

(iii) As provided in Rule 383, no refunds, whether of stamps or of other receipts, can be drawn to be lodged in deposit pending demand by the payee.

490. No jewels or other property received for custody and restoration in kind may be brought on the deposit account, though the value be stated in money.

491. Government Promissory Notes or other security deposits (not being cash) received from revenue farmers, contractors or other parties must on no account be credited as deposits.

492. The net sale-proceeds of (unclaimed) impounded cattle may be kept in deposit for three months, and if no claim be made within that time, are to be credited to the proper account.

493. The sale-proceeds of unclaimed property are not to be placed in deposit at all ; under Central Act V of 1861, section 26, the property itself is to be kept for six months, but money realised by sale is at once (section 27) at the disposal of the Government, and should be credited to ' XVII-Administration of Justice—State. ' Exception must, however, be made in the case of property left by persons dying intestated and without heirs which Civil Courts will secure and hold for certain periods in accordance with the local law.

Note (1).—If unclaimed property be perishable and be sold because it cannot be kept, or if it be sold for the benefit of the owner ; or because its value is less than ten rupees, its proceeds should be credited to " Criminal Court Deposit " and held therein for six months ; but the circumstances should be clearly got entered in the chalan presented at the treasury for entry under " nature of Deposits " in the deposit register.

Note (2).—Money belonging to prisoners in jail should not be held for long terms by the Jail Department, but should be paid into the treasury at convenient intervals.

Note (3).—The Police Department should have no deposits except security and earnest money deposits, which should be paid into the treasury as " Revenue Deposits " ; unclaimed property found by, or delivered up to a police officer should be made over to the Magistrate ; proceeds of sales of old stores or other Government property should be paid into the treasury for credit to Government Account.

494. The following provisions apply to moneys tendered for credit as Personal Deposits at a Treasury :—

(a) Moneys tendered by or on behalf of wards and attached estates and estates under Government management may be accepted at a treasury for credit as Personal Deposits.

(b) Officers Commanding Units and others concerned in the administration of Public Funds or Funds in the Defence Department are authorised to open Personal Deposit accounts for such funds at any treasury, the cash business of which is not conducted by the Bank.

A half-yearly certificate of the balances of these accounts kept at a treasury will be furnished by the Treasury Officer on the application of the officer concerned.

Note.—Without prejudice to the provisions of Rule 9, Regimental Funds may, under departmental regulations, be deposited outside the Government account with a branch of the State Bank of India or with any other bank or banking firm of good standing.

(c) Save as provided above, moneys tendered by Government officers acting in their official or any other capacity, and funds of quasi-public institutions, even though like certain dispensaries aided by the Government may not be accepted as Personal Deposits at a treasury without the special permission of the Government for opening of a banking account with that treasury. Such permission may not be granted, except after consultation with the Accountant General and unless the Government be satisfied that the initial accounts of moneys to be held in such Personal Deposits are properly maintained and are subject to audit.

Note.—Personal Deposits accounts may be opened in favour of non-Government officials in charge of non-Government institutions for (i) National Scholarship Scheme, (ii) National Loan Scholarship Scheme, (iii) Merit Scholarships for the children of Primary and Secondary School Teachers under orders of Government in consultation with the Accountant General.

495. Save as otherwise provided by any law or rule having the force of law, and subject to any general or special orders of the Government to the contrary, the provisions of Rules 503 to 510 apply *mutatis mutandis* to Personal Deposits and all other classes of deposits dealt within this part.

Personal Deposit Accounts which are not operated for more than three complete accounts years, should be closed and the balance at the close of March in each year be credited to Government in accordance with the following principles :—

(a) If the Personal Deposit Accounts have been initially opened by debit to an "Advance" head in the section "I-Deposit and Advances etc." the amount may be credited to the same head.

(b) In cases where the personal deposit accounts are not credited by debit to any "Advance" head but are opened in connection with the administration of any fund or for the purpose of accounting non-Government moneys etc., the balances lying at the credit of such Personal Deposit Accounts may be credited to Government as accretion to revenue.

In cases, however, in which the Personal Deposit Accounts are credited by debit to the Consolidated Fund, the same should be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Funds the Personal Deposit Account being opened next year again, if necessary, in the usual manner.

The balance thus lapsing should be reported by the Treasury Officer to the Accountant General, immediately after 31st March in the manner laid down in the Account Code, Volume II.

Note.—The provisions of Rule 506 will not apply to Personal Deposits.

Section III—Revenue Deposits

RECEIPTS

496. All deposits must be separately paid into the treasury with chalangans or other documents setting forth all the particulars necessary for the entries to be made in the register of deposit receipts.

Note.—Each item of receipt must be recorded in words and figures in the register or receipts and each entry must be checked and initialed by the Treasury Officer in accordance with the directions contained in this behalf in the Account Code, Volume II.

497. In respect of earnest money deposits made by intending tenderers of the Civil Departments, which are creditable as Revenue Deposits, no previous authority of the departmental officer is necessary. But the depositor must state the designation of the officer in whose favour he makes the deposit and the designation must be stated on the receipt given by the treasury. These deposits may be received at sub-treasuries as well as at district treasuries.

REPAYMENTS

498. (1) Refunds of deposits can be made only on the receipt of 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 deposit through such a departmental officer, the departmental officer should draw the amount on the 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 as stated in rule 498 (2).

(2) Save as provided in Rule 501, a person claiming refund of a deposit must produce an order of the 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 payee's 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 amount of the repayment. If there be 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.

Note.—The notes regarding repayments to be taken in the receipt register against the original credit items should be both in words and figures.

449. The provisions of Rule 387 apply to refunds of deposits as they apply to refund of revenue, when the amount involved does not exceed Rs. 100.

REPAYMENT ORDER AND VOUCHER

500. Form M.T.R. 53 shall be used for repayment order and voucher for deposits repaid. A deposit repayment voucher must in no case be prepared at the treasury.

As a safeguard against fraud, the authority ordering repayment shall enter the name of the payee after the words "Passed for payment" thus "Passed for payment to"

Where under the provisions of rule 498(1) a departmental officer is required to draw the amount for repayment of a deposit, he will prepare a bill in Form Maharashtra Treasury Rule 53 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 depositors to whom the repayment is to be made, the amount to be repaid, 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 receipts thereof in the space, provided for 'claimant's signature' and after scoring out the words 'claimant's signature'. The treasury officer will then make the payment to the departmental officer after verifying the availability of the credit.

501. Except as provided in rule 498(1) earnest money deposits of the Civil Departments cannot be refunded except 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, and under no circumstances can part payment be made.

502. If the Departmental officer desires that an item of earnest money deposit, instead of being refunded, be carried to the credit of the Government, he must return the deposit receipt with this direction whereupon the Treasury Officer will make the necessary transfer on the authority of this voucher.

503. In order to avoid the inconvenience and risk which accompany the payment of money upon orders recorded in an Indian languages, and to ensure caution in the issue of such orders, every order issued by a Court or office for the payment of money from a treasury shall be in English unless the officer ordering the payment 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 Indian language commonly known in the district, as well as in English.

504. Unless it be otherwise provided by any law, or rule of order issued by a competent authority, a deposit repayment order shall remain in force for a period of three months from the date on which it was issued, after which no repayment can be made on its authority unless it is revalidated.

PAYMENT AT A SUB-TREASURY

505. When an officer in charge of a sub-treasury has occasion to place in deposit an item which under any rule or order may be so dealt with, he may, subject to the provisions of this section repay it without formal orders from the district treasury.

If any class of deposits is repayable at a sub-treasury, it must not, except with the special permission of the Collector, be repayable at the district treasury also.

LAPSED DEPOSITS

506. Deposits not exceeding five rupees unclaimed for one whole account year, balances not exceeding five rupees of deposits partly repaid during the year then closing and all balances unclaimed for more than three complete account 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.

Note.—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 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.

507. The Government may, in relation to any particular class of deposits, issue orders varying or relaxing any of the conditions of limitations specified in the preceding rule.

508. (1) Deposits, the detailed accounts of which are not kept at the Treasury and which are credited to the Government under Rule 506, cannot 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 may, wherever necessary be paid to the Departmental Officer on his receipt as provided in rule 509. Where the depositor requests to receive the refund through the departmental officer, the application for refund should, 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 rule 509.

(2) Deposits, the detailed accounts of which are kept at the treasury and which are credited to the Government under Rule 506, 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 may, wherever necessary, be paid to the departmental officer on his receipt as provided in rule 509.

Note.—The sanction/payment authority issued by the Accountant General in cases covered by the provisions of sub-rule (1) above will be valid for three months from the date on which it was issued after which no payment can be made on its authority, unless it is re-validated.

509. The application for sanction shall be made in Form M.T.R. 54. There must be a separate application for deposits repayable to each person, and it shall be used as the bill on which the payment is to be made at the treasury.

In cases where moneys on account of 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 where these deposits have lapsed to the credit of Government under rule 506 and where the depositor requests to receive the refund thereof through such a departmental officer, the departmental officer should draw the amount on his receipt in Form M.T.R. 54 the treasury officer will make the payment or obtain the sanction of the Accountant General and make the payment to the Departmental Officer.

510. The repayment of a lapsed deposit shall be recorded in the appropriate deposit register of receipts so as to guard against a second payment.

If the payment is made after the register of receipts has been destroyed, the responsibility for verifying the claimant's title to refund shall devolve on the authority who signs the application in Form M.T.R. 54.

Section IV—Civil and Criminal Courts' Deposits

RECEIPTS AND REPAYMENTS

511. Subject as hereinafter provided in this section, the provisions of section III of this part relating to receipt and repayment of Revenue Deposits shall apply in relation to Civil and Criminal Courts' deposits with such adaptation and modification as may be authorised by the High Court after consultation with the Accountant General.

512. Subject to such general or special orders as may be issued by the Government, Civil Courts and Magistrates may either :—

(i) keep a banking account with the treasury, remitting without detail their gross deposit receipts for credit in Personal Deposit accounts and making repayments by cheques on the treasury against such Personal Deposit accounts, or

(ii) arrange that each deposit is separately paid into and drawn from the treasury, upon documents passed by an authorised officer of the Court and setting forth the particulars necessary for the entries in the deposit registers kept at the treasury.

Note 1.—The object and effect of the arrangement set out at (i) above is simply to relieve the Treasury Officer of responsibility for the details of the deposit transactions, not to abolish the detailed record, but to confine it to the departmental office in which registers of receipts and repayments and other initial records must be kept in accordance with the directions contained in the Account Code, Volume II.

The Civil Court or Magistrate in this case should be responsible for the submission of such monthly and periodical accounts and returns as may be required by the Accountant General, although the vouchers are to be sent by the Treasury Officer.

Note 2.—In cases in which the first method referred to in this rule is followed, each Civil or Criminal Court should incorporate in its own account deposit items of its subordinate Court as a treasury does in respect of those of sub-treasuries unless any subordinate Court is authorised to keep independent accounts and submit the returns directly to the Accountant General. Separate accounts should be kept for, and separate returns submitted by the several Small Cause Courts.

513. Each transaction of receipt or payment of a Civil or a Criminal Court deposit must be initialled by the Judge or Magistrate, or by some duly authorised gazetted officer of the Court.

514. In Civil Courts where numerous petty sums are received from suitors for immediate disbursement in full (as for diet, postage, etc.), the detailed control may, with the approval of the High Court, be left with the receiving Court.

Note 1.—The receiving Court, however, should record and deal with these petty deposits with the same care and formality as others. It should enter all in detail in a register of deposit receipts in the ordinary form labelled "Sheriff's petty accounts" and repayment should be recorded in the similar separate registers of repayment, both to be handled and attested like the general registers. From these two separate registers, daily totals should be carried into the general registers (though of course, without numbers) and also into a register of the personal ledger form in which a daily balance should be struck and lapses periodically reported.

Note 2.—The detailed procedure for the record of these petty deposits may be prescribed whenever the system is permitted by the High Court after consultation with the Accountant General.

AGREEMENT WITH THE TREASURY

515. (1) When the different Civil Courts of a district bank with the treasury, the Treasury Officer may, if it facilitates the comparison of the accounts, open a Personal Deposit Account for each Court, even though the deposit transactions of the subordinate Courts be brought by a superior Court in detail on its own registers.

Note.—To prevent disagreement between the deposit figures reported to the Accountant General by Civil Courts and by Treasury Officers, it is necessary to arrange that the former should report completed transactions. A Civil Court may not receive moneys but give the intending depositor an order to the Treasury Officer to accept it; and so, though recording the issue of the order in a register in sufficient details, it should not bring the item on the deposit register till the Treasury Officer advises receipt. Similarly, it should ascertain from the treasury at the close of the month which of its cheques have been cashed, and the cheques which are unpaid and deduct the total of the unpaid cheques from the total of the cheques issued to tally their figures with the treasury figures.

(2) The Treasury Officer shall furnish the Court with a daily advice list of the sums received and paid, or advise the receipts and payments in a pass book as may be laid down by the Accountant General.

516. When it is inconvenient for a depositor to proceed to the treasury with the Court's order to lodge his deposit, it may be received by the Court, and by it afterwards forwarded to the treasury. Courts in the same town with a treasury shall make remittances daily; if at a greater distance, they shall remit frequently at fixed intervals. Similarly, when it is inconvenient for a claimant to proceed to the treasury to obtain repayment of a deposit, the Judge may pay him in cash provided that there are in the Court funds sufficient, whether of current deposit receipts or of the office permanent advance to meet the payment.

Note 1.—In these cases, the gross receipts and payments taking place at the Court must be shown as remitted to and from the treasury, and the payment be supported by the paid orders. If the receipts are in excess of the payments, the excess should be remitted in cash to the treasury; and if the payments are in excess of the receipts, the treasury should pay the excess to the Court which will thus recoup the permanent advance account.

Note 2.—No permanent advance may be given and held apart specially for the repayment of deposits ; the office permanent advance may be augmented sufficiently.

517. When the list of lapses under Rule 506 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.

Section V—Personal Deposits

RECEIPTS AND REPAYMENTS

518. Subject as provided in rule 494, moneys tendered as Personal Deposits may be received at the treasury from the administrators of the deposit accounts without specification of detailed items.

519. Unless in any case, the Government directs otherwise, withdrawals can 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 at credit in the deposit account.

Section VI—Deposits for works done for Public Bodies or individuals

520. Payments made to the Government by District Boards, Municipalities and other Local Bodies for the cost of land taken up on their behalf under the Land Acquisition Act, shall be received at the treasury in accordance with the procedure laid down in the departmental regulations.

The number and date of the award statement as well as the date on which the deposit was credited in the treasury accounts shall be noted on all orders and vouchers on which payments are made out of the deposit account.

521. Deposits for works to be done on behalf of Local Bodies and other parties may be received and dealt with by the Public Works and other departments carrying out the works in accordance with departmental regulations.

Note 1.—When under departmental regulations the Local Body or the party concerned is authorised to pay the deposit direct into the treasury, the accompanying chalan should state clearly the name of the department to which the amount is creditable and the division and the work to which the deposit relates.

Note 2.—The provisions of section III of this part relating to receipts and repayments of Revenue Deposits shall apply in relation to these deposits.

Section VII—Deposits of fees

522. Fees received from non-Government bodies or private persons for work done for them by Government servants shall be dealt with as follows :—

(i) In cases where a Government servant is permitted to retain the whole of a fee, he should collect it himself and the Government will not be concerned with the transaction.

(ii) in cases where the fees are divisible between the Government and the Government servant concerned—

(a) If the exact amount of the fees and the distribution of shares between the Government and the Government servant are known beforehand, the share due to the Government should be credited as miscellaneous receipts of the Department to which the Government servant belongs and the rest should be collected by the Government servant himself. The Government share should be paid into the treasury as far as possible by the body or persons paying the fee ;

(b) If the amount of the fees or the shares are known only approximately beforehand, all the fees should in the first instance be paid into the treasury to the credit of the Government, as far as possible by the body or person paying the fees. The recoveries should be credited to the appropriate deposit head, pending final settlement, when the share due to the Government should be credited as miscellaneous receipt of the department to which the Government servant belongs, and the rest should remain under the deposit head for disbursement to the Government servant in accordance with the procedure set out below :—

The Government servant himself, if he holds a gazetted post, or the head of office on behalf of a non-gazetted Government servant, must claim the amount due to him on a bill in ordinary pay bill form 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 bill to the Treasury Officer, who will pay it by debit to the deposit head concerned.

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 servant doing work for non-Government bodies or persons. They are not applicable to cases, e.g., fees levied for overtime work in departments where it is in existence, where a Government servant 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 the latter cases the fees realised are adjustable as departmental receipts and the disbursements to the Government servant as departmental expenditure.

Section VIII—Special Rules for Deposits of Local Funds

EXPLANATION

523. The expression " Local Fund " denotes—

(i) revenue administered by bodies which by the law or rule having the force of law come under the control of the Government, whether in regard to the proceedings generally, or to specific matters such as the sanctioning of their budgets, sanction to the creation of filling up of particular appointments, the enactment of leave, pension or similar rules ;

(ii) the revenues of any body which may be specially notified by the Government as such.

RECEIPTS AND PAYMENTS

524. Save where it is expressly provided by any law or rule having the force of law, moneys pertaining to a Local Fund may not be received for deposit at a treasury without some general or special order of the Government.

525. The accounts of Local Funds at a treasury shall be kept as pure banking accounts, moneys being paid into and drawn out of the treasury without specification of the nature of receipt or expenditure. Unless in any case the Government directs otherwise, withdrawals can be made only by cheques signed by the administrator or some responsible officer of the Local Authority concerned.

526. If, under any special orders of the Government, moneys required by a Local Body have to be drawn from the treasury on detailed bills, such bills shall be presented, as far as possible in accordance with their relevant provisions of Part V. The gross amounts of bills shall be debited by the Treasury Officer against the Local Fund concerned, the deductions on account of income-tax, fund subscription etc., being credited by transfer in distinct entries.

527. No Local Body is allowed to overdraw the balance at its credit in the Public Account without obtaining beforehand a loan or contribution from Government funds to cover the overdraft.

VERIFICATION OF BALANCES

528. The balance at credit of each local fund shall be verified at the end of the year by the Treasury Officer in communication with the officer or committee administering the Fund and it is not necessary for the Accountant General to maintain detailed accounts of receipts and payments for such local fund except where the local fund has banking account with more than one treasury and separate balances are not maintained by Treasuries. The balances on the Accountant General's book is the balance acknowledged by the Government.

Section IX—Other Deposits Accounts

529. Moneys appertaining to special deposit accounts which do not strictly fall under any of the separate classes specified in this part may be paid into or drawn out of the Public account in accordance with such general or special directions as may be given by the Government.

PART X—LOANS AND ADVANCES

Section I—General

INTRODUCTORY

530. The rules in this part shall apply to loans and advances of different classes, which are granted out of funds provided by the State Government under the head "Loans and Advances by the State Government" and "Advances Repayable", except in so far as they are governed by any special rules contained in other parts of these rules or in any departmental regulations.

MODE OF DRAWING AND REPAYING

531. Subject to the provisions of Section II of this Part, bills for loans and advances shall be drawn by the drawing officer of the office of the authority sanctioning payment of loan or advance. The bill shall be presented at the Treasury supported by a copy of the sanction for such payment. In case the treasury officer makes payments by cheques or Bank drafts, the drawing officer shall obtain cheques/drafts wherever necessary and make arrangements for payment.

Note.—Bills for payment of loans and advances on non-gazetted Government servants and to those gazetted Government servants who are paid under the 'Scheme for the withdrawal of pay and allowances, etc., of Gazetted Government servants by Heads of Offices' shall be drawn and disbursed by the head of office concerned in the manner stated above. Bills for payment of loans and advances to other Gazetted Government servants shall be drawn by the Gazetted Government servants concerned.

Exception.—Bills for Loans of the Co-operative Societies may be signed or countersigned by the Subordinate Officers not below the rank of the District Deputy Registrar of the Co-operative Societies.

532. Except as otherwise provided in Section II of this part loans and advances may be drawn in form M.T.R. 57.

533. In repaying a loan or advance, the memorandum or chalan presented at the treasury, or if the repayment is made by deduction from the amount of a claim against the Government, the bill for such a claim, must state the original date and amount of the loan or advance, or otherwise give sufficient particulars for its identification. If the amount repaid includes interest as well as principal, the interest must be separately specified. If the repayment is a fixed periodical amount, including both interest and principal, the orders fixing the amounts shall be quoted.

The memorandum or chalan for repayment of loan instalment or payment of interest, or both shall be presented at any treasury located within the jurisdiction of the Accountant General on whose books the loan or advance was adjusted at the time of payment and in case it is not convenient to the loanee to so present the memorandum or chalan, he shall remit the amount to the

Accountant General or the departmental officer responsible for the maintenance of detailed accounts of the loan, as the case may be, by cheque/bank draft drawn on a bank at the place where the office of the Accountant General or the departmental officer, as the case may be, is located.

Section II—Special Rules applicable to different classes of Loans and Advances

534. Deleted.

REVENUE ADVANCES

535. The following special procedure is prescribed for the drawing of Revenue Advances which include *takavi* advances, advances under the Land Improvement Acts, and any other advances which Revenue Officers are allowed or directed to make under the provisions of any law, or under special order of the Government.

Note.—*Takavi* works advances in the form of expenditure on *Takavi* works in the Public Works Department are regulated by departmental rules. Save where the estimated cost of such works are recovered in the Public Works Department, recoveries of such advances will be made by Collector in the same way as arrears of land revenue.

536. Advances may be issued from the treasury upon orders signed or countersigned by the Collector or other duly authorised officer. Neither the Treasury Officer nor the Accountant General will be responsible for taking further cognizance of each individual transaction after payment by a treasury beyond keeping a separate *plus* and *minus* memorandum for each officer who authorises the advances, in accordance with the directions contained in this behalf in the Account Code, Vol. II. For all further accounts and supervisions, the departmental authorities will be responsible.

537. (1) Advances may be made either direct to the parties concerned and on their receipt (stamped when necessary), or in lump sums on abstract bills in Form M.T.R. 29 to Government Officers disbursing the advances :—

(a) In the former case the payments in the treasury account must be supported either by actual payees' receipts, or where these are required by the departmental officer, by a certificate from the Collector or other duly authorised officer to the effect that the payments have been made to the proper parties and their receipts duly taken and filed in the departmental office.

(b) In the latter case the following safeguards shall be adopted :—

(i) No officer disbursing these advances should be allowed to draw a second abstract bill without producing a detailed bill to account for the amounts already disbursed from the last advance taken, any balance left being at the same time refunded into the treasury. In no case should the submission of the detailed bill be delayed beyond the end of the month following that in which the advance was drawn from the treasury.

(ii) Disbursing officers should take the receipts of the payees on the spot as soon as the advances have been made, and certify at the foot of the detailed bill that the advances were duly sanctioned by them and paid in their presence.

(iii) Payees' receipts need not be sent with the detailed bill and their names need not be shown in it. The detailed bill should be forwarded to the Accountant General through the Countersigning Officer in support of the debit appearing in the treasury account.

(iv) The Collector or the head of the department concerned should prescribe a money limit for the amount which can be drawn on abstract bills by each officer with due regard to the circumstances of each case.

(2) No officer authorised to make advances may question the accuracy of the treasury *plus* and *minus* memorandum as the record of his responsibility, otherwise than by satisfying the Accountant General of its erroneous-ness and causing him to correct it. Every officer shall see that the debits and credits made to his account accurately correspond with those which enter his own registers and returns for each month. If he is not the Collector, he must obtain from the treasury a copy of the *plus* and *minus* memorandum with which he is concerned and take necessary steps for the removal of differences between the two sets of accounts. Special care shall be taken in paying recoveries into the treasury that the amounts of interest and principal recovered are separately and distinctly credited, as the former must not, and the latter must, be credited in the *plus* and *minus* memorandum.

ADVANCES UNDER SPECIAL LAWS

538. Advances under this head will be regulated in accordance with the provisions of the relevant Acts and rules framed thereunder, or by such orders, general or special, as may be issued by the Government in this behalf.

ADVANCES FOR DEPARTMENTAL PURPOSES

539. Advances granted under special orders of competent authority to Government Officers for Departmental or allied purposes may be drawn on the responsibility and receipt of the officers for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund, as may be necessary.

In the case of advances for survey and other departmental expenditure, which are ultimately recoverable from private owners or other parties, the duty of maintaining detailed accounts of the advances of watching their recoveries and of supervisions, etc., shall rest with the departmental authorities concerned, the Treasury Officer being responsible only for maintaining a *plus* and *minus* memorandum, where necessary, in accordance with the directions contained in the Account Code, Vol. II.

Note.—The provisions of sub-rule (2) of Rule 537 apply also to advances of this class of which the detailed accounts are kept departmentally.

ADVANCES TO GOVERNMENT SERVANTS ON PERSONAL ACCOUNT

540. (1) These advances may be drawn on Form M. T. R. 18-B in the case of Gazetted and on Form M. T. R. 24-B in the case of Non-Gazetted Government servants. The names of Government servants with their designations and the amounts of advances sanctioned for each should be clearly indicated in the form to be used for the purpose.

The vouchers on which advances are drawn must quote the authority sanctioning them and payment will be made by the treasury on the authority of such sanction. The recoveries of advances through the pay bills or travelling allowances bills, as the case may be should be supported by the schedules of recoveries of advances in Form M.T.R. 55, separate schedules being attached for the different types of advances.

(2) A personal advance to a Government servant may be repaid either in cash or by deduction from his pay or travelling allowance bill, as may be required under the rule or order applicable to each case. In repaying an advance the memorandum presented at the treasury or the pay bill, as the case may be, must state the original date and amount of the advance or otherwise give sufficient particulars for its identification. Separate schedules for different types of advances should be attached in form M. T. R. 55. In the case of recoveries of Festival Advances, however, the pay bills should be supported by a schedule of recovery in Form M.T.R. 56. In cases in which repayment is made in cash, remittance of the amount to the particular treasury or office from which the advance was drawn is not necessary.

OTHER LOANS AND ADVANCES

541. Subject to the general provisions contained in Section I of this part loans or advances not falling under any of the separate classes specified in this section, may be drawn and repaid in accordance with such general or special order as the Government may issue in each case.

PART XI—TRANSFERS OF MONEYS STANDING IN THE GOVERNMENT ACCOUNT

Section I—Introductory

KINDS OF TRANSFERS

542. Transfers and remittances of moneys standing in the Government Account of the State Government are of the following kinds, namely :—

(a) Transfer through currency, that is a transfer of money between the treasury balance and the currency chest at one place in consideration of an opposite transfer of the same amount being made at another place, e.g. *transfers* at a district treasury against opposite transactions at a sub-treasury subordinate to it, and transfers at a Currency Office against deposits and withdrawals at treasuries and sub-treasuries.

Note.—Currency chests are maintained at State Treasuries and sub-treasuries on behalf of the Issue Department of the Reserve Bank in accordance with the arrangement described in Chapter II of Part XIV.

(b) Remittances of coin and notes :—

(i) Bank remittances, that is, remittances from the Bank to a non-Bank treasury or sub-treasury or *vice versa*, when both the receiving and the remitting offices are not within the jurisdiction of a single State.

(ii) Remittances between treasuries, that is, remittances from the treasury balance at one treasury to the treasury balance at another treasury, when both the remitting and the receiving treasuries are not within the jurisdiction of a single State.

*This method of remittances applies only to remittance to and from sub-treasuries where there is no currency chest and to the remittance of foreign notes and coin, and of uncurrent coin, when such coins are not sent separately for remittance to the Mint.

(iii) Small coin depot remittances, that is, remittances of small coin from a small coin depot to another small coin depot, a Central or a State Treasury or to the Bank conducting the cash business of any such Treasury or *vice versa*.

(iv) Mint remittances comprising—

(1) Remittance to the Mint of uncurrent coin or coin withdrawn from circulation from a State Treasury or from the Bank conducting the cash business of any such Treasury, and

(2) Remittances of new coin from the Mint to a small coin depot.

Note.—Remittance of uncurrent coin from a sub-treasury not being a Central Sub-Treasury to the district treasury of a State will be treated as a local remittance affecting the balance of the State Government.

APPLICATION OF RULES

543. The rules of procedure prescribed in Section II of this Part apply primarily to transfers between the currency chest balance and the treasury balance at a State treasury. These rules are also applicable to transfer between the treasury and currency chest balances within a State, which are set off by opposite transfers at a place outside its jurisdiction, except in so far as they may be supplemented or modified by any special instructions issued by the Currency Officer.

544. Unless in any case the Government after consultation with the Reserve Bank directs otherwise, all remittances mentioned in clause (b) of rule 542 shall be governed by the provision of Section III of this Part.

545. The rules in this Part are issued after consultation with the Reserve Bank.

Section II—Transfers through Currency

BANK TREASURIES

546. *The Currency Chest pertaining to a Bank Treasury is kept in the sole custody of the Bank.*—All transfers from and to currency chests at the Bank will be effected under instructions from the Currency Officer, and such transfers will not affect the Government balance and will not pass through the Government Account.

547. Subject to any special direction contained in Part XIV all transfers from and to Currency shall be of whole rupees and notes.

548. At sub-treasuries where there is a currency chest, the transfer of funds shall be made in accordance with the following procedure :—

(i) When a Sub-treasury Officer requires funds, he should with the previous permission of the Treasury Officer, transfer the specified amount from the currency chests to his treasury balance and report the fact forthwith to the Currency Officer concerned by wire (or by letter if it can reach its destination within twenty-four hours) on the date of the transfer.

Note 1.—In cases where payment of a Draft or Telegraphic Transfer has to be effected and the sub-treasury balance is not sufficient to meet it, the Sub-Treasury Officer may withdraw funds from his sub-chest sufficient to meet the Draft or Telegraphic Transfer without the previous sanction of the Treasury Officer. No payment of a Draft or Telegraphic Transfer should be made direct from the chest balance. Funds should first be transferred from the chest to the treasury balance and payment made therefrom.

Note 2.—The Currency Officer may, on the recommendation of the Treasury Officer, permit a Sub-Treasury Officer to transfer funds from the chest without the sanction of the Treasury Officer subject to such conditions as he may impose regarding amounts and the period of such sanction.

(ii) When surplus funds accumulate at a sub-treasury, the Sub-treasury Officer should deposit them into the currency chest and communicate the fact forthwith to the Currency Officer by wire (or by letter if it can reach its destination within twenty-four hours) on the date of the transfer, an intimation being simultaneously sent to the Treasury Officer by post.

(iii) In districts where an agency of the Bank conducting treasury business is situated at a place where there is a sub-treasury instead of at the head-quarters, the opposite payment in respect of currency transfers at the district treasury and other sub-treasuries in the district shall be arranged for in the same way as set out in clauses (i) and (ii) above, and no payment shall be made at the Bank.

Note.—Chest slips should be submitted by the Sub-Treasury Officer to the Currency Officer endorsing copies to the Treasury Officer.

549. At sub-treasuries where there is no currency chest, transfer of funds will be made by the remittance of notes or coins from the Bank to the sub-treasury or *vice versa*, in accordance with the procedure prescribed in Section II of this Part. The Bank will provide the funds for remittances to sub-treasuries at the request of the Treasury Officer.

NON-BANK TREASURIES

550. Transfer of funds from or to the treasury balance shall be made in accordance with the following rules :—

(i) The Treasury Officer may at any time deposit surplus funds into the currency chest at his Treasury. When owing either to receipts at the Treasury or to withdrawal from the currency chest against deposit at a Sub-Treasury the treasury balance exceeds by any appreciable amount the normal balances fixed by the Government, the excess should be deposited into the currency chest.

(ii) When the Treasury Officer requires funds either to meet disbursements at the Treasury or for deposit into the chest against withdrawals at sub-treasuries, he should make the necessary transfer from the currency chest to replenish the treasury balance.

(iii) Every transfer from the treasury balance to the currency chest, or *vice versa*, must be reported at once to the Currency Officer by telegram (or by letter if it can reach its destination within twenty-four hours), in addition to sending slips in Form T. E. 2 of the Central Government. Compilation of Treasury Rules, Volume II, unless corresponding transfer is made at a sub-treasury.

551. Transfer of funds to and from sub-treasuries where there is a currency chest shall be made through currency, the opposite payments being made at the district treasury or at another sub-treasury so as to retain the total balance in the currency chest of the district unchanged.

The procedure shall be as follows :—

(i) When a surplus accumulates at a sub-treasury, the Sub-treasury Officer should deposit the surplus into the currency chest. When the sub-treasury balance exceeds by any appreciable amount the normal balance laid down by the Treasury Officer, the excess should be transferred to the currency chest, unless heavy payments are expected to absorb it within the next two or three days. On receipt from the Sub-treasury Officer of the chest slip in Form T. E. 2 of Central Government: Compliance of Treasury Rules, Volume II, reporting the transfer, the Treasury Officer should make the corresponding transfer from currency to treasury at the district treasury;

It is the duty of the Treasury Officer to see that Sub-treasury Officer deposit surplus promptly into the currency chest. If at any time it appears that the balance at a sub-treasury is unnecessarily large, the Treasury Officer should order a deposit of the surplus into the currency chest.

(ii) When a Sub-Treasury Officer requires funds he should apply to the Treasury Officer for sanction to a transfer from the sub-treasury chest. If the Treasury Officer considers that the transfer is necessary, he should make a transfer of the amount from treasury to currency at the district treasury and order the corresponding transfer from currency to treasury at the sub-treasury.

Note 1.—The instructions laid down in Note 1 below rule 548(1) apply equally to payments of drafts and telegraphic transfers from non-Bank sub-treasuries.

Note 2.—The Currency Officer may, on the recommendation of the Treasury Officer, permit a Sub-Treasury Officer to transfer funds from the chest without the sanction of the Treasury Officer, subject to such conditions as he may impose regarding amounts and the period of such sanction.

552. Transfer of funds to and from sub-treasuries where there is no currency chest shall be made by the remittance of notes or coin in accordance with the procedure prescribed in Section III of this Part. Such remittances shall not be made except under the instructions of the Treasury Officer.

Section III—Remittances of Coin and Notes

GENERAL

553. The provisions of rules 554 to 596 shall apply primarily to remittances to and from treasuries and sub-treasuries, the cash business of which is not conducted by the Bank. At places where the cash business of the treasury is conducted by the Bank, these rules shall apply subject to the provisions of Rules 597 and 598 and such other instructions as may be issued by the Reserve Bank.

DESPATCH OF REMITTANCES

554. (1) No remittance of coin or notes from a sub-treasury or treasury to a treasury or sub-treasury in another district or to a Currency Office shall be made except in accordance with the special or general instructions of the

Currency Officer. When a surplus of coin or notes accumulates in the district, the Treasury Officer shall report the details of the surplus to the Currency Officer and obtain his instructions for remittance to another Treasury or the Currency Office. Uncurrent coin and notes unfit for issue shall be dealt with in accordance with the provisions of Rules 559 and 560 respectively.

(2) Remittances within the district, that is, between two sub-treasuries in a district or between a treasury and a sub-treasury subordinate to it may be made under the orders of the Treasury Officer.

555. (1) All remittances despatched by rail, river or road must be escorted by a guard, except remittances of nickel, bronze or copper coin during transit by rail at *Railway risk* (vide Rule 592).

Note.—When a potdar accompanies a remittance he is responsible during the whole course of the journey for the contents of the boxes and the police guard acts as an escort. The potdar will not interfere in any way in the performance by escort of its legitimate duties but he must be permitted to satisfy himself that all necessary precautions are being taken. In the event of damage occurring to a box it is the duty of the potdar to take over any coin that may fall out and to verify the contents and repack the box if repacking becomes necessary. The escort officer must not permit the Potdar to be interfered with in the execution of his duties.

(2) Immediately on receipt of a remittance order from the Currency Officer or as soon as the Treasury Officer decides to make a remittance to a sub-treasury the Police Department shall be informed of the kind and amount of the treasure to be remitted and asked for a sufficient escort, which it will supply according to the prescribed scale. All officers on the line of march from whom any assistance may be required shall be advised by the despatching office:

(3) The receiving office shall be informed in advance in Form T. R. 63 of the Central Government : Compilation of Treasury Rules, Vol. II of the particulars of the remittance to be despatched, in order that necessary arrangements may be made for receiving it.

(4) 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 its destination on a Sunday or other authorised holiday.

(5) The attention of the escort officer shall be specially drawn to paragraph 3 of the instructions in Form T. R. 67 of the Central Government : Compilation of Treasury Rules, Vol. II.

556. The Treasury Officer shall advise the Currency Officer of every despatch of a remittance to a place outside the district on the same day on which it is despatched. If the treasury is so situated that the advice cannot reach the Currency Officer within twenty-four hours, if sent by post, the Treasury Officer shall send the advice by telegram. The advice shall state the nature of the remittance and give the name of the treasury, sub-treasury or branch of the Bank to which it has been despatched.

REMITTANCE OF COIN

557. Coin shall be packed for remittance in stout bags, tied and sealed after a slip in Form M. T. R. 7 has been placed in each bag. 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 each box.

Note 1.—For remittances of withdrawn and uncurrent coins to the Calcutta, Bombay and Hyderabad Mints, the following rates of bagging shall be applicable:—

Each denomination of coin must be in separate bags.

Denomination	Withdrawn		Uncurrent	
	Value per bag	Tale per bag	Value per bag	Tale per bag
	Rs.		Rs.	
One Rupee	2,000	2,000	2,000	2,000
50 paise	2,000	4,000	..	..
25 paise	500	2,000	..	..
20 paise	400	2,000	..	..
10 paise	200	2,000	..	..
5 paise	100	2,000	..	..
3 paise	75	2,500	..	..
2 paise	50	2,500	..	..
1 paise	20	2,000	..	..
(Bronze and Nickel Brass)—				
1 paise	50	5,000	..	..
(Aluminium Magnesium)—				
Half Rupee	2,000	4,000	2,000	4,000
Quarter Rupee	500	2,000	500	2,000
2 Annas .. ..	..	..	500	4,000
1 Anna .. ..	..	..	250	4,000
1 1/2 Annas .. ..	..	..	100	3,200
Single Pice .. ..	..	..	50	3,200

Note 2.—In case of a remittance sent without a potdar, the despatching officer should examine a certain percentage himself and place a private mark upon the ticket of the bags so examined and the special attention of the receiving officer should be drawn to the necessity for protecting the interest of the absent remitting officer.

Note 3.—Further, when remittances are made to Mints:—

(a) Boxes in which remittances are packed should be sealed and properly labelled. The label should bear the name of the remitting office and the number of the box as per invoice. There should be only one label on each box and not old labels mixed up with the latest labels.

(b) A slip should invariably be placed inside each box, giving the number of the remitting office, the number of bags in that box, and the number of the box as per invoice, since labels on the boxes become indistinct and are often torn off in transit.

(c) Invoices in the prescribed form should be properly prepared, and separate invoices should invariably be submitted for each of the following items:—

(i) Uncurrent silver coins.

(ii) Uncurrent nickel and copper coins.

Words "Currency Remittance" or "Treasury Remittance", as the case may be, should be written on the top of the invoice in the red ink.

558. (1) For journey by road, the bags may be packed in treasure tumbrils or in large chests placed in carts, at the door of the treasury in the presence of the Treasury Officer. For journeys by rail, or boat, and also (if convenient) for journeys by road, they must be packed in stout boxes capable of containing Rs. 4,000 to Rs. 6,000 each, nailed down and bound with iron, without gunny covering or ropes, and the hoops shall be rivetted or nailed together where they cross. Every box must bear the name of the despatching treasury cut into, or painted on it with a number.

Note.—Remittances of coin from Currency Officers are usually sent in patent remittance boxes. Special instructions regarding the method of dealing with such boxes will be given by the remitting officer.

(2) To each box designed for river conveyance or to cross any unfordable stream by a ferry shall be fastened a buoy formed of a piece of unsplit bamboo or other floating material. The rope of the buoy shall be at least ten yards long. The Police Officer in charge is responsible for seeing that it is never detached from the box, nor, so long as the box is on board any boat, knotted or entangled in any way. When treasure is sent by a seagoing vessel, the despatching officer shall remove the buoys after the boxes are shipped, and the receiving officer shall attach the buoys when landing the treasure, if he is not the Treasury Officer, he shall obtain the buoys from that officer.

Note.—The above precautions are not necessary in the case of remittance covered by insurance.

(3) Invoices shall be prepared separately in triplicate in Form T. R. 64 of the Central Government : Compilation of Treasury Rules, Vol. II : one copy shall be retained by the remitting officer, another shall be despatched by post on the same day to the receiving treasury, and the third made over to the escort officer. The weights entered in the invoice shall be those ascertained by weighment in the presence of the escort officer.

Note.—Separate invoices must be prepared for treasury and currency remittances, the words "Treasury Remittance" or "Currency Remittance," as the case may be, being written on the top.

In the case of treasury remittances, the invoices should show separately uncurrent (1) silver, (2) nickel, and (3) copper or bronze coins, giving separate totals for each group of coins.

UNCURRENT COIN

559. Coins withdrawn from circulation shall be remitted to the Mint in accordance with the following rules :—

(i) Broken and cut coin should not be remitted ordinarily until a sum of at least Rs. 20 has accumulated.

(ii) Invoices of the remittances should be prepared in Form T. R. 65 of the Central Government : Compilation of Treasury Rules, Volume II, Treasury Officer should devote particular care to filling them up correctly.

(iii) The Mint Master will prepare a valuation statement of the remittance received and forward it to the remitting treasury or the Bank.

(iv) Any deficiency in tale found by the Mint Master must be made good by the Treasurer and any excess in tale will be returned to the remitting treasury or the Bank. Any excess in value found by the Mint Master will be credited to the Government.

REMITTANCES OF NOTES

560. All notes unfit for issue, which may have accumulated at a treasury, shall be sent to the Currency Office (or treasury named by the Currency Officer) on each occasion on which a remittance of notes or coin is sent to or received from the Currency Office. Such notes should not be cut for remittance. Advice of the remittance giving details of the denominations and value of the notes shall be sent by post to the Currency Officer.

561. New notes or notes fit for reissue should never be cut for remittance. When the value of the notes to be remitted does not exceed Rs. 2,000 and the notes cannot conveniently be included in a specie remittance, they may be sent by post insured up to their full value. When the value exceeds Rs. 2,000 the notes shall be sent in charge of a potdar and police guard.

562. The following instructions shall be observed for packing parcels of notes :—

(i) Notes of each denomination must be sorted patternwise and arranged in separate bundles stitched by one edge into books of 100 each, any excess over multiples of 100 being made into one book. To each bundle of books should be attached a slip in Form M.T.R. 8, stating the number of pieces it contains and bearing the full signature of the official who last counted them and made up the bundle before despatch.

(ii) For remittances in charge of a potdar and police guard the bundles should be packed in parcels of ten bundles each and the parcels should be placed in strong wooden boxes which should be securely fastened and sealed. The boxes should be weighed in the presence of the escort officer and the weight and contents of each box entered in the invoice in Form T. R. 64 of the Central Government : Compilation of Treasury Rules, Volume II.

Note.—Fresh notes of the denominations of Rs. 5 and Rs. 10 are remitted from the Currency Offices to currency chests in the original bundles received from the Security Printing Press.

563. In the case of remittances sent in charge of a Police guard, an invoice in Form T.R. 64 of the Central Government : Compilation of Treasury Rules, Volume II, shall be prepared in triplicate, one copy being sent by post to the receiving officer, one given to the police officer in charge of the escort and the third retained by the despatching officer for record. The escort officer shall sign a receipt on each copy of the invoice, stating that he has received the boxes of the marks and weights detailed therein.

ESCORT OFFICER'S DUTIES

564. The escort officers shall see the boxes of notes and coin weighed, or in the case of chests or tumbrils containing bags of coin, shall count the number of bags. He must sign the receipt at the foot of each copy of the invoice, the blanks being filled up in words, and if the escort officer be ignorant of English, he should be required to write the numbers of the bags or boxes which he has received in the Indian language commonly used in the district on the copy of the invoice to be retained by the Treasury Officer.

565. The escort officer shall wire to the receiving officer the number of the train (passenger or goods) conveying the remittance and its hour of departure, and shall also wire again *en route* if any change in the train has been made or if anything has occurred to delay its arrival.

566. When the escort officer is relieved in the course of the journey, he shall obtain a receipt for "..... tumbrils in good order said to contain coin to the value of Rs. in bags" or for "..... boxes or for sealed wagons, in good order, said to contain coin (or notes) to the value of Rs.".

When the remittance reaches the addressee, the latter will count the bags and weigh the boxes, and give a receipt for "..... bags said to contain coin to the value of Rs.", or for "..... boxes of marks and weights detailed in the invoice said to contain coin (or notes) to the value of Rs.". If any box be of short weight, or show signs of having been tampered with, it must be opened in the presence of the escort officer; otherwise he may be allowed to return at once.

POTDARS, SHROFFS, ETC., ACCOMPANYING REMITTANCES

567. (1) Subject to any general or special instructions issued by the Currency Officer in this behalf, Treasurers may send in charge of silver coin or note remittances, potdars, who will remain in charge while the treasure is being examined and who will take back the locks, and if convenient the bags. If the guard be returning to the station of original despatch, tumbrils or chests shall be sent back under his charge; otherwise, they must wait for the potdar.

(2) For coin remittances the following scale may be followed:—

(i) One potdar up to ten lakhs; and

(ii) One potdar for every additional ten lakhs or a fraction thereof up to a maximum of three in all.

Note.—The Currency Officer may sanction the deputation of a second potdar for journey occupying such as a long time that one man cannot be expected to exercise the necessary supervision.

(3) For note remittances one potdar may be usually sufficient unless the Currency Officer sanctions the deputation of a second potdar for journey 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 authorise the deputation of one or more clerks in addition to the usual escort of potdars. Extra shroffs or potdars may also be engaged, whenever necessary, with the special sanction of the Collector, to deal with heavy receipts, or to accompany remittances or to take the place of permanent shroffs or potdars who do so.

568. (1) Except in cases of remittances not at railway risk, a potdar shall, on no account, be sent either to accompany a remittance of nickel, bronze or copper coins or to watch the examination of such coin at the receiving Treasury, Mint or the Bank.

When the remittance is not at railway risk, a potdar may accompany a remittance of nickel, bronze or copper coin but he should not be required to watch the detailed examination of such remittance. On receipt of the remittance, the boxes should be opened immediately and the bags taken out after which the potdar should be relieved. If, however, any bag containing coins shows signs of damage or of having been tampered with, it should be opened and its contents examined in his presence.

(2) Potdars accompanying remittances of withdrawn silver, Q-alloy and pure nickel coins and remittances for special examination to the Mints, shall be released by the Mint authorities as soon as the number of sealed boxes in the remittances have been checked with the relative invoices, and preliminary weighments of such coins are recorded by the Mint, in their presence. In case of combined remittances from the Reserve Bank, Treasuries, branches of the State Bank of India, the accompanying potdars shall be relieved as soon as the number of the sealed boxes in the remittances have been checked with the relative invoices, and found satisfactory. The opening and preliminary weighments of such remittances shall be supervised by a potdar 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 they be detained to watch the examination, and tallying of any remittance at the Mints.

569. Potdars or clerks accompanying remittances shall be furnished by the remitting Treasury Officer with a certificate in Form T.R. 66 of the Central Government : Compilation of Treasury Rules, Volume II, with columns 1 to 8 filled in. The officer receiving the remittance shall consider with reference to the amount and kind of the remittance received and the number of men available at his office for examination, how long the potdars or clerks accompanying the remittance are likely to be detained at the station and inform them forthwith in writing to enable them to make suitable arrangements for their stay at the station. At the end of the examination, he shall complete the certi-

ticate and return it to the remitting treasury. He shall state in column 12 the daily allowance which he recommends for the halt in excess of fifteen days and explain the reasons for the recommendation on the reverse of the certificate. On receipt of the certificate from the receiving officer, the remitting Treasury Officer shall forward it for necessary action, if halts in excess of fifteen days have been made, to the Currency Officer or to the Collector, according as the charges for the remittance in question have to be borne by the Reserve Bank or by the Government, and the authority concerned will indicate in column 13 of the certificate the rate at which the allowance should be drawn. The certificate shall be attached to all bills for travelling and other allowances, special or otherwise, admissible to the men accompanying the treasure.

Note (1).—The charges for remittance of the following kinds are borne by Government :—

(i) Remittance within the State between sub-treasuries without currency chests at both ends.

(ii) When not sent separately, remittances within the State of uncurrent coins between treasuries and sub-treasuries without currency chests at both ends.

Note (2).—In the following cases, the charges for remittances of treasure (including the cost of police escorts) are borne by the Reserve Bank :—

(i) Remittance within the State between sub-treasuries without currency having currency chests.

(ii) Remittances of small coins between regular small coin depots and treasuries and sub-treasuries having currency chests.

(iii) Remittances of uncurrent coins between treasuries and sub-treasuries whether within or outside the district, when sent separately.

(iv) All remittances made under the orders of the Currency Officer, provided such remittances are between treasuries and sub-treasuries having currency chests or between small coin depots and such treasuries and sub-treasuries.

(v) Remittances within the State to/from currency chests from/to sub-treasuries having no currency chests.

(vi) Remittances within the State of small coin between regular small coin depots and treasuries or sub-treasuries with no currency chests.

570. If any chest, tumbril or wagon be secured by double locks, one key shall be held by the potdar, and the other by the escort officer; if there be only one lock, the key shall be held by the potdar but the escort officer is responsible for not allowing the chest or wagon to be opened before arrival at the destination, save in case of a breakdown when the treasure must be removed to another chest, or wagon in his presence. In the case of remittances sent without potdars, single locks shall be used and the keys entrusted to the escort officer in a sealed cover which he should not open except when absolutely necessary due to a breakdown on the road.

RECEIPT OF REMITTANCES

571. (1) Immediately on the arrival of a remittance, credit for the invoiced amount shall be given in the cash book or other appropriate register, and in the case of a remittance received from a place outside the district an advice shall be sent to the Currency Officer, stating the name of the Treasury or Currency

Office from which the remittance has been received and whether it is a currency or a treasury remittance. The advice shall be telegraphic if a postal advice cannot reach the Currency Officer within twenty-four hours.

(2) The remittance must then be examined. The first step in this examination is the weighment of each box in the presence of the escort officer and the Treasury Officer and the comparison of this weight with that shown in the invoice. A receipt shall then be given to the escort officer and a copy of this receipt sent by post on the same day to the despatching treasury.

572. When the weight of each box is not given in the invoice, the boxes must be opened and the contents examined in the presence of the escort officer. Any infraction of the rule requiring the weight to be stated shall be brought to the notice of the Remitting Officer. If any box be short weight or shows signs of having been tampered with it shall similarly be opened and its contents examined before the escort is released.

573. If coin or notes received in the remittance are required for despatch to another treasury within a few days of its receipt, the boxes may be deposited unopened in the strong-room, provided they are in good order and that they are in-charge of a potdar who will be available to accompany them to their final destination.

574. (1) New nickel or bronze coin received either directly from the Mint or from any other treasure in the original Mint boxes may be accepted as correct, provided the boxes are numbered and the seals bear a distinct impression and both remain intact at the time of receipt.

(2) In all other cases, the boxes shall be opened immediately whether the remittance is accompanied by a potdar or not. When a potdar has accompanied the remittance, the boxes shall be opened in his presence. Unless the detailed examination of the whole remittance is immediately proceeded with, the bags of coin or parcels or notes shall be deposited in the strong-room under double locks, care being taken, as far as practicable, to place them apart from other treasure. To guard against abstraction of coin from remittances, which may remain unexamined in the strong-room for some time, and which cannot be separately secured in a chest or chests, it shall be arranged, when the amount of the remittance does not exceed rupees five lakhs and when the procedure will not cause practical inconvenience, that the entire contents of each bag are weighed by emptying them into the scales before depositing the remittance in the strong-room. This weighment must be supervised by the Treasury Officer.

(3) In the case of larger remittances, similar care must be exercised though it will usually be impossible for practical reasons to examine them in the same detail. The Treasury Officer in such cases must satisfy himself that the remittance has not been tampered with by personally picking out a number of boxes and bags from time to time and having the contents of these weighed under his supervision. In the case of remittances exceeding rupees five lakhs, or when it is not found practicable to weigh out smaller remittances, care

shall be taken to cover completely all bags forming parts of the remittance with tarpaulins, the notes being secured in a chest or chests or replaced in the original boxes with the lids securely fastened.

575. The detailed examination of the remittance shall be conducted in the presence of the potdar from the remitting treasury and under the supervision of the Treasurer of the receiving treasury or some other responsible person acting on his behalf. If, however, the remittance is not accompanied by a potdar from the remitting treasury, or the potdar has been discharged in terms of Rule 568(2), the detailed examination must be made in the immediate presence and under the personal supervision of the Treasurer of the receiving treasury, who should see that the interest of the remitting treasury are adequately safeguarded.

576. Every facility must be given to the potdar of the remitting treasury to watch the examination. Any complaint which he may make shall be reported at once to the Treasury Officer. If any fraud is suspected, arrangements shall be made for the search of the examining potdars in the presence of the potdar of the remitting treasury.

577. Only such portion of a remittance shall be taken out of the strong-room as can be examined during the course of the day. When any portion remains unexamined, the attending potdar may, if he so wishes, be allowed, at the time of the closing of the office, to place one lock of his own on the chest containing the unexamined portion, or, if this is not possible, on the outside door of the strong-room.

578. The notes and the coin composing the remittance shall be counted and examined in detail so as to ensure not only that they are all genuine but also that each bundle of notes or bag of coin contains the alleged number. In the case of remittances of fresh notes from the Currency Officer sent in bundle of 1,000 pieces, the bundles shall be split up into packets of 100 notes each. Any light weight or other uncurrent or defective coin found in the course of the detailed examination of a remittance or current coin shall be separated, and dealt with under the instructions contained in Chapter III of Part XIV, while deficiencies, whether in tale or due to bad or counterfeit notes or coin, shall be dealt with in the manner prescribed in rule 582.

579. As the examination of each bundle or bag is completed the relative slips in Form M.T.R. 7 or M.T.R. 8 as the case may be, contained therein shall be taken out and replaced by fresh slips prepared by the receiving treasury.

The slips of those bags and bundles the contents of which have been found correct shall be made over to the Treasury Officer for immediate destruction while the rest shall be attached to the report to be made to the remitting treasury under sub-rule (1) of Rule 582.

Note.—In the case of remittances of coin from a Currency Office, all the slips must be returned to the Currency Officer after the remittances have been examined.

580. The Treasury Officer shall supervise the examination of the remittance generally and see that adequate safeguards have been taken by the Treasurer to avoid during the examination all mal-practices whether on the part of the accompanying potdars or the examining potdars. He shall put away the examined notes and coin under double locks of the treasury or of the currency chest, as the case may be. On completion of the detailed examination, he must send a formal report to the remitting officer showing the result of the examination.

581. No time shall be lost in examining a remittance both in order to release the potdar who accompanied it and so reduce the cost of remittance and in order that any deficiency may be recovered from the remitting treasurer. To deal with money remittances of coin, additional shroffs may be engaged with the special sanction of the Collector and paid at such rates as may be fixed by the Government. The expenditure on this account will be borne by the Government as ordinary expenditure of the treasury.

Note.—The minimum amount of coin and notes of each denomination which one man should examine in a day is as follows :—

COIN	Rs.
New Rupees	2,00,000
Old Rupees	8,000
New $\frac{1}{2}$ rupees of the value of	50,000
Old $\frac{1}{2}$ rupees of the value of	4,000
New $\frac{1}{4}$ rupees of the value of	24,000
Old $\frac{1}{4}$ rupees of the value of	2,000
Old $\frac{1}{8}$ rupees of the value of	1,000
New 4 anna nickel of the value of	18,000
Old 4 anna nickel of the value of	2,500
New 2 anna nickel of the value of	7,500
Old 2 anna nickel of the value of	2,000
New 1 anna nickel of the value of	3,500
Old 1 anna nickel of the value of	1,000
New $\frac{1}{2}$ anna nickel brass of the value of	1,750
Old $\frac{1}{2}$ anna nickel brass of the value of	500
New single pice of the value of	750
Old single pice of the value of	400
New $\frac{1}{2}$ pice of the value of	500
Old $\frac{1}{2}$ pice of the value of	250
New pice pieces of the value of	200
Old pice pieces of the value of	150
NEW COINS	OLD COINS
50 P. Rs. 50,000 (by weightment)	12,000 pieces.
25 P. Rs. 24,000 (by weightment)	12,000 pieces.
10 P. Rs. 56,000 pieces	18,000 pieces.
5 P. Rs. 56,000 pieces	20,000 pieces.
2 P. Rs. 24,000 pieces	15,000 pieces.
1 P. Rs. 38,400 pieces	28,800 pieces.

*(These rates have been prescribed by the Bank tentatively for the examination of new and old decimal coins).

NOTES	PIECES
New notes of all denominations	15,000
Old Rs. 1 and Rs. 2 notes	8,000
Old Notes of higher denomination	2,500

DEFICIENCY OR EXCESS FOUND IN REMITTANCES

582. (1) If any deficiency is found in the detailed examination and is not immediately recovered from the potdar in charge, it must be entered in the cash book as a distinct item of payment with full particulars and the Treasury Officer of the remitting treasury requested to recover the amount and credit it in his own treasury.

A deficiency discovered at the Bank or at a Currency Office will be made good from its own cash balance, and will be shown as an expenditure on Government account under advice to the remitting treasury for recovery and credit in its account. Similarly, a deficiency discovered at a treasury in a remittance from the Bank or from a Currency Office shall be made good from the treasury balance under advice to the remitting office, which will credit the amount to Government account. Recoveries of such deficiencies will be watched by the Accountant General.

(2) The State Government will be responsible for any shortages discovered at the Mints or at a Small Coin Depot in a remittance received from a treasury or a sub-treasury of that State.

(3) Every defect or deficiency discovered during examination shall be entered on the slip pertaining to the bag of coin or bundle of notes concerned and must be specially reported to the remitting officer direct, whether or not it is made good by the accompanying potdar, the slip being attached to the report. If a potdar of the remitting treasury is present to witness the examination, he must be required to attest the entries as they are made. Any bad coin or notes which have to be returned to the remitting treasury shall be made over to the potdar, or in his absence, remitted by insured post at the cost of the remitting treasurer. If there is no potdar in charge, the report must state the name and rank of the officer, who personally supervised the examination, and must be sent, together with the attached slip, immediately on the close of the examination, or, if it is a prolonged one, at the close of the day, to the remitting officer, to enable the treasurer of the remitting treasury, for his own purpose, to fix responsibility for the deficiency, which he is obliged to make good. If any bag or bundle of notes is received without a slip, and is in any way short or deficient, an immediate special report shall be sent to the remitting officer.

583. All excesses found in a remittance shall be returned to the remitting office through the attending potdar, or if this is not possible, by registered post or by money order, the cost being borne by the remitting office.

584. When new nickel or bronze coin is received either directly from the Mint or from another treasury in the original Mint boxes, any excess or deficiency found on examination shall be immediately reported and the printed slip of contents forwarded to the Mint Master concerned. The report shall state the number of the box in which the excess or deficiency was found and the condition of the boxes on delivery.

ADDITIONAL RULES FOR REMITTANCES BY RAILWAY

585. When large remittances are made notice shall be given some time beforehand to the railway authorities at the station of despatch, in order that wagons of convenient sizes may be brought together.

586. (1) When treasure is loaded for despatch by rail, the doors on one side of the wagons shall, if possible, be secured from inside and all doors that can be opened from outside shall be secured by good padlocks.

(2) Small remittances need not be forwarded by wagon, but can be sent in the same compartment in which the guard in charge travels.

(3) It is the duty of the remitting Treasury Officer to supply the padlocks and there must be a sufficient stock in a treasury whence frequent remittances are sent by rail. The Treasury Officer shall take the receipt of the escort officer for the padlocks. If the escort is returning, the receiving officer shall return the padlocks through the officer-in-charge of the escort; otherwise, a receipt shall be given to the police and the locks returned as soon as possible by parcel-post or by rail or through the postdar.

587. The Treasury Officer jointly with the Police Officer who is to travel in charge, shall superintend personally or by substitute the loading of the vans, and shall hand over to the Police Officer a memorandum of instructions (in Form T. R. 67 of the Central Government; Compilation of Treasury Rules, Volume II) and as many blank receipts as there will be reliefs. The Treasury Officer shall take a receipt for these documents.

588. The escort accompanying the treasure to the station, and protecting the loading, shall be of such strength as may be fixed by Government for the escort of such a sum by road or for the special purpose, and a new one of corresponding strength must meet the treasure at the station of delivery. During the railway journey, it may be protected by a guard of reduced strength accommodated in adjoining brake-van, if the remittance is carried by goods train, or in the end compartment of the carriage next adjoining the treasure van; neither door of the compartment occupied by the escort should be locked. The strength of this escort also may be fixed by Government; there should never be less than a petty officer with two men, and when the treasure is loaded in more than one wagon, the scale should allow two men to each. When a wagon containing treasure is detached from the train for any reason, the Station Master, or the Guard in charge of the train, will warn the police guard in charge of the treasure, in order that the necessary arrangements may be made to guard it.

589. As the instructions for the guidance for the guard (Form T. R. 67 of the Central Government : Compilation of Treasury Rules, Volume II) require the men to be constantly on duty, arrangements shall be made to relieve them at convenient points, giving to each party a stage of about twelve hours. The exact length of each stage may be laid down by local orders.

590. Arrangements for the relief of the guard will be made by the Police Department. The officer in charge when starting with the remittance, shall telegraph to his relieving officer, the probable time of his arrival at the relief station.

PAYMENT OF FREIGHT

591. (1) The railway fare and freight may be paid in cash or by warrant or credit note according to local practice. In the case of cash payments, the police or other officer may obtain from the treasury a sufficient amount as an advance to be accounted for afterwards. The remitting officer or the officer arrange the remittance will ascertain the nature and extent of accommodation required for the purpose without unnecessary increasing the cost of remittance, and send the following requisition to the railway authorities :—

“To the Station Master
 Conveyance by railway to
 is required for treasure belonging to the Government
Reserve Bank of India to
 the value of lakhs of rupees loaded for
 and contained in wagons.”

(2) The Station Master will give the officer commanding the guard a paper notifying that he is in charge of treasure loaded in so many wagons.

Note (1).—The requisition mentioned above must not be confounded with the notice to be sent before hand to the railway authorities in order that the necessary wagons may be provided.

Note (2).—Treasure should always be booked through to the final station, and the officer who makes the requisition should inform the railway authorities that he has provided relief for the guard at specified stations.

592. Remittance of nickel, bronze or copper coin shall be booked at railway risk, provided they do not exceed the limits prescribed under the Indian Railway Coaching Tariff Rules. Consignments exceeding the prescribed limits are required to be escorted vide Rule 555(1).

593. A guard travelling in charge of notes shall have the box in the same carriage, and shall sit in the end compartment of the carriage with the box under the seat against the outer planking ; if the box be too large to go under the seat, accommodation must be reserved on the terms usually charged.

TRANSPORT OF TREASURE AT THE DESTINATION

594. Necessary arrangements for the transport of treasure at the destination must be made by the receiving officer so as to save delay at the railway station and inconvenience to the Police Department.

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ADDITIONAL RULES FOR REMITTANCES BY STEAMER

595. (1) An escort shall accompany a remittance of notes by sea if freight is paid at cargo rates, in which case the value of the notes shall not be entered in the bill of lading but only the number of pieces. But if it is cheaper to pay freight at specie rates, and if the steamer company accepts responsibility for the face value of the notes, then this latter course shall be adopted and no escort need be sent. If, however, in any case, the above responsibility is not accepted by the steamer company, even if the freight is paid at specie rates, the remittance shall be sent as ordinary cargo at cargo rates in charge of an escort, though this course may entail some additional expenses.

(2) Remittance of coin by sea shall usually be sent insured or at the Company's risk without an escort.

(3) Remittances of notes or silver coin (of any description) by inland steamer shall be sent uninsured under the protection of an adequate police escort.

596. Consignments of treasure shall be taken delivery of on arrival at a station ; otherwise the treasure will be carried on to the next station at the risk and expense of the consignee and the consignee will have unnecessarily to pay demurrage charges.

SPECIAL RULES FOR REMITTANCES TO AND FROM THE BANK

597. (1) In the case of branches of the State Bank of India when the Agent wishes to remit any surplus notes or coin from the currency chest or surplus small coin from his balance, or desires a remittance of notes or coin to be sent to his branch, he will report to the Local Head Office or Link Branch to which he is subordinate. The Local Head office or Link Branch will communicate with the Currency Officer and orders for the remittance will be issued simultaneously by the Local Head Officer or Link Branch to the Agent and by the Currency Officer to the Treasury Officer.

(2) The Agent of the branch will supply the Treasury Officer with the notes and coin required for sub-treasuries in the district, except in those cases in which it is more convenient to supply a sub-treasury direct from the Currency Office or from a treasury or a branch of the State Bank of India concerned situated at another district, if so desired by the Currency Officer.

(3) The procedure prescribed in Rules 554 to 570 with regard to packing and despatch of remittances will be observed by the Bank, but in the absence of any special arrangements to the contrary made with the Agent, the Treasury Officer shall arrange for the actual conveyance and, where necessary escorting

of the remittances. The provisions of sub-rule (4) of Rule 567 vesting in the Collector the power to sanction the entertainment of extra potdars do not apply in the case of Bank treasuries.

Note 1.—The charges for remittance of the following kinds are borne by Government:—

- (i) Remittances to/from currency chests from/to sub-treasuries having no currency chests ;
- (ii) Remittances between sub-treasuries without currency chests at both ends;
- (iii) When not sent separately, remittances of uncurrent coins between treasuries and sub-treasuries without currency chests at both ends; and
- (iv) Remittances of small coins between regular small coin depots and treasuries or sub-treasuries with no currency chests.

Note 2.—In the following cases, the charges for remittances of treasure including cost of police escorts are borne by the Reserve Bank :—

- (i) Remittances to/from currency chests from/to treasuries or sub-treasuries having currency chests;
- (ii) Remittances of small coins between regular small coin depots and treasuries or sub-treasuries having currency chests;
- (iii) Remittances of uncurrent coins between treasuries and sub-treasuries whether within or outside the district, when sent separately; and
- (iv) all remittances made under the orders of the Currency Officer provided such remittances are between treasuries and sub-treasuries having currency chests or between small coin depots and such treasuries and sub-treasuries.

Note 3.—The officers-in-charge of the Bank conducting despatch of Government treasurer are competent to place requisitions for police escorts directly on police authorities.

598. The following rules shall be observed in the examination of remittances of coin or notes made to the Bank from treasuries. They shall be fully explained to the potdars in charge of every remittance made to the Bank—

(a) Weighment of boxes must be made on receipt of a remittance. The result of this weighment must be entered on the receipt given to the officer or potdar giving delivery of the remittance.

(b) All remittances must be examined in a room separate from the general business of the Bank, or if a separate room cannot be made available, at some distance apart from the place where the ordinary banking transactions are taking place.

(c) The contents of each bag of coin should be emptied into another and passed through the scales. Potdars must see that the index of the scales is steady before the contents are thrown out.

(d) The treasure should then be secured in separate chests and kept distinct from other treasure under the joint keys of the Bank's Manager or Agent and of the remitting Treasurer's agent until regularly examined and brought to account.

(e) Nothing must intervene between the remitting Treasurer's agent and the Bank's examining potdars, so that an uninterrupted view may be obtained by the former of the examination of the treasure. The remitting Treasurer's agent should sit within the railed enclosure along with the Bank's examining potdars.

(f) Upon completion of examination of a remittance, light weight coin should be weighed against full weight coin and a certificate of the result granted on the spot to the remitting Treasurer's potdar.

(g) Weighing and examining a remittance must be conducted separately, not simultaneously; the one must be completed before the other is commenced.

(h) If the work of weighing on examination be not finished within the day, the bags or parcels of notes not finally taken over by the Bank should be placed in chests under double locks, the key of one lock to be retained by the remitting Treasurer's agent, and of the other lock by the Bank authorities.

(i) The Bank potdars who commence weighing and examining a remittance must continue at the same duty until completion of the examination of remittance, or such portion of it has been taken over for examination; their places must not be filled by others except through unavoidable circumstances.

(j) When a remittance is not accompanied by a potdar, the examination should be proceeded with by the Bank's Officer, but the Agent must ask the local Treasury Officer to depute a subordinate to be present at the examination and to see that it is carried out by the Bank with sufficient precautions, provided that in the case of remittances from a treasury under the administrative control of a State, it is open to the Government to waive the presence of a subordinate to watch the examinations, if it is prepared to accept the results of the examination of the remittance by the Bank without protest. The Treasury Officer should depute for the purpose a subordinate of some standing and not a low paid clerk.

(k) The potdars accompanying the remittance must, before finally leaving the Bank, sign in a book kept for the purpose, a memorandum of the uncurrent and spurious coins and of any deficiency found after examination of their respective remittances.

(l) Should potdars accompanying a remittance find any of the above rules not being complied with, or should impediments of any kind be placed upon a free and open scrutiny of the proceedings during the examination by the Bank's Officers or Potdars, they should immediately report the same to the Agent of the Bank.

PART XII—OTHER REMITTANCES THROUGH GOVERNMENT

Section I—Reserve Bank of India Remittances

I.—INTRODUCTORY

599. The rules in this section are designed primarily for the guidance of Treasury Officers in charge of State treasuries in dealing with the payments into and withdrawals from those treasuries in connection with the facilities afforded by the Reserve Bank to Government Officers and others for remittance of money from one place to another. These remittances are arranged for by the issue of telegraphic transfers, drafts, etc., on the Reserve Bank Account.

600. Remittances between places where the Reserve Bank has its own offices or is represented by its State Bank agencies having full currency chest facilities, will not pass through the Public account. At places where the Reserve Bank is not so represented, all treasuries and sub-treasuries in India with currency chest facilities and such other treasuries or sub-treasuries as may be nominated by the Reserve Bank in this behalf, will be regarded as "Treasury Agencies" of the Reserve Bank for the issue and payment of telegraphic transfers and drafts drawn by or upon them. The connected receipts and payments in the treasury accounts, which will be carried initially against the balances of the Government owning the treasury or sub-treasury, as the case may be, will be cleared by the Accountant General by daily adjustments advised to the Central Account Office of the Reserve Bank in accordance with such directions as may be given by the Comptroller and Auditor General with the approval of the President.

Note.—At places where the cash business of the treasury is conducted by sub-offices of the Bank having limited currency chest facilities (i.e. Treasury Pay offices) Reserve Bank remittances will be drawn by or upon the treasury or sub-treasury at such places acting as Treasury Agency of the Reserve Bank and not the Treasury Pay Office of the Bank, though the cash and clerical work in connection therewith will be transacted by the latter under the orders of the Treasury or sub-treasury officer, as the case may be.

The names of treasuries and sub-treasuries which, for the purpose of this rule, are regarded as Treasury Agencies of the Reserve Bank, will be found in the separate publication "List of Treasuries and sub-treasuries in India" issued by the Government of India.

601. The various types of remittances between one Treasury Agency and another, or between Treasury Agencies and places where the Reserve Bank is represented, will consist of—

(i) For Scheduled Banks, Indigenous Bankers, Co-operative Banks and Societies and for the general public—

- (a) Telegraphic transfers,
- (b) Reserve Bank drafts.

(ii) On Government Account—

Reserve Bank of India Government drafts to be superscribed. "On Government Account only."

The rates at which and the conditions and limitations under which telegraphic transfers and drafts on the several accounts can be issued by Treasury Agencies will be regulated by such general or special instructions as may be issued by the Reserve Bank with the approval of the President of India.

Note (1).—Government draft at *par* will be granted within prescribed limits to Government officers and others at and on all offices and agencies (including Treasury Agencies) of the Reserve Bank for remittances on behalf of the Government and for other quasipublic purposes set forth in Appendix 8 of the Central Government compilation of Treasury Rules, Volume II.

Note (2).—The instructions issued by the Reserve Bank of India will be found in the booklet entitled "Reserve Bank of India—Remittance Facilities Scheme" (Second Edition, 1953).

602. The procedure to be observed by Treasury Officers in respect of the issue and payment of telegraphic transfers and drafts on the Reserve Bank Account will be governed by the following rules, but the Treasury Officers shall comply with any general or special instructions that may be issued to them in this behalf by the Currency Officer.

603. Subject as hereinafter provided, the various forms to be used in connection with drawings on or by Treasury Agencies will be designed by the Reserve Bank.

The form of initial accounts to be kept by Treasury Agencies in respect of remittances drawn and encashed by them, and the methods by which accounts of such remittances are to be rendered by them to the Accountant General, will be governed by such directions as may be given by the Comptroller and Auditor General with the approval of the President of India.

II.—TELEGRAPHIC TRANSFERS

604. A person applying for a telegraphic transfer must pay the amount of such transfer together with the prescribed charges, including the cost of telegram, before the telegraphic transfer is issued.

The application shall be made in the form prescribed by the Reserve Bank which may be obtained from the treasury. The application form duly filled in will serve as a chalan for the money tendered. The Treasury Officer will retain the application for transmission to the Accountant General along with the daily schedule of Reserve Bank of India Remittances Drawn (Rule 629), and grant the remitter a receipt in Form M.T.R. 5.

605. In issuing a telegraphic transfer, the following instructions shall be observed by the Treasury Officer :—

(i) The telegram to the office making payment of the transfer should be sent in code authorised by the Reserve Bank.

(ii) A post copy of the telegram should be despatched to the Paying Office at the same time as the telegram is issued.

606. In paying a telegraphic transfer the following precautions shall be observed :—

(i) The person claiming payment should be required to produce the telegraphic advice from the place where the transfer has been issued.

(ii) If the person to whom the transfer is payable is not known to him, the Treasury Officer should require identification by a well-known and responsible person, who should certify that the payee is known to him.

(iii) The payment of the transfer should be reported at once by a letter to the issuing officer.

(iv) If the Treasury Officer has any reason to doubt whether any person claiming payment is entitled to it, he should telegraph to the issuing office for confirmation.

(v) If the post copy of the telegram authorising payment is not received within three days of the date on which it should arrive, the Treasury Officer should communicate with the issuing officer and ask for his confirmation of the telegram.

Note.—A scheduled Bank applying for payment of the amount of a telegraphic transfer may not produce the telegram received from the remitter, but instead a mere letter from the Agent/Manager of the Branch concerned advising receipt of intimation of the telegraphic transfer and demanding payment should be considered adequate for the purpose of clause (i) of this rule.

607. The provisions of rule 626 apply *mutatis mutandis* to payment of telegraphic transfers as they apply to payment of drafts.

III.—DRAFTS-DRAWINGS AND ENCASHMENTS

608. *Explanations.*—The person or office that draws (i.e., issues or grants) a draft is called the *drawer*; the person or office on which it is drawn and by which it is payable is called the *drawee*; the person or party to whom a draft is granted is called the *remitter*; the person or party to whom it is payable is the *payee*.

609. A draft on Government account is not transferable and is only payable to or on the receipt of the person named therein as the payee or his lawful agent. All other drafts, unless the contrary intention appears from the form itself, are transferable, the original payee being entitled to transfer his right by endorsement. This he may do by simply signing his 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 C.D. or order", in which case C.D.s stands in the same position as the original payee did originally and has the same power of transfer. The writing by which such a right is transferred is called an *endorsement*, the endorsement to "C. D. or order" is a *special endorsement*; and the persons to whom a draft is successively transferred are *endorsees*, and the person in rightful possession of a draft is the *holder*.

610. *Form of Drafts, etc.*—Drafts shall be issued in special forms to be obtained from the Currency Officer under Rule 640.

611. Immediately on receipt of a parcel of forms of drafts, they must be carefully examined by the Treasury Officer and a proper acknowledgment sent to the Currency Officer. The acknowledgment must certify that the forms have been counted and found correct.

612. The forms of drafts and of advices (Rule 616) shall be placed in store under the key of the Treasury Officer, who should each morning issue the book or books containing draft forms and the advice forms for the day's use. He must be careful not to issue a book of a latter serial number before an earlier, and therefore, should see that the store is so arranged as to prevent mistakes. Every evening the unused forms will be returned to him, and he should see that this series is unbroken; that no form is kept back unissued unless it be spoilt; and that the number of draft forms expended in the day agrees with the total number listed in the Scheduled of Reserve Bank of India Remittances Drawn for the day (Rule 629).

Spoilt forms shall be destroyed by the Treasury Officer after noting in the remarks column of the Register of Reserve Bank of India Remittances Drawn (Rule 629) under his signature, the printed numbers of the forms destroyed and certifying that the forms have been cancelled and destroyed.

613. *Issue of Drafts.*—A person requiring a draft shall tender with the money a formal application in prescribed form, which may be obtained from the treasury. The application form duly filled in will serve as a chalan for the money tendered. The application will be retained by the Treasury Officer for transmission to the Accountant General along with the daily Schedule of Reserve Bank of India Remittances Drawn.

Note.—A person applying for a "Government" draft should certify on the application that the draft is wanted for *bona fide* public purposes and describe the object of the remittance; if the Treasury Officer doubts whether the object is really public, he should state his doubt to the applicant or take the orders of the Collector. Questionable grants should be reported to the Currency Officer with a view to the issue of instructions for future guidance.

614. Drafts shall be prepared and signed from time to time as they are applied for, immediately on the receipt of cash or its equivalent; the business of signing them must not be postponed till the close of office, and on no account may the office be closed till all drafts applied for having been issued. Each draft must be signed legibly with the full signature of the Treasury Officer.

615. At the time of signature of draft, the register (Form T. A. 25 of the Account Code, Volume II), together with the application for the draft, the advice (Rule 629) and the book of forms shall be laid together before the Treasury Officer. The Treasury Officer will initial each entry in the advice and the corresponding entry in the register at the same time as he signs the draft after he has satisfied himself that—

- (i) the several documents agree;
- (ii) the authority for issue is sufficient;

(iii) the date and office of issue and the name of the payee are legibly and distinctly entered in the body of the draft;

(iv) in addition to the amount being entered in figures, the amount of whole rupees is entered a second time in words and fraction of a rupee in words or figures; that the words are written continuously without lifting the pen and that when the amount consists of rupees only and does not contain fractions of a rupee, the words end with the word "only"

(v) a sum a little in excess of that for which the draft is granted is entered in words across the draft at right angles to the type.

Note 1.—"Under thirty rupees" will mean that the draft is for a sum not less than Rs. 20 but less than Rs. 30; and similarly, under "eight hundred rupees" will mean that it is for less than Rs. 800 but not less than Rs. 700.

Note 2.—The cross entry is not necessary if the amount in words is type perforated by a special cheque-writing machine.

616. *Advice of Remittances drawn.*—An advice of all drawings effected on a particular treasury or the Bank on any particular date shall be sent to the treasury or the office drawn upon in the special form prescribed by the Reserve Bank. The advices must be completed, signed and despatched by the Treasury Officer before the treasury closes on the day of issue. Advices of drafts drawn on the Bank shall be sent direct to the Manager or Agent, as the case may be, of the Bank.

617. If alterations be made in a draft prior to issue, the corrections shall be noted in the advice, and each alteration both in draft and advice, shall be authenticated by the drawer's *full signature*, in order to prevent hesitation on the part of the drawee. If the drawer should enter the amount so carelessly as to enable a stranger to alter it, and fraudulently to obtain payment of a large amount, the drawer, and not the drawee, must bear the loss. But the Treasury Officer drawn on must remember and apply the numerous defensive checks provided for him in these rules.

618. *Regularity of Signature.*—Variation in the signature of the drawer often entails much trouble on the paying office, and the drawer will be held responsible for any inconvenience or delay which may be caused to individuals in consequence of changes in, or illegibility of, his signature, or other serious irregularity on the face of the draft, as the drawee would be justified in suspending payment in cases of doubt arising from such causes. The officer in charge of a treasury shall sign his name in English, or have it written in English characters below the signature in any Indian script.

619. When any change of Treasury Officer occurs, a specimen of the signature of the relieving officer shall be forwarded by the outgoing officer to all offices usually drawn on. The following form will be convenient :—

"The undersigned begs to notify tothat he has on this day been relieved of the executive charge of the treasury at, by, a specimen of whose signature is annexed.

Relieving Officer"

Date.....

Relieving Officer"

Note 1.—If it should be necessary for a Treasury Officer to draw on a treasury or an office not usually drawn upon, to which a specimen of his signature has not been sent under the provisions of this rule, he should, at the time of issue of a draft, also forward a specimen of his signature under a special forwarding letter duly stamped with the seal of the Treasury which should be posted in a separate cover and not in the cover containing the advice.

Note 2.—In the case of an officer, who signs in any Indian script, his name should also be written in English characters in the notice, as well as after his signature.

Note 3.—When an officer who was formerly in charge of a treasury resumes charge of it after a lapse of time, his signature need not again be circulated among treasury and other offices.

Note 4.—Specimen signatures of the relieving officer shall also be forwarded to all Post Masters who draw money and also make remittances into the treasury concerned in the form prescribed in the above rule. The Treasury Officer shall also furnish to the Post Master concerned the specimen signatures of the Treasurer and the Head/Deputy Accountant who are authorised to acknowledge remittance under Rs. 1,000 into the treasury.

620. *Encashment of Draft.*—The advices received from the issuing treasuries or the Banks must be opened in the presence of the Treasury Officer, and each dated and initialled by him, after he has satisfied himself of its genuineness by examining the signature of the drawer and, if necessary, the post mark. They shall then be sorted and arranged according to the offices from which they are received and pasted chronologically in guard files in such a way that advices received from each drawing office may be kept together. These files must be kept under lock and key.

Note.—The Treasury Officer should particularly guard against the possibility of the fraud of altering after signature the amount shown in an advice, by a comparison of the total amount reported in words in the heading with the real total of the figured amounts of the advice. Any alteration of any entry, whether of names or figures, in an advice requires the drawers' full signature, so that it is scarcely possible that any fraud should be attempted by altering the advice before he has signed it, since at the time of signing he would notice any uncertified correction.

621. The advices arranged in the manner prescribed in the last preceding rule will facilitate the examination and identification of drafts, presented for payment. The entries made in an advice should be such as to place sufficient obstacle to the encashment of drafts forged or fraudulently altered; and their sequence should effectually bar the use of a second times of a particular serial number, and suggest suspicion even if the advice where a high number follows a low one.

Necessary notes of references touching irregularities of cancellation, issue of certificate of non-payment, advices of second or thirds, and of any other points of importance shall be made on the advice.

622. (a) On a draft being presented for encashment the Treasury Officer must compare it with the advice, and satisfy himself carefully that it is in order, and that it is receipted on the back by a person entitled to give a legal quittance. It must be borne in mind that in the case of a Government draft,

the liability to the payee named in the draft can only be discharged by payment of the amount due thereunder to—

- (1) the payee or his lawful agent on identification; or
- (2) the payee's banker who should certify that the amount has been placed to the payee's credit; or
- (3) a person holding a letter of authority from the payee, whose signature must be known to the Treasury Officer, and if the letter directs the Treasury Officer to pay the money to a certain named person, that person must be identified to the Treasury Officer before payment can be made.

The only endorsement on such a draft should be the payee's receipt or that of his lawful agent.

(b) In all other cases, where payment is not made on an endorsement in favour of a recognised bank, the Treasury Officer must not only satisfy himself of the genuineness of the claimant's signature to the receipt on the back of a draft, but if the claimant himself is not in attendance, must assure himself that the presenter of the draft is the agent or messenger of the legal holder, duly authorised to receive payment. If the presenter is unknown to the Treasury Officials, or, if known, should there be reasonable grounds for questioning his being in lawful possession of the draft, the Treasury Officer shall demand a writing from the legal holder, authorising the presenter to receive payment on his behalf. Similarly, in cases where payment is made on an endorsement to a recognised bank, the Treasury Officer must assure himself that the presenter of the draft is the authorised agent or messenger of the Bank.

623. Drafts payable at the district treasury cannot be endorsed for payment at a sub-treasury. But if the money payable on a draft is required at a sub-treasury and the remittance cannot be effected in accordance with the procedure laid down in Rule 637, a cash order may be issued to the payee for presentation at the Sub-treasury. In such a case the payee must receipt the draft as "Received payment by a cash order on..... Sub-treasury", and the Treasury Officer at the district treasury shall finally deal with the draft and take the same precautions regarding the delivery of the cash order as are prescribed in the following rule in the case of payment in cash.

624. (1) Before issuing pay orders on a draft, the Treasury Officer shall satisfy himself that the draft has been advised; that it corresponds in all particulars with the advice, that it bears the genuine signature of the drawer; that it has not been tampered with; and that it is not a cancelled or a lapsed draft or one of which a duplicate has been paid.

(2) A draft may be paid—

(i) *Without Advice*, if there is no reason whatsoever to doubt its genuineness, and if sufficient security is offered. In the case of well-known and reliable holders, this security may be dispensed with at the discretion of the Treasury Officer. The Treasury Officer shall in all such cases apply for the necessary advice, without delay.

(ii) *Even though differing from the advice*, at the discretion of the Treasury Officer, provided there is no suspicion of fraudulent alteration, nor any possible doubt of the genuineness, of the draft. Special caution must be exercised before paying on a draft an amount larger than that named in the advice.

625. *Doubtful Drawings*.—In case of erasure, alteration, or other serious cause for suspicion, the Treasury Officer shall, before payment, refer to the drawer, the post office, or the Currency Officer, as the case may require. Any material alteration of a draft, after it has been drawn or endorsed, affecting the date, sum, time or place of payment will invalidate it ; but the mere correction of a mistake, such as by inserting the words “or order” in the endorsement of a draft, will have no such effect. Mutilated draft should not be paid without obtaining a confirmation from the drawing office. Where the payee is known, a mutilated draft may be paid if the Treasury Officer is satisfied with the explanation of the payee regarding the circumstances causing the mutilation. This fact should be noted on the reverse of the draft under the initials of the Treasury Officer.

626. *Form of Receipt*.—For the sufficiency of the receipt, it is necessary to see that it is not for a part only of the draft, and that it is given by the legal holder. On no account may a draft be paid by instalments ; receipt for the full amount must be given on the reverse, and the full amount must be paid.

(a) If the legal holder be dead, payment can be made only to his legal representative ; a draft for less than Rs. 100 may, however, be paid without a certificate of administration.

(b) If the receipt be signed by an agent or attorney note of the existence and of the record in the treasury, of the power of attorney should be made on the draft.

(c) If more than one person be named in a draft, all must join in order to give a valid endorsement of receipt.

(d) A draft payable to A. B. cannot be cashed on the receipt of his partner C. D. without production of a formal power of attorney ; a draft payable to A. B. and Co. can be paid on the receipt, as A. B. and Co. of any member of the firm.

(e) Drafts payable to an incorporated company or any other corporated body may be paid on the receipt of the official authorised, generally or specially, by its regulations or by power of attorney to receive moneys payable to such a company or body.

In the case of drafts payable to an unincorporated body payment may be made to a person holding authority to receive money payable to a such body, but the Treasury Officer must first satisfy himself that the authority has been duly conferred.

(f) A Government Officer when he sends a draft to a treasury, not for cash payment, but for credit of its amount in the treasury accounts must before he signs the receipt, add to the words “Received Payment” the further words “by transfer credit to”.
Omission to do this facilitates fraudulent appropriation of the money.

IV.—RECORD OF DRAWINGS AND ENCASHMENTS

627. A record of telegraphic transfers issued and drafts drawn by the treasury will be kept in a register (Form T. A. 25 of the Account Code, Volume II) in accordance with the directions contained in this behalf in the Account Code, Volume II.

628. As each draft or telegraphic transfer is paid, it must be stamped "paid", the date of payment being at the same time noted in the advice under the initials of the Treasury Officer. Entry must be made at the same time in the Register of Reserve Bank of India Remittances Encashed (Form T. A. 26 of the Account Code, Volume II) in accordance with the directions contained in the Account Code, Volume II.

On receipt of advice of cancellation of any draft, or on its lapse, the fact shall be noted in the advice originally received.

629. At the close of each day, separate schedules for drawings and encashment during the day will be prepared in special forms prescribed by the Reserve Bank for submission to the Accountant General in accordance with the directions contained in the Account Code, Volume II. The application forms for remittances drawn and also the receipted drafts and the payees' receipts in respect of telegraphic transfers encashed, shall accompany the schedules mentioned above.

630. The following are the cross checks which the Treasury Officer shall each evening apply to the several documents connected with remittances drawn and encashed. The registers of remittances drawn and encashed and the connected schedules check one another directly; the total of each schedule must agree with total receipts or total payments for the day as booked under the head "Reserve Bank of India Remittances" in the cash book, after allowing for receipts and payments, if any, at sub-treasuries, which will be entered under a separate sub-head. The total of the several advices for the day must also agree with the total of the column "Amount" in the schedule of drawings, and this agreement shall be at times checked by the Treasury Officer himself.

V.—OTHER RULES

631. *Issue of Duplicates.*—When satisfactory evidence has been given that a draft has been either lost or destroyed, and application is made within a reasonable period after issue but before it has lapsed (Rule 639), a duplicate may, without reference to the Currency Officer, be granted to the party who obtained the original, or to the payee, or to the legal representative of either, but to no other person. If the draft should not have been presented for payment within three months, it will be necessary for the applicant to produce a certificate of non-payment from the drawee; but the issue of this certificate will be no bar to the payment of the lost draft, if presented before the duplicate is paid.

In the event of the loss of both original and duplicate, a triplicate may be issued on the same terms as the duplicate, the non-payment of the others being certified. Neither duplicate nor triplicate can be issued without reference to the Currency officer if the draft has lapsed. Issues of duplicate or triplicate must be promptly advised to the drawee, in order that proper note may be made on the advice originally received.

632. The duplicate and triplicate must be drawn in exactly the same terms as the original instrument, with the same date, the same number, the same amount, and the name of the same payee; so that if a lost draft has been endorsed, the endorsee must apply for duplicate through the original payee. It will be issued under the signature of the Officer-in-charge of the treasury at the time, although he be not person who signed the original draft.

Note.—(1) When it is necessary to issue duplicates, the word "duplicate" should be prominently written in red ink on the face of ordinary draft forms and the relative advice forms. The duplicate should be issued only after the issuing officer has satisfied himself that the original has not been paid.

Note.—(2) The duplicate of a Reserve Bank "Government" draft may be issued to the party who obtained the original, or to the payee or to the legal representative of either, but to no other person. If the original draft had been endorsed to the payee's banker for the purpose of collection, the endorsee should apply through the payee. No indemnity is required to be produced.

Note.—(3) The duplicate of a Reserve Bank "Bank" draft shall be issued to the remitter or his legal representative on the latter's title being established to the satisfaction of the drawer and to no other person. A letter of indemnity as given below should be obtained from the applicant irrespective of whether the draft reported lost is current or has lapsed. The letter of indemnity shall be signed by the purchaser and ordinarily by two sureties each good for the amount of the draft. If the applicant is of undoubted standing and the amount of the draft is small, the production of sureties may be waived, but when the amount involved is large, sureties must be taken. If the drawer has any doubt as to the advisability of dispensing with the sureties or as to the acceptability of the names proposed, he should refer the matter to the Currency Officer forwarding at the same time his confidential report on the means and standing of the purchaser and/or of the sureties. The letter of indemnity should be stamped as an agreement in accordance with the Stamp Act and should not be attested. The completed letters of indemnity shall be retained by the drawer, and the Officer-in-charge shall be personally responsible for their custody.

Note.—(4) In the case of application, received for the issue of a duplicate draft, the original of which is reported either lost or destroyed, it is not necessary for the drawer to obtain a fresh application in the prescribed form. A letter intimating the loss or destruction of the original draft and requesting the issue of a duplicate in lieu thereof will be sufficient. A duplicate draft should not be issued unless the drawer has satisfied himself by reference to the drawee that the original has not been paid and unless a non-payment certificate has been obtained. The reference to the drawee and his confirmation may be arranged by telegram if the importance of the rash justifies it, the cost of the telegram in such a case should be recovered from the applicant.

Note.—(5) Whenever it is necessary to issue a duplicate draft, the words "Duplicate issued in lieu of Draft No., dated 19 .." should be prominently written in red ink on the top under the signature of the issuing officer. A fresh advice in the usual form prominently marked "Duplicate" in red ink should also be issued to the drawee. A duplicate draft should be revalidated by the drawer before issue, if the period of currency of the lost draft has expired.

Note.—(6) The procedure outlined for the issue of duplicates of drafts shall be followed *mutatis mutandis* in case of applications for issue of triplicates of drafts when both originals and duplicates are lost.

Note.—(7) If the original of a Reserve Bank "Bank" or "Government" Drafts is traced subsequently and returned to the drawer, it should be forwarded to the Central Accounts Section of the Bank.

FORM OF THE LETTER OF INDEMNITY TO BE OBTAINED AT TREASURY AGENCIES
IN CONNECTION WITH THE ISSUE OF A DUPLICATE OF A LOST "BANK" DRAFT

Impressed Stamp.

The Treasury Officer/Sub-Treasury Officer.

.....

In consideration of the Treasury Officer/Sub-Treasury Officer, on
behalf of the Reserve Bank of India, issuing a duplicate of a Reserve Bank
of India, "Bank" Draft on

No. dated the 19 , favouring
for Rs. (in words).

I/We, the undersigned

and and

hereby (jointly and severally) guarantee and agree to hold the said Reserve Bank of India, their successors and assigns, harmless and indemnified, from and against all consequences that may arise from their so doing and from payment of the original Reserve Bank of India "Bank" Draft and from and against all losses, charges and expenses in connection with the said "Bank" Draft or duplicate, and I/We, the said further undertake to deliver to you the said "Bank" Draft if and when found.

Dated at this day of

.....

.....

N.B.—To be stamped as an Agreement in accordance with the Stamp Act.

The document will not be attested.

633. No duplicate or triplicate older than six months shall be paid without previous reference to the Currency Officer.

634. *Cancellation and Refund.*—(1) No draft can be cancelled without surrender of the whole set. Thus, if a duplicate or a triplicate has been issued, the draft can be cancelled only if the original together with the duplicate (and the triplicate, if issued), be surrendered. Consequently, no refund can be made on a lost draft; a duplicate must be obtained and payment taken at the treasury or office drawn on.

(2) All parts being surrendered, a draft may be cancelled and its amount refunded at the discretion of the Treasury Officer, on the application and receipt of the remitter in the case of a Government draft, and of the payee in the case of other drafts. If in the latter case the receipt of the payee cannot be obtained, the remitter's application for cancellation with explanation of the reasons for his request, and of the difficulty in the way of obtaining the payee's signature, shall be submitted for orders of the Currency Officer. Although no difficulty should be made about cancellation of Government drafts it must be clearly understood that other classes of drafts can be cancelled only as an indulgence, and for sufficient cause shown:

Note.—If alteration of the name only of the payee is required by the remitter, it will suffice for the drawer to alter the name in the Draft under his full signature and to advise the drawee. The drawer should also advise the alteration to the Central Accounts Section of the Bank to enable them to correct all relevant documents.

635. When a draft is cancelled, the fact of cancellation must be conspicuously noted across the face of the draft; 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 received and necessary precautions taken against payment of the cancelled draft. The cancelled draft shall be duly receipted by the remitter or the payee as the case may be.

Note.—The amount refunded will be entered in the Register of Reserve Bank of India Remittances Encashed, and also in the proper columns of the schedule of such encashments for the day on which the cancellation takes place in accordance with the direction contained in this behalf in the Account Code, Volume II.

636. A Telegraphic Transfer may be cancelled and the amount refunded at the written request of the remitter. On receipt of such a request, the drawee shall be asked to cancel the original Telegraphic Transfer and confirm that the instructions have been complied with. If the applicant so desires, the advice of cancellation to the drawee and the drawee's confirmation should be arranged by telegram. The cost of telegram and postage incurred in this connection will be a charge on the applicant. The telegraphic message shall be authenticated by a check signal as prescribed in the Reserve Bank of India "Treasury Agencies" Private Check Signal Book: Where the intimation and confirmation are conveyed by letters, the signature of the signing official should be verified before taking action. On receipt of the confirmation from the drawee that the instructions to cancel the original Telegraphic Transfer have been complied with the drawer, may refund the amount of the Telegraphic Transfer to the applicant after satisfying himself about the latter's identity. The exchange realised shall not be refunded.

637. *Exchange of Drafts.*—A Treasury Officer may issue a draft in exchange for one drawn on him,—

(1) *if on Government account*, only if the payee be a Government officer and require the draft to be exchanged for reasons to be stated in his application.

(2) *in other cases*, only if the holder has been removed to the neighbourhood of another treasury or of an office or agency of the Bank.

Note (1).—A draft is said to be exchanged when the holder being unable to appear and take payment in cash, applies for a new one endorsing the original "Received payment by draft".

If he can appear and take payment in cash, his obtaining a new draft with the cash paid on the old one is a matter to be disposed of under ordinary rules.

Note (2).—When a draft is exchanged for another, the original draft will be treated and charged as a draft presented for encashment and the amount again credited as received for the issue of a new draft.

638. *Unpaid Drafts.*—Drafts which are outstanding for more than six months can be paid only after obtaining necessary confirmation from the drawing officer.

639. *Lapse of Drafts.*—Drafts which are not paid before the end of the third account year (the Bank's account year is from 1st July to 30th June) after that in which they are issued shall be treated as lapsed and shall be so marked in the advice. Should a lapsed draft be presented for payment the Treasury Officer should require the holder to submit an explanation for his failure to claim payment within the prescribed period. If the explanation offered is found to be *prima facie* valid and if the draft is outstanding, the Treasury Officer should forward the draft to the drawer who should be requested to revalidate it. Simultaneously, a reference should be made to the Central Accounts Section of the Bank for sanction of payment, a copy of the explanation offered by the holder being forwarded to them. The Central Accounts Section may authorise payment of the lapsed draft after satisfying themselves that the relative credit is outstanding with them. On receipt of this authority and of the draft from the drawer duly revalidated, payment may be made subject to the usual precautions.

640. *Supply of Forms.*—Forms of drafts and all other forms prescribed by the Reserve Bank for use in connection with the remittances dealt with in this section will be supplied to the Treasury Officer by the Currency Officer under whose jurisdiction the treasury is situated. Indents for such supplies will be in the form prescribed by the Reserve Bank (Form R.B.R. 21) and will ordinarily be for twelve months supply.

VI.—SPECIAL RULES FOR REMITTANCES OF SEPOYS AND POLICEMEN

641. In the case of sepoys' and policemen's remittances, Commanding Officer will forward the draft to the payees direct. Descriptive rolls of the payees duly filled in and signed, will at the same time be sent to Treasury Officers concerned.

Note.—The Commanding Officer, in the case of policemen, is the District Superintendent of Police. There is no objection, if such a course is preferred or is required by departmental regulations, to his sending the draft to the District Superintendent of Police of the district in which the payee resides, who will deliver it to the payee after satisfying himself as to his identity.

642. The drafts are payable to the parties described in the roll. In cases of doubtful identity, payment may be made on security at the discretion of the Treasury Officer.

643. If a sepoy payee be unable to attend the treasury but has given the necessary authority or in the case of demise of such payee, the payment may be made to the Adjutant of the regiment.

644. These drafts, if not presented for payment at the expiration of six months from the date of issue, shall be considered as cancelled, and if they are presented after that period, payment shall be refused. A draft which has thus become uncurrent may be returned by the payee to the drawer 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, the Commanding Officer will report the loss to the Currency Officer, who will decide the case specially on its merits sanctioning refund to the person indicated, if it appears right. When the draft is six months old and therefore, void, there need be no hesitation in permitting refund on production of a non-payment certificate from the treasury or office on which it was drawn.

Note.—These drafts may also be cancelled as provided in Rule 634.

PART XIII—REPEALS AND SAVINGS

645. On the commencement of these Rules, the Bombay Treasury Rules, 1960, shall cease to be in force, except as regards things done or omitted to be done before such commencement.

PART XIV—EXECUTIVE INSTRUCTIONS

INTRODUCTORY

1. The orders and instructions reproduced in Chapters I and II of this Part are designed primarily for the guidance of officers-in-charge of treasuries and sub-treasuries in matters relating to control of treasury balances, maintenance of currency chests and other transactions in connection therewith. In their application to Bank treasuries and sub-treasuries, these instructions are subject to such orders and directions as the Reserve Bank may issue to its own offices and branches of the State Bank of India conducting the cash business of treasuries as its agents.

2. The Central Government being the authority concerned with all matters relating to coinage, their orders and instructions incorporated in Chapter III of this Part, have to be observed in common by all treasuries and sub-treasuries, Central as well as State, to be modified only in consultation with the Central Government. In the same way, their instructions relating to currency and other notes (included in Chapter IV of this Part), have been made applicable to State treasuries and sub-treasuries.

Detailed instructions regarding the safe custody and use of the Cypher Code and the 'Treasury Agencies' Private Check Signal Book Reserve Bank, have been incorporated in a separate Chapter V.

3. The orders and instructions relating to matters with which the Reserve Bank is directly concerned will be amended only in consultation with the Reserve Bank.

4. The procedure regarding the supply, distribution, custody, etc. of stamps of all classes, including match excise banderols, will be regulated by the instructions contained in the Bombay Stamp Manual.

CHAPTER I—PROVISION OF FUNDS AT TREASURIES AND SUB-TREASURIES

CASH BALANCE OF THE GOVERNMENT

1. The Cash balance of the Government of Maharashtra is made up of the balance in its account with the Reserve Bank and the balances at State treasuries and sub-treasuries the cash business of which is not conducted by the Bank. Balances in departmental offices are not reckoned as part of the general cash balance of the Government and they are treated as outside the Government Account. They are, however, part of the departmental cash balances and should be included in the initial accounts.

DISTRIBUTION OF FUNDS

2. The Currency Officers are responsible for the distribution of funds within their jurisdictions. Transfers of funds from the jurisdiction of one Currency Officer to that of another will be arranged by the Chief Accountant of the Reserve Bank. It is the duty of the Currency Officers to keep all the treasuries in their jurisdictions adequately supplied with all kinds of coin and notes, and to arrange for the transfer of funds between treasuries and the Bank, and for the remittance of notes and coin between treasuries and Currency Offices.

SUPPLY OF FUNDS

Bank Treasuries

3. At district treasuries the cash business of which is conducted by the Bank, the Manager or Agent, as the case may be, is responsible for the provision of funds to meet Government disbursements. To enable him to make the requisite provision, the Treasury Officer should send him on each Saturday a statement showing as accurately as possible for the following two weeks separately—

- (i) the probable receipts and disbursements on Government account at the district treasury; and
- (ii) the probable receipts from or remittances to sub-treasuries.

The Treasury Officer should also inform the Bank at once of any expected payment exceeding Rs. 20,000 in amount as soon as he receives information that the payment will have to be made.

Note.—A list of offices of the Reserve Bank and of Local Head Offices and Branches of the State Bank of India is given in Appendix—A to the Central Government: Compilation of Treasury Rules, Volume II.

4. The provisions of the preceding paragraph apply *mutatis mutandis* to sub-treasuries, the cash business of which is conducted by the Bank.

Non-Bank Treasuries

5. At places where the cash business of the treasury is not conducted by the Bank, the Treasury Officer is responsible for keeping sufficient funds at the district treasury and sub-treasury to meet all Government disbursements and at the same time for maintaining the balances as low as possible, in order that money may not be locked up unnecessarily. The Director of Accounts and Treasuries, Maharashtra State, Bombay will watch and ask for an explanation, if such balances rise above the normal figures prescribed by the Government under paragraph 7 below.

6. The Treasury Officer is responsible for watching the balances at sub-treasuries the cash business of which is not conducted by the Bank, and should arrange for transfer of funds from and to such sub-treasuries, either through Currency or by remittance of notes and coin, in accordance with the procedure prescribed in Part XI.

NORMAL BALANCES

7. In January, of each year, the Treasury Officer will be informed by the Government, under advice to the Director of Accounts and Treasuries, Maharashtra State, Bombay of the normal balances fixed for his district for each month during the ensuing financial year. Treasury Officers should watch their balances carefully to see that they do not exceed by any appreciable amount the balance fixed by the Government.

Note 1.—The balance at a Bank treasury or sub-treasury is nil.

Note 2.—The normal balances may be fixed at a higher figure for certain months of the year, should this be deemed necessary.

8. On learning the normal balance fixed for his district, the Treasury Officer should fix the normal balance for each of his sub-treasuries during the ensuing year. When the balance at a sub-treasury exceeds by any appreciable amount the normal balance fixed for it, prompt steps should be taken to transfer the excess.

9. On the 8th, 15th and 22nd of each month, the Treasury Officer should report to the Deputy Director of Accounts and Treasuries, Pune and Nagpur the treasury balance of the district without any details as to the denominations of notes or kind of coin. If the balance shown in these reports or in the cash balance report prescribed by Rule 137 exceeds by any appreciable amount the normal balance fixed for the district, the reasons for the excess should be stated.

CHAPTER II—CURRENCY CHESTS

EXPLANATION

10. Under the provisions of the Reserve Bank of India Act, the amount of Currency and Bank notes in circulation, which constitute the liabilities of the Issue Department of the Bank, should not exceed the assets of that department held in gold, foreign securities, rupee coin (including rupee notes) and rupee securities. A portion of these assets is held in the various currency chests in the form of rupee coin and rupee notes. The Currency and Bank notes held in these chests are not notes in circulation but pass into circulation only when they are transferred to the treasury balances. Assuming that there are no transactions elsewhere, the deposit of Currency and Bank notes in a currency chest decreases the amount of such notes in circulation and the deposit of rupees and rupee notes in the chest increases the assets of the Issue Department of the Bank. A deposit of notes or coin in a currency chest thus enables the Bank to issue notes elsewhere up to the amount deposited without increasing the total amount of the notes in circulation. If, therefore, a transfer of funds from the treasury balance at A to the treasury balance at B is required, this can be effected at short notice and without the actual remittance of coin or notes by transferring money from the treasury balance to the currency chest at A, and transferring the same amount from them enables the treasury balance at a treasury or sub-treasury to be kept at a low figure, as it is always possible to replenish the balance quickly by a transfer of money from the currency chest. It also obviates the necessity for frequent remittances of coin and notes, as surplus funds can always be deposited into the currency chests and made available for use elsewhere, pending a convenient occasion for remittances.

LOCATION OF CURRENCY CHESTS

11. Unless in any case the Government after consultation with the Reserve Bank directs otherwise, permanent currency chests should be maintained at all treasuries and sub-treasuries where the transactions are of such a magnitude that the additional facility for the transfer of funds thus afforded reduces appreciably the locking up of money's or the frequency of remittances of coin and notes. At sub-treasuries where a permanent currency chest is not maintained, temporary chests may be opened during the revenue collecting season in order that the money collected at the sub-treasury may be available at once for transfer through currency. Temporary currency chests for purposes other than meeting the requirements of the revenue collecting season may also be opened at sub-treasuries for period not exceeding six months. Treasury Officers are authorised to open temporary chests at sub-treasuries when required, but they should report the opening of each chest and the amount of the first deposit into it by telegram to the Currency Officer.

Note 1.—At places where the cash business of the treasury is conducted by the Bank, the currency chests are kept in the sole custody of the Bank.

PROVISION OF FUNDS

12. The Currency Officer will be responsible for maintaining the required form of currency in currency chests. It is the duty of the Treasury Officers to see that currency chests at district and sub-treasuries are adequately stocked with notes and rupees to meet all reasonable demands for change.

CUSTODY

13. At treasuries and sub-treasuries in which currency chests are kept, an entirely separate receptacle, or receptacles must be set aside for the contents of the currency chests, which should be kept under double locks. One key of this chest should be held by the Officer-in-charge of the treasury or sub-treasury and the other key by the Treasurer of the treasury or sub-treasury, or by such other person as may be selected by him for the purpose, subject to the approval of the Collector. The notes and the coin held in the chest must be kept quite distinct from the treasury balances and must not be touched except in accordance with these orders or under special instructions of the Currency Officer. The procedure laid down in Rule 132 for receiving money into and giving it out of double locks should be followed in making deposits in or withdrawals from the currency chest.

Note.—Where the currency chests are kept in the custody of the Bank, the Bank will be responsible for the examination and correctness of coin or notes at the time of deposit into or withdrawal from the chest, and for sending the chest slips prescribed in clause (v) of Paragraph 14 below.

14. The following instructions should be observed by officers-in-charge of currency chests :—

(i) Silver eight, four and two anna pieces, copper, bronze or nickel coins should never be deposited in the chest.

(ii) A currency chest book in Form T. E. 1. of the Central Government: Compilation of Treasury Rules, Volume II, should be kept in the chest and the balance proved and signed at every transaction by the officers-in-charge of the chest. They should satisfy themselves that the transaction has been correctly entered and the balances correctly worked out.

Note.—The chest books should be retained for three complete account years.

(iii) Transactions should always be in multiples of five hundred rupees with a maximum of one thousand rupees.

(iv) Notes may be deposited in a chest in exchange for coin or notes of other denominations or *vice versa* by the officers-in-charge of the chest.

These exchanges should not ordinarily be of small sums and should be avoided as far as possible during the last week of a month. If important exchanges take place during last three days of a month, the transactions should be telegraphed to the Currency Officer.

(v) On each day on which a chest is opened, a slip in Form T. E. 2 of the Central Government: Compilation of Treasury Rules, Volume II, serially numbered and signed by the two Government Officers-in-charge of the chest, must be sent at the close of the day to the Currency Officer.

Note 1.—The chest slips may be destroyed three months after the balances have been verified.

Note 2.—Detailed instructions regarding issue of chest slips are embodied in Appendix B to the Central Government: Compilation of Treasury Rules, Volume II.

VERIFICATION OF BALANCES

15. The following instructions should govern the periodical verification of currency chest balances :—

(i) In the case of chest in the custody of the Bank, the Reserve Bank will conduct through its own officers such verification as it considers desirable.

(ii) At district treasuries the cash business of which is not conducted by the Bank, the balance should be verified at the close of each month by the officer who verifies the treasury balance under Rule 43, subject to the conditions therein stated.

(iii) (a) At sub-treasuries the cash business of which is not conducted by the Bank, the balance should be verified by the Sub-Treasury Officer as at the close of business on the day on which the accounts for the month are closed, and verification certificate forwarded to the Treasury Officer.

(b) If and when the balance of a sub-treasury is verified by an officer other than the Sub-treasury Officer, such as by the Prant Officer, Collector, he should himself report separately to the Treasury Officer the currency chest balance in Form T. E. 4 of the Central Government: Compilation of Treasury Rules, Volume II. It is the duty of the verifying officer to compare the amount shown in his report with the balance shown in the last entry in the currency chest book personally and to despatch the report in a cover sealed with his personal seal to the Treasury Officer without the intervention of the sub-treasury staff. On receipt of the report the Treasury Officer should compare the sum shown in the verifying officer's report with that included in the currency slip of that day received by him from the Sub-treasury Officer.

(iv) At every change of incumbency of the charge of a currency chest not in the custody of the Bank, the balance should be verified by the incoming officer, and a report of the correctness of the balances of notes and coins sent to the Currency Officer through the Collector.

(v) The balances in the chest at sub-treasuries the cash business of which is not conducted by the Bank, should also be verified by inspecting officers who verify the treasury balances. A certificate of verification should be forwarded to the Currency Officer through the Collector.

(vi) The Treasury Officer should send monthly to the Currency Officer a consolidated verification certificate for the currency chests in his district other than chest in the custody of the Bank, detailing the balance in each chest separately and certifying that the balance in the district treasury chest is correct and that certificates of Sub-treasury Officers regarding the correctness of the balances in the sub-treasury chests have been received by him.

(vii) The verification certificates referred to in this paragraph will be in Form T. E. 4 of the Central Government: Compilation of the Treasury Rules, Volume II.

Note 1.—The verification certificates should be retained until the next one has been received.

Note 2.—Any surpluses found in the currency chests located in treasuries should be credited to the Government. Any deficiencies found in the currency chests located in treasuries should be made good from the treasury balance in the first instance. The difference should then be investigated and the deficiency recovered from the persons concerned.

16. The procedure for the verification of balances of currency chests not in the custody of the Bank, is as follows :—

(i) The balances of notes or coin kept in receptacles which have not been operated on since the last verification and which are under the previous verifying officer's seal need not all be examined at each verification, but the examination should be so arranged that no receptacle is left unverified for over six months. The seal to be fixed on such receptacles should be the private seal of the verifying officer or a special seal kept in the custody of the Collector or a gazetted officer of the district staff other than the Treasury Officer. The seals on the receptacles left unverified should, however, be scrutinised every month to see that they are intact.

(ii) The procedure prescribed in Rule 135 should be followed *mutatis mutandis* for the verification of coin and notes in the currency chest.

(iii) Whenever a currency chest has to be opened the Treasury Officer must invariably see—

(a) that when the chest is opened, the currency chest book is found within it, and

(b) that before he leaves the double lock, the currency chest book is retained in the chest, which should be double locked.

REMITTANCES TO AND FROM CURRENCY CHESTS

17. Transfers between currency chest balances and cash balances of the Government at the treasury or the Bank will be regulated by the rules laid down in Part XI.

Subject to any general or special instructions that may be issued in this behalf by the Currency Officer, the provisions of Section II of Part XI will apply also to remittances of notes or coins from a currency chests or Currency Office to another chest or office. A remittance of this kind does not affect the treasury balance and involves no locking up of Government funds. Notes or rupees should, as far as possible, be sent as currency remittances.

Note.—Remittances of whole rupees sent to Mint from currency chests are adjusted through the surplus Silver Stock Account which is maintained (outside the Government Account) at the Mint and the Currency Office. Remittances of rupees-notes are adjusted through the surplus stock account of such notes.

ACCOUNTS OF CURRENCY CHESTS

18. Detailed instructions for the guidance of Treasury Officers in maintaining the accounts of currency chests are contained in Appendix B to the Central Government : Compilation of Treasury Rules, Volume II.

CHAPTER III—COIN

KINDS OF COINS AN LEGAL TENDER

19. Under the Indian Coinage Act (Act III of 1906) as amended from time to time the following coins have been issued :—

(i) *Silver*—Rupee, half-rupee, quarter-rupee and eighth-rupee. The standard weight of the rupee is 180 grains troy, eleven-twelfths fine and the other silver coins are of proportionate weight. Silver rupees, half-rupees and quarter-rupees issued under the Indian Coinage (Third Amendment) Ordinance, 1940, Indian Coinage (Amendment) Ordinance, 1940 and the Indian Coinage (Amendment) Act (Act VI) of 1940, respectively, are one-half fine.

Note—Standard silver coins of eleven-twelfths fineness have ceased to be legal tender and are no longer issued.

(ii) *Pure Nickel*—Rupees issued under the Indian Coinage (Amendment) Act, 1947, half-rupees and quarter-rupees, the standard weights of which are 180, 90 and 45 grains troy respectively.

(iii) *Cupro-nickel*—Eight anna piece, four anna piece, two anna piece, one anna piece and half anna piece, the standard weights of which are 120, 105, 90, 60 and 45 grains troy respectively.

Note—Cupro-Nickel eight-anna pieces are not issued now. The coins already issued have been called in under Section 15-A of the Indian Coinage Act.

(iv) *Nickel Brass*—Two anna piece, one anna piece and half-anna piece, the standard weights of which are 90, 60 and 45 grains troy respectively.

(v) *Bronze*—Single pice of quarter-anna, half-pice or one-eighth of an anna and the pie or one-twelfth of an anna. the types and weights of the above coins are detailed below :—

Single pice	bronze King's Head	75 grains
" "	" Washer type	30 "
" "	" Ashoka pillar	60 "
" "	" Askoka pillar, 1951 and later issues.	45 "
Half "	"	37-5 "
Pie pieces	"	25 "

Note 1.—(A) Nickel-brass two anna coins,

(B) All half-pice coins, and

(C) All pie pieces,

have been called in under section 15-A of the Indian Coinage Act, 1906 (III of 1906) with effect from 1st January 1959. They are no longer legal tender at the offices of the Reserve Bank of India.

Note 2.—Nickel-brass one-anna and half-anna coins have been called in under Section 15-A of the Indian Coinage Act, 1906 (III of 1906), with effect from 1st January 1960 and, have ceased to be legal tender from the said date. Up to 30th June 1960, they will, however be accepted at all offices of the Reserve Bank of India, all Agency Banks, all Government Treasuries, Post Offices and Railways and after 30th June 1960 at all offices of the Reserve Bank of India only until further notice.

(vi) Decimal coins—

- (1) *Pure Nickel*.—25 P. coin, the standard weight of which is 2.5 grammes.
- (2) *Cupro-Nickel*.—10 P., 5P. and 2P. coins the standard weights of which are 5 grammes, 4 grammes and 3 grammes respectively.
- (3) *Bronze*.—1P. coin the standard weight of which is 1.5 grammes.

20. Subject as provided in paragraph 21 below, the rupee coins are legal tender to any amount, half-rupees for any sum not exceeding ten rupees and all other coins for any sum not exceeding one rupee, provided they satisfy the requirements of paragraph 27 below. Cupro-nickel eight anna pieces are now legal tender only at the Issue Department of the Reserve Bank of India.

21. Silver coins coined and issued from time to time under the Indian Coinage Act, 1906 prior to the 10th day of March 1940 (i.e. those coins bearing the year of issue 1835 to 1939 inclusive and the head of the then reigning sovereign) have ceased to be legal tender provided that if the holder of any such coins satisfies the Reserve Bank that due to circumstances beyond his control the coins could not be presented earlier, that Bank may at its discretion accept the Coins. Silver coins coined and issued after the 10th day of March 1940 (i.e., quaternary alloy silver coins of one-half fineness bearing the year 1940 and after continue to be legal tender in payment or on account for the amounts stated in paragraph 20, provided they satisfy the conditions of currency laid down in paragraph 27.

22. Copper coins of the denomination of double pice and single pice issued under the Coinage Act of 1835 and subsequent Acts are legal tender for any sum not exceeding one rupee.

RECEIPT OF COINS AT TREASURIES AND SUB-TREASURIES

23. The following instructions should regulate the receipt at treasuries and sub-treasuries of small coin, and of coin which is not legal tender :—

(i) Subject as provided in paragraph 21 above, half-rupees and small coins of all denominations should be received in payments to the Government up to any amount, although they are legal tender only for a sum not exceeding ten rupees and one rupee respectively.

(ii) Silver coins issued before 1st September 1835, that is to say, all silver coins issued by the East India Company bearing merely inscriptions in Indian character (chief among which are the coins known as "Furrukhabad")

and "Murshidabad" rupees) should be received at the treasuries at the following rates :—

(1) at 8 annas a tola, for each tender of 500 coins or less; and

(2) for amounts in excess of this number, at bullion value calculated at the market rate of silver of the day to be ascertained from the Manager, Reserve Bank of India, Bombay:

(iii) Copper coin bearing any trace of mintage by the East India Company, e.g. coin having as a device a pair of scales and XX cash (of which the value is one-third of an anna) should be received in payment of Government dues up to any amount.

(iv) Gold mohurs coined under the Gold Coinage Act, (XIV of 1918) should be received for exchange at Rs. 15 each, if they are not counterfeit and if not of less weight than $122\frac{1}{2}$ grains and if they have not been fraudulently defaced. A coin which does not fulfil these conditions should be returned to the tenderer. The coins thus exchanged should not be transferred to currency chest but retained in the treasury, pending remittance to the Issue Department of the Reserve Bank of India at the earliest opportunity.

EXCHANGE OF SMALL COIN

24. Half-rupees and small coins of all denominations (subject to any special instructions which may be issued for their withdrawal) should be issued freely to persons wishing for them, either in payment of claims against the Government, or in exchange for rupees, or for notes which the treasury may be cashing. Treasury Officers are responsible for seeing that a sufficient stock of small coins is maintained to meet all such demands.

25. (1) Rupees and note should be issued freely in exchange for legal tender copper, bronze or nickel coin in parcels of the value of not less than two rupees at every treasury and sub-treasury and at the Bank conducting the cash business of a treasury or sub-treasury.

(2) Whenever large bodies of men are assembled on public works under construction for purposes of famine relief or otherwise, the local authorities should make special arrangements to supply on the spot notes and rupees in exchange for the legal tender copper, bronze or nickel coin which may be collected by the surveyors or foremen at such assemblages.

26. If the instructions in the preceding paragraph are carried out, legal tender copper, bronze, and nickel coin should never circulate at a discount. If nevertheless such coin does, at any time, or anywhere, circulate at a discount or at a premium, the circumstances should be immediately reported to the Currency Officer, with a full explanation of the supposed causes and of the remedial measures taken.

CONDITIONS OF CURRENCY

27. The statutory rules issued under the Indian Coinage Act are printed as Appendix C to the Central Government : Compilation of Treasury Rules, Volume II. The conditions of currency of the various coins under the Indian Coinage Act and the statutory rules are explained below :—

(i) No silver Coin is legal tender if it has been defaced. Defacement includes clipping, filing, stamping or such other alteration on the surface or in the shape of a coin as is readily distinguishable from the effects of reasonable wear.

(ii) Silver coins which have not been defaced are legal tender as long as they have not diminished in weight by more than the amounts shown below:—

Rupee and half-rupee .. 2 per cent below standard weight.

Quarter-rupee 12½ per cent. below standard weight.

(iii) No conditions of currency have been prescribed for nickel, bronze or copper coin. Such coins are, therefore, legal tender even if they are worn or defaced provided that they bear traces of Government mintage.

CUTTING OR BREAKING OF COUNTERFEIT AND DIMINISHED COIN

28. (1) Section 16 of the Indian Coinage Act (Act III of 1906) as amended from time to time provides that when any silver coin which has been coined and issued under the authority of the Central Government is tendered to any person authorised to act under that section and such person has reason to believe that the coin—

(i) has been diminished in weight so as to be more than such percentage below standard weight as may be prescribed as the limit of reasonable wear, or

(ii) has been defaced.

he shall, by himself or another, cut or break the coin.

A loss of $6\frac{1}{4}$ per cent. below standard weight in the case of the rupee, and of $12\frac{1}{2}$ per cent. in the case of the half and quarter rupee has been prescribed as the limit of reasonable wear.

(2) Section 20 of the Indian Coinage Act provides that when any coin purporting to be coined or issued under the authority of the Central Government is tendered to any person authorised to act under the section and such person has reason to believe that the coin is counterfeit, he shall, by himself or another cut or break the coin.

29. A list of the persons authorised to act under Sections 16 and 20 of the Indian Coinage Act is given in Appendix D to the Central Government : Compilation of Treasury Rules, Volume II. A memorandum giving certain hints for the detention of counterfeit coins is given in Appendix E *ibid*.

ACCEPTANCE AND DISPOSAL OF COUNTERFEIT, DIMINISHED, DEFACED,
SHROFF-MARKED AND SOLDERED COIN

30. The rules in Appendix C to the Central Government : Compilation of Treasury Rules, Volume II, regulate the cutting of counterfeit, diminished and defaced coins, other than coins which have been fraudulently defaced, and the rates at which diminished and defaced coins should be accepted and paid for. A memorandum indicating the special characteristics which ordinarily distinguish fraudulently defaced coins is given in Appendix F to the Central Government : Compilation of Treasury Rules, Volume II.

31. Any person authorised to cut or break counterfeit silver or nickel coin may, at his discretion, either return the cut coin to the tenderer, who shall bear the loss caused by such cutting or breaking, or in the case of silver coins, receive and pay for the coin according to the value of the bullion contained in it.

32. Presenters of coins which have been cut or broken under section 20 of the Indian Coinage Act, may, if they so wish, send such coins at their own expense, together with the particulars of the authority who has cut the coins and proof of their having been cut by them, to the Mint at Bombay or Alipore Calcutta for expert opinion. On receipt of coins at the Mint with the necessary details and proofs, they will be examined and the Mint will issue to the presenters an outturn certificate for the face value of any or all coins found to be genuine with instructions to present the same for payment at the nearest Treasury. The Treasury would make payment on the outturn certificate in the manner stated in paragraph 44 *infra*.

33. Any authorised officer to whom a counterfeit coin is tendered may purchase it from the tenderer at its bullion value or at a suitable price not exceeding its nominal value, charging the cost to the Government, if from the excellence of the execution or for any other special cause it seems desirable that the coin should be acquired as a specimen. The officer purchasing the same should send it to the Mint at Calcutta or Bombay reporting to the Mint Master the grounds upon which its purchase was considered desirable. In the case of coins purchased by Treasury Officers and sent to the Mint, each coin should be sent in a separate wrapper bearing the name of the treasury, a mark and date whereby it may be subsequently treated in correspondence.

34. Judicial Officers may send counterfeit coins to treasuries and sub-treasuries for remittance to the Mints. With these coins a short description of the case should be furnished and any implement such as dies, moulds, etc., which may have been found should be sent. These receipts should be kept quite separate from coins withdrawn by Treasury Officer, etc., which have to be remitted in accordance with the instructions contained in Rule 560. Each remittance by a Judicial Officer should be put into a separate wrapper with details of the source of receipt of the coins and other particulars. If the

Government so directs, the Treasury Officer should send the counterfeit coins to the Mint through the Inspector General of Police or other officer nominated by the Government.

35. Counterfeit silver coin found in a remittance should be broken and sent to the Mint in accordance with paragraph 33 above. Counterfeit nickel coins received in a remittance should be returned to the remitting treasury, if the Treasurer of the remitting treasury wishes them to be returned and is willing to bear the cost of returning them; otherwise they should be sent to the Mint in accordance with paragraph 33 above. In the case of remittances to the Mints unaccompanied by potdars, the rejected coins should not be sent back to the remitting treasury, except on a special application for their return which must be made by the treasury immediately after receipt of the Mint advice. The cost of returning the coins will be borne by the Treasurer of the remitting treasury.

Note.—The rejected coins and slips from remittances received from the offices of the Reserve Bank and branches of the State Bank of India will be collected by their local representatives from the Mints periodically, preferably once a month. The representative will take with him to the Mint Master concerned a letter authorising him to receive the rejected coins and slips in respect of any particular Mint outturn certificate. The Mints reserve the right to destroy all rejected coins not asked for within three months of the date of issue of the outturn certificate.

36. At places where there is neither an Issue Department of the Reserve Bank of India nor a branch, sub-branch or a Treasury Pay Office of the State Bank of India or a branch of any other Bank acting as an Agency of the Reserve Bank of India, Treasury and Sub-Treasury Officers are authorised to accept for disposal in the usual manner suspected coins tendered by the Post and Telegraph Offices.

DIMINISHED AND DEFACED COIN

37. When a silver coin which has been diminished in weight so as to be more than 25 per cent. below standard weight, is tendered to any person authorised to act under section 16 of the Indian Coinage Act, such person shall cut or break such coin and return the cut coin to the tenderer, who shall bear the loss caused by such cutting or breaking. Coins which have been diminished in weight but not more than 25 per cent of the Standard weight should, when tendered, be disposed of in accordance with the rules in Appendix C to the Central Government: Compilation of Treasury Rules, Volume II

38. Soldered and shroff-marked coins are defaced (but not fraudulently defaced) coins under the Indian Coinage Act and should be received and paid for as coins which have been diminished in weight. In determining the weight of coin to which solder or other metal has been attached the weight of such solder or other metal should not be taken into account. Ordinarily, presenters should be required to remove as much as possible of the solder at their own cost.

39. When silver coin which has been fraudulently defaced is tendered to any person authorised to act under section 16 of the Indian Coinage Act such person shall cut or break the coin and return the cut coin to the tenderer,

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who shall bear the loss caused by such cutting or breaking. If the defacement is not fraudulent, the coin shall be received at the rate prescribed in Appendix C to the Central Government : Compilation of Treasury Rules, Volume II, coins diminished in weight, but it shall not be re-issued.

40. The following instructions should be borne in mind in determining whether a coin is fraudulently defaced. A liberal interpretation is given in the Mint to the orders for rejection of coin as fraudulently defaced with the combined objects of (i) protecting innocent holders, such as those who hold their savings in the form of coin made up into necklaces and other ornaments, or those through whose hands defaced coin passes and who are unable to detect and refuse coins that have been defaced with fraudulent intent, and (ii) encouraging the return of defaced coin by the public, with a view to maintaining the standard of the coinage in circulation.

(i) A coin which bears on its surface radial striae should be deemed to have been fraudulently defaced.

(ii) Defaced coins bearing clear signs (i.e. such as must be obvious to the public) of defacing with fraudulent intent should be rejected as fraudulently defaced.

(iii) Coins from which silver has been deliberately removed by filing, clipping, scooping or punching, and coins other than soldered coins which have been remitted should be rejected as fraudulently defaced soldered coins having only a section of the milling unevenly filed, where solder has been removed and the milling refiled, should not be treated as fraudulently defaced.

(iv) Drilled coins which appear to have been used as ornaments, and which bear no other signs of reductions, are not fraudulently defaced, but should be accepted as defaced. If tendered in large numbers, however, a fraud should be suspected.

(v) "P.M." marked coins should be accepted as defaced.

(vi) "Sweated" coins that have been reduced by the action of acid are defaced but not fraudulently defaced, unless the signs of sweating are clear enough to be obvious to the public.

(vii) Cut or broken coins that have been patched together with solder should be rejected as fraudulently defaced.

(viii) Coins on which any part of the design on obverse or reverse has obviously been re-engraved by hand should be rejected as fraudulently defaced.

41. Soldered coins should be accepted, provided that—

(i) they are in one piece ;

(ii) they retain sufficient impression to admit of identification as genuine India coin. If unidentifiable they should be returned uncut as unacceptable coin ;

(iii) the solder has been carefully and sufficiently removed by tools or by heat treatment ;

- (iv) they have not been reduced by sweating with acid ;
- (v) silver has not been scooped or filed from the coin under pretence of removing solder ;
- (vi) pieces of the original coin have not been removed and replaced with solder or base metal.

42. Defaced nickel, bronze and copper coins are legal tender and should be accepted at treasuries. But if they are soldered or otherwise unfit for reissued they should not be issued to the public but should be dealt with like other uncurrent coin.

ACCEPTANCE OF BURNT COIN

43. (1) Burnt silver coins may be received at treasuries if they are identifiable as genuine India coins. When such coins have diminished in weight by more than 2 per cent., below standard weight, payment should be made at the rates laid down in Appendix C to the Central Government : Compilation of Treasury Rules, Volume II. All burnt coins accepted at treasuries will be set apart for remittance to the Mints as uncurrent coins. Burnt coins which are not identifiable as genuine India coins should not be accepted at treasuries. The presenter should be directed to send them to the nearest Mint where, after the coins have been melted and assayed, outturn certificates will be prepared and issued for payment at the Treasury or Bank direct, situated at the place of his residence or at any treasury or Bank direct, where he desires to receive the payment. Value for the silver contents after assay will be given at the market rate on the date of receipt of the coins at the Mint, subject to the maximum of one rupee per standard tola.

(2) Burnt copper, bronze and nickel coins may be received at treasuries at their face value, provided they are identifiable as genuine India coins. Such coins if unidentifiable, will not be accepted at treasuries or at the Mints.

44. Payments at treasuries etc. of outturn certificates issued by the Mint Masters on account of burnt soldered, dumb or defective coins sent to the Mint should be passed on for adjustment to the Accountant General concerned. Outturn certificates not exceeding one rupee if uncashed for three calendar months, and those for above one rupee if uncashed for six calendar months from the date of their issue will be credited to the Central Government at the end of the period. Certificates not encashed within the above stipulated periods and lapse to Government should be returned to the respective Mints under prompt intimation to the Accountant General concerned.

SUPPLY OF WEIGHTS AND SCALES

45. (1) For testing silver coin, minimum weights of 15/16, 7/8, 13/16, 3/4, 7/6, 3/8, 3/16 and 3/32 tola a piece are obtainable from the Mints on application to the Mint Masters. To enable a Treasury Officer to determine

whether a rupee, half rupee, quarter-rupee or eight-rupee is fit for reissue or not, minimum weights of 176·4, 88·2, 39·375 and 19·6875 grains, respectively, are also supplied by the Mints on indents.

(2) Those weights are supplied by the Mint Masters free of charge to all treasuries and to the Banks conducting the cash business of a treasury. If they are supplied to replace weights lost, the person through whose default the loss has occurred will, if the Collector in the case of treasuries and the Manager or Agent in the case of Bank, so directs, pay a penal charge of one rupee, for each weight lost, the recovery being credited to the Central Government as a miscellaneous receipt. No adjustment in the Mint accounts is necessary. If the weights are supplied to a Foreign State, the State concerned should bear the cost.

(3) Weights other than minimum weights and scales of various sizes including minimum weight scales, are supplied by the Mint on payment. If any treasury desires to purchase these from the Mint, it will send an indent for the supply to the Mint Master direct.

(4) Scales and weights should be inspected by the Treasury Officer at regular intervals in order to satisfy himself that they are in good condition and are preserved carefully to prevent rust and abrasion. Whenever the Inspecting Officer has any reason to feel that they are worn out or not in order, they should be sent to the Mint for adjustment or replacement, a record of such tests being kept in the treasury.

WEIGHTMENT OF COINS AGAINST MINIMUM WEIGHTS

46. (1) Coins should never be directly weighed against the minimum weight, that is to say, it is incorrect to place the minimum weight in one pan and the coin in the other, as if the arms of the scale are not of exactly the same length, the weightment is false. At the beginning of the work the minimum weights should be placed in one pan, and should be balanced exactly by pieces of metal placed in the other pan. The minimum weight should then be removed from its pan and the coins to be tested should be placed one after another on the pan from which the minimum weight has been removed. The minimum weight should only be put back in its pan to test the counterpoise occasionally during the day. If this method, which is the only correct one, be adopted any error due to difference of length of arms of the balance, however minute, is avoided and wear and tear of the minimum weight will be greatly reduced.

(2) Minimum weights should invariably be replaced carefully in the boxes in which they are supplied and every care taken to avoid an abrasion.

LIGHT WEIGHT COIN IN REMITTANCES

47. Uncut rupees and half-rupees found in remittances from treasuries, Currency Offices and the Bank, which have lost more than $6\frac{1}{4}$ per cent and $12\frac{1}{2}$ per cent respectively, but not more than 25 per cent in weight should be cut on receipt and credited at one rupee per tola on their total weight. Coins

that have lost more than 2 per cent. but not more than $6\frac{3}{4}$ per cent., in weight through reasonable wear in the case of the rupee, at $12\frac{1}{2}$ per cent. in the case of the half-rupee, should be credited at their nominal value, but if their number exceeds $\frac{1}{2}$ per cent. of the whole remittance, the fact should be reported to the Collector, the Currency Officer or the Manager, as the case may be, of the Reserve Bank or the Local Head Office of the State Bank of India in whose jurisdiction the remitting office lies, according as the remittance is received from a treasury or sub-treasury, from an office of the Reserve Bank or from a branch of the State Bank of India, for taking such disciplinary action as may be considered necessary to improve the quality of shroffing.

WITHDRAWAL OF COIN FROM CIRCULATION

48. (1) The above instructions provide for the withdrawal of counterfeit, light-weight and defaced coin from circulation, but in order to maintain the currency in the hands of the public in as good a condition as possible, the following coins should also be withdrawn from circulation whenever they are received at a treasury, although they are legal tender :—

- (i) All quarternary silver rupee coins, which are one half-fine.
- (ii) Cupro-nickel coins of all denominations coined prior to the introduction of Decimal Coinage from 1957.
- (iii) Nickel-Brass coins of 1-Anna and $\frac{1}{2}$ Anna denominations.
- (iv) Copper Double Pice and Copper and Bronze Single Pice coined and issued prior to the introduction of Decimal Coinage from 1957.
- (v) Pure Nickel Rupees, $\frac{1}{2}$ Rupees and $\frac{1}{4}$ Rupees and Silver $\frac{1}{2}$ Rupees and $\frac{3}{4}$ Rupees of one half fineness which are so worn that the denomination and date are not decipherable.

(2) Coins called in by the Central Government should be withdrawn from circulation, as soon as they are received at a treasury or the Bank.

49. Treasury Officers should remember that the State of the currency in the hands of the public is largely dependent on the strict observance at treasuries of the above instruction for the withdrawal of coins which are unfit for circulation. Treasuries and their shroffs are primarily responsible for this work and should be required to keep a rough memorandum book showing the tale of the coin examined by each man per diem and the number of light-weight and other defective coins discovered per thousand rupees tested. Constant supervision should be maintained by the Treasury Officers, and if it appears that the number of coin withdrawn from circulation is small, special steps should be taken to see that all coins received at the treasury are properly shroffed.

50. All coins received by Government officers and withdrawn from circulation should, whether or not it has been cut or broken be sent at the first convenient opportunity to the Mint at Bombay, Calcutta or to any principal treasury appointed by the Currency Officer to receive such coin, for remittance

to the Mint. Such coin will be credited in the officer's cash balance as "Un-current Coin" at the actual value at which it has been received, and, on transfer to the Mint, will be credited at the Mint at the rates prescribed by the Government any loss incurred in recoinage being adjusted in the Mint accounts.

51. Coin received by a person other than a Government officer and withdrawn from circulation under these instructions should whether or not it has been cut or broken, be sent to the nearest treasury where it will be paid for at the prescribed rates and remitted to the Mint in the usual course.

52. The procedure for the remittance into the Mint of coins withdrawn from circulation is laid down in Rule 560.

RETURN OF COINS CUT OR BROKEN OR WITHDRAWN FROM CIRCULATION

53. Uncurrent silver coin received at treasuries under paragraphs 23, 37, 38, 47 and 48 should be entered in a separate register in Form T. E. 7 of the Central Government : Compilation of Treasury Rules, Volume II, at the end of the day of their receipt, and the several kinds of coin kept in the separate bags under double locks. A separate record of uncurrent silver coins cut under the rules but not paid for should be maintained in form T.E. 8 of the Central Government : Compilation of Treasury Rules, Volume II, to assist in the preparation of the annual return in Form T.E. 9 *ibid* of uncurrent silver coin cut.

54. The total amount of 1835, 1911, light-weight shroff-marked, soldered and other defaced, uncurrent and defective coins, as well as coins called in by proclamation, withdrawn from circulation and held in the treasury should be shown separately in the monthly cash balance report.

55. A return in Form T.E. 10 of the Central Government : Compilation of Treasury Rules, Volume II, should be submitted to the Currency Officer with the cash balance report showing the details and balances of all silver coins withdrawn from circulation.

56. Treasury Officers should, on the 20th April each year, submit to the Currency Officer a return in Form T. E. 9 of the Central Government : Compilation of Treasury Rules, Volume II., showing genuine silver coins cut or broken during the previous year on account of being reduced in weight. They should also submit to the Mint quarterly, not later than the 10th of the month following the quarter to which it relates, a return in Form T.E. 11 of the Central Government : Compilation of Treasury Rules, Volume II, showing counterfeit coins received in the previous quarter, excluding receipt from Railways but including receipt from Courts and from all other sources. The return should include the coins received by the Bank conducting cash business of the treasury. The necessary figures will be furnished by the Bank to the Treasury Officer immediately after the close of each quarter.

SUPPLY OF COINS

57. (1) In districts where the cash business of the treasury is not conducted by the Bank, the Treasury Officer is responsible for maintaining at his treasury a sufficient supply of all kinds of coin for issue to the public. He should, as far as possible, submit to the Currency Officer his requisition for the supply of small coin and rupees with the cash balance report. Ordinarily, remittances of coin will be sent to the district treasury and distributed to sub-treasuries from there by the Treasury Officer, but in certain cases, e.g., when a sub-treasury is on a Railway, it may be more economical to send remittances to a sub-treasury and make the distribution from there.

(2) In districts where the cash business of the treasury is conducted by the Bank, the Manager or the Agent of the Bank is responsible for maintaining a sufficient stock of rupees and small coin to meet all demands from the public and also demand from the Treasury Officer for supply to sub treasuries. When the Treasury Officer wishes to replenish the stock of coin at a sub-treasury, he will obtain the necessary coin from the Bank, unless the sub-treasury requirements are large and it is more convenient and economical to obtain a direct remittance from a Currency Office or a small coin depot. In the case of branches of the State Bank of India, the Agents will submit their indents of supply of coin to the Local Head Office or Link Branch, which arrange with the Currency Officer for the necessary remittances.

FOREIGN COIN

58. Save as hereinafter provided, foreign coin or notes should not be received in treasuries, except under some general or special orders of the Government.

59. Troops returning from a campaign, where they have been paid in foreign money, are allowed to exchange it at the treasury nearest the frontier (or at the next, on a certificate that the frontier treasury has not sufficient funds) at the rate of exchange at which it may have been issued to the troops, the Officer Commanding the troops certifying the rate and also the fact that the money has been issued as pay.

60. Foreign coins may in special circumstances, be paid into a treasury as part of a deposit eventually to be made over to a third party. The disbursement will be of the same coins, and so it is immaterial whether, for purposes of account, the market rate, the assay rate, or a purely arbitrary value is assigned to such currency

BANK TREASURIES

61. The instruction contained in this chapter apply *mutatis mutandis* to treasuries, the cash business of which is conducted by the Bank, except where special instructions are laid down. The Manager or Agent of the Bank, will supply the Treasury Officer with the information necessary for the preparation of the return mentioned in paragraphs 53 to 56.

CHAPTER IV—CURRENCY AND BANK NOTES

DENOMINATIONS OF NOTES

62. Under the provisions of the Reserve Bank of India Act (Act II of 1934), the sole right to issue Bank notes in India has been vested in the Reserve Bank with effect from 1st April 1935, and the Government have ceased to issue currency notes. The Reserve Bank has taken over the liability for the currency notes issued by the Government.

63. Currency notes of the denominational values of one rupee, two rupees, five rupees, ten rupees, one hundred rupees have been issued by the Government. Under the provisions of the Reserve Bank of India Act, these notes are now legal tenders throughout India and the distinction between universal and non-universal notes does not now exist. The issue of currency notes of the denominational values of one-rupee has been discontinued and currency notes of the other denominational values supplied by the Government have been issued by the Reserve Bank in addition to its own notes.

64. Bank notes issued by the Reserve Bank will be of the denominational values of two rupees, five rupees, ten rupees, one hundred rupees, one thousand rupees, five thousand rupees and ten thousand rupees unless otherwise directed by the Government on the recommendation of the Central Board of the Bank. Bank notes and currency notes issued by the Bank are legal tender throughout India.

Note.—Bank Notes and Currency Notes of the denominational values of five hundred rupees, one thousand rupees and ten thousand rupees issued prior to 12th January 1946 were demonetised with effect from that date and are no longer legal tender. Bank notes of the denominational values of one thousand rupees, five thousand rupees and ten thousand rupees in the Asoka Pillar design have been issued with effect from 1st April 1954 and are legal tender.

65. One rupee notes issued by the Central Government are unlimited legal tender, and although these notes are treated as rupee-coin for purposes of the Reserve Bank of India Act, the instructions contained in the following paragraphs will, save where the contrary intention appears, apply to these notes as they apply to Currency and Bank notes.

RECEIPT AND ISSUE OF NOTES

66. No restrictions are imposed on the issue of notes at treasuries in exchange for coin or for notes of other denominations.

67. Although no person has a legal claim to obtain coin for notes presented at a treasury, this accommodation should be given whenever possible, and all applications for exchange should be granted, provided that the coins or notes applied for are available, subject to any general or special limitation which the Reserve Bank or the Government may find it necessary to impose from time to time.

68. Subject to any limitations which may be imposed in particular cases the Treasury Officer should, whenever he is satisfied that no inconvenience will be caused to the treasury, exhibit in some conspicuous place a placard in English and the Indian Language in local use notifying that he is prepared to give coin for notes.

Note 1.—Notes to a limited extent may be cashed for the convenience of travellers when the treasury is unable to cash them for the general public.

Note 2.—Facilities should be given as far as possible for encashment of notes at sub-treasuries.

69. Whenever there are reasons to believe that notes are selling in the local market at a discount or a premium in large amounts, the Treasury Officer should at once bring the fact to the notice of the Currency Officer.

70. The ordinary exchanges with the public mentioned in paragraphs 66 to 68 above should be made from the treasury balance. When, however, the amount of rupees or notes of any denomination in the treasury balance is insufficient to meet the demand for exchanges, rupees or notes of the required denominations may be obtained from the currency chest.

71. It is desirable from the point of view of the popularity of the notes issued that clean notes only should be put into circulation. This has, at the same time, the advantage of making it more difficult for forged notes to escape detection, as these are frequently intentionally soiled or smudged in order to conceal their defects. In the case of district treasuries, however, it is not feasible entirely to discontinue re-issue, but Currency Officers will arrange to keep the treasuries in their jurisdiction supplied with sufficient stocks of clean notes in order to meet all probable demands. Notes much soiled, defaced, or torn should not in any case be re-issued to the public and cut notes should not be re-issued. Notes unfit for re-issue should be sent to the Issue Department of the Reserve Bank (or treasury named by the Currency Officer) in the first remittance made thither.

72. Subject to the remarks in the preceding paragraph all notes, if fit for issue, may be issued to the public, irrespective of the circle from which they were issued, or deposited in the currency chests under the relevant orders. Currency notes of the denominational values of one rupee, two and a half rupees and twenty rupees should not be issued to the public, but should be remitted to the Currency Officer (or treasury named by the Currency Officer).

73. In order to prevent the older issues of notes being stored for an indefinite period in a treasury, notes fit for re-issue should be arranged in the double lock treasury balances and the currency chest balances in order of receipt and should be re-issued from these balances in the same order. Notes received across the counter in the course of daily transactions may be re-issued at once, provided that they are in good condition.

74. Notes unfit for issue should be kept separately in the currency chest balance, pending remittance to an Issue Department of the Reserve Bank in accordance with Rule 560.

FORGED, DEFECTIVE AND LOST NOTES

75. (1) In the event of a forged note being presented, the note and the presenter should be made over to the police, if the Treasury Officer considers it advisable to do so. If, however, the Treasury Officer is convinced that the presenter has presented the forged notes in good faith, believing that it was genuine, he should impound the note, take the name and the address of the presenter and his statement regarding the person from whom he received the note. The forged note and the presenter's statement should be sent to the police for further enquiry. After the enquiry has been completed the police will forward the forged note to the Issue Department of Reserve Bank along with a report.

Note.—When a forged note is impounded, it should be stamped with the word "Forged" or the word "Forged" should be written on it in red ink in large letters before it is sent to the Police for enquiry.

(2) Notes disfigure by oil or other substances should be scrutinised with special care, as forged notes are sometimes intentionally thus disfigured to render detection difficult.

(3) The Reserve Bank has issued instructions to all the scheduled banks that when a forged note is presented to a scheduled bank, if the presenter is known to it, it should issue a receipt for the note and take from the presenter statement as to how the note came into his possession. The statement along with the forged note should be forwarded to the nearest treasury/Sub-treasury/currency officer of his information and action as in sub-paragraph (1) above. If the presenter is not known and is suspected to being cognizant of the forgery, he should be handed over to the local police for investigation and a suitable report sent to the circle Currency Officer. In either case the word 'forged' should be written in red ink in large letters on the note before it leaves the custody of the Bank.

(4) The Reserve Bank has authorised the Head Offices and other offices, branches, sub-branches and Treasury Pay Offices of the State Bank of India and the branches of its subsidiary Banks conducting Government business to impound forged notes.

(5) At places where there is neither an Issue Department of the Reserve Bank nor a branch, sub-branch or Treasury Pay Office of an Agency Bank, Treasury and Sub-Treasury Officers are authorised to accept for disposal in the usual manner suspected notes tendered by Postal and Telegraph Offices.

(6) When suspected notes sent to treasuries by Post Offices or managers of Joint stock banks adjudication are adjudged by Treasury Officers as genuine their value will be accounted for under the head 'Civil Deposits—Revenue Deposits', pending repayment of the amount to the parties concerned. If these deposits remain unclaimed for one whole account year, they should lapse to the credit of the Central Government.

Note.—These instructions apply *mutatis mutandis* to suspected coins sent by Post Offices to Treasury Officers under paragraph 36.

76. No person is of right entitled to recover the value of any lost, stolen, mutilated or imperfect currency or Bank note, but rules have been framed under the Reserve Bank of India Act, prescribing the circumstances, conditions and limitations under which the value of such notes may be refunded as of grace. The rules are reproduced in Appendix 'G' to the Central Government: Compilation of Treasury Rules, Volume II.

77. Half, mutilated, mismatched or altered notes, and notes disfigures by oil or other substances in such manner as to tendet their identification doubtful should never be received in payment of Government dues or cashed. The holder should be advised to apply to the Currency Officer competent to deal with the matters in accordance with the rules in Appendix 'G' of the Central Government : Compilation of Treasury Rules, Volume II, for instructions regarding the procedure under which the value of such notes can in some cases be recovered.

Note 1.—Notes with only a slight mutilation which does not interfere with identification or suggest fraud, may be received at the treasury and dealt with under Rule 561. The features necessary for the identification of a note are, besides the number which must including the serial letters, be all intact the denomination, the place of issue where indicated the signature and the water mark.

Note 2.—Defective notes should be stamped with "Half note Payment refused", "Mutilated Payment refused" "Mismatched-Payment refused" or "Altered-Payment refused", as the case may be or such words should be written in red ink in large letters before they are returned to the presenter.

78. The value of lost, stolen or wholly destroyed notes of the denomination of Rs. 100 and below will not be refunded. Persons applying to a Treasury Officer for a refund of the value of lost, stolen or wholly destroyed notes of the denomination above Rs. 100 should be referred to the Currency Officer of any Office of issue.

BANK TREASURIES

79. Provisions of paragraphs 66 to 78 above apply *mutatis mutandis* to Bank Treasuries.

INDENTS FOR NOTES

80. The Treasury Officer is responsible for keeping the currency chest and treasury balances sufficiently stocked with all denominations of notes to provide for issues to the public in payments, on behalf of the Government and in exchange for coins. He should, as far as possible, submit to the Currency Officer his requisitions for the supply of notes with the cash balance report. Ordinarily remittances of notes will be sent to the district treasury and distributed to sub-treasuries by the Treasury Officer, but in certain cases e.g. when a sub-treasury is on a Railway, it may be more economical to send remittances to a sub-treasury for distribution.

81. At places where the cash business of the treasury is conducted by the Bank, the Manager or Agent of the Bank is responsible for keeping in the currency chest a sufficient stock of notes to meet all demands from the public and also demands from the Treasury Officer for supply to sub-treasuries. When the Treasury Officer wishes to replenish the stock of notes in a sub-treasury, he will obtain the necessary supply of notes from the Bank, unless the sub-treasury requirements are large and it is more economical and convenient to obtain a direct remittance from an Issue Department of the Reserve Bank. In the case of treasuries the cash business of which is conducted by branches of the Agency Banks, the Agent of the Bank will submit his indent for supply of notes to his Head Offices or Link Branch which will arrange with the Currency Officer for the necessary remittance.

CHAPTER V—CYPHER CODE AND TREASURY AGENCY

82. The concerned Currency Officer of the Reserve Bank of India supplies the Cypher Code of the Reserve Bank of India to each Treasury Officer and to such of the Sub-Treasury Officers as are in charge of currency chests. Treasuries /Sub-Treasuries with currency chests are also provided with a copy of the Treasury Agencies' Private Check Signal Book of the Reserve Bank of India. The Cypher Code contains a list of phrases and expressions ordinarily required in telegraphic communications on matters concerning resource, currency and transactions under the Reserve Bank of India's scheme of remittance facilities and as such it should be used for telegrams relating to such matters. The Check, Signal Book should be used for authenticating all telegraphs relating to telegraphic transfers.

SAFE CUSTODY OF CODE AND CHECK SIGNAL BOOK

83. The Code and Check Signal Books are confidential and shall be kept locked up carefully overnight, and during the day when they are not in actual use, in a safe or in the strong room. The keys of the safe or the receptacle in which the books are kept shall remain in the personal custody of the Officer-in-Charge of the Treasury or Sub-Treasury or of any other Government servant duly authorised in this behalf. If the books are kept in a box or other receptacle, as provided above, the latter must be kept in a safe or in the strong room overnight. When the books are taken out for use during the day, they must invariably remain in the personal custody of the Government servants mentioned above, and must, on no account, be allowed out of their possession. All spare copies of the Code and Check Signal Book must invariably remain in a safe or in the strong room. Negligence in the observance of these instructions may involve Government and Reserve Bank in considerable loss before protective measures could be adopted. Holders shall, therefore, exercise extreme care in regard to the custody and handling of these books.

PROCEDURE TO BE FOLLOWED IN CONNECTIONS WITH THE DISTRIBUTION AND ACKNOWLEDGEMENT OF AMENDMENT SLIPS

84. Amendments to the Code and Check Signal Book will be distributed by the concerned Currency Officer in the form of confidential circular letters with acknowledgement forms appended to them. The covers will be despatched by Registered Post-Acknowledgement due, direct to all holders. Immediately on receipts of the confidential circular the acknowledgement form appended to it shall be duly completed by the holders, and returned by Ordinary Post to the Currency Officer.

PROCEDURE TO BE FOLLOWED IN DEALING WITH AMENDMENT SLIPS

85. Immediately on receipt of an amendment slip, the reference number and date appearing thereon shall be serially recorded on the fly-leaf + the beginning of the Cypher Code or Check Signal Book as the case may be, under the signature of the Officer-in-charge. No correction shall, however, be made at the appropriate place in the books until the date

from which the amendment takes effect. For this purpose, a careful diary more shall be taken of the date from which the amendment comes into force which will be stated in the covering letter and or each slip and thereafter the amendment slip shall be carefully filed along with the covering letter, if any, on a special file expressly opened for the purpose. On the day the amendment becomes effective the relative slip shall be removed from the special file, cut out and pasted at the appropriate place in the Cypher Code, a suitable note of amendment being made in the proper place. Should it be found more convenient to carry out the amendments in manuscript in the body of the Cypher Code instead of pasting the relative slips therein, there is no objection to that course being adopted, but in that event it is imperative that the amendment slips shall be carefully retained on the separate file referred to above. In case of the Check Signal Book, the amendments shall be carried out in manuscript at the appropriate place. On the date on which each amendment becomes effective the fact that the amendment has been carried out shall be noted in a separate column under the signature of the Officer-in-Charge against the entry already made on the fly-leaf when the amendment slip was received.

Where files are used for recording amendment slips or the covering letters of both, the above instructions for the safe custody of the Code Books shall apply *mutatis mutandis* to such files. All spare copies of amendment slips must also be kept in a safe in the strong room.

PROCEDURE TO BE FOLLOWED IN THE EVENT OF THE CHECK SIGNAL
OR AMENDMENT THERE BEING LOST OR FALLING INTO
UNAUTHORISED HANDS

86. Should the Cypher or the Check Signal Book get lost or fall into unauthorised hands at any time, the fact shall immediately be reported by telegrams to the Chief Accountant of the Reserve Bank of India at Bombay (Telegraphic address "RESERVE BANK", Bombay), for necessary action. The telegraphic message shall also be repeated to the Currency Officer of the Circle for his information. A detailed report regarding the circumstances attending the incident, the steps taken to trace the Code or the Check Signal Book in the case of a loss, and the precautions taken to prevent a recurrence, shall be submitted to the Currency Officer of the Circle as soon as possible thereafter. In the event of amendment slips being lost or falling into unauthorised hands, an immediate report by letter, and not by telegram, shall be made to the Currency Officer. This report shall be followed by a detailed report similar to that prescribed above for the Cypher Code and the Check Signal Book.

PROCEDURE TO BE FOLLOWED IN THE EVENT OF TRANSFER OF CHARGE

87. When a Government servant who holds copies of the Code and Signal Book is relieved of his charge, he shall hand over the copies in his custody to the relieving Government servant and the latter shall certify as follows 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 of India which has/have been corrected upto date. The last amendment slip received is No., dated the, for the Code.”

“I also certify that I have received and held in my personal custody copy/copies of the ‘Treasury Agencies’ Private Check Signal Book of the Reserve Bank of India which has/have been corrected upto date. The last amendment slip received is No., dated the, for the Check Signal Book.”

ANNUAL POSSESSION CERTIFICATES

88. On the 1st day of April each year all holders of the Code and Check Signal Book shall send direct to the Currency Officer concerned a certificate in the following form:—

“I hereby certify that I hold in my personal custody copy/copies of the Cypher Code of the Reserve Bank of India which has/have been corrected upto date. The last amendment slip received is No., dated the, for the Code.”

“I also certify that I hold in my personal custody copy/copies of ‘Treasury Agencies’ Private Check Signal Book of the Reserve Bank of India which has/have been corrected upto date. The last amendment slip received is No., dated the, for the Check Signal Book.”

Signature

Designation

Place

Date 19

Sub-Treasury Officers shall also send a copy of the certificate to their respective District Treasury Officers. In order to obviate unnecessary reminders, a careful diary note of this shall be maintained by all holders.

Conduct of business in the event of Death or sudden incapacitation of an Agent of a branch of the State Bank of India or its subsidiaries.

89. In the event of the Agent of a Branch of the State Bank of India or any of its subsidiaries which conduct Treasury business dying or becoming suddenly incapacitated for duty and it being not possible for the State Bank or its subsidiary to make immediate arrangements for the transactions of business at the branch, the Government official named hereafter should, provided, the concerned Bank has by prior arrangement requested that he should do so at once:—

(a) Visit the Bank in person, take over the keys of the strong room and other receptacles of treasure, notes or books and ensure that the strong-room is 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 transactions of "URGENT" treasury business at the Branch.

The responsibility for performing the function herein stipulated should, in the first instance, be primarily that of:—

(i) The Collector or District Officers at the District Head Quarters.

(ii) The Sub-Divisional Officer and Tahsildars at Sub-Divisional and Tahsildar Head Quarters, as the case may be.

The concerned Government official should on no account take any action in regard to the Bank's private business, which together with such treasury business which is not of an urgent nature may remain in abeyance till a responsible official of the concerned Bank takes charge of the branch.

When it is impossible for the concerned Government official to take the action mentioned above in person *i.e.*, on account of absence in camp, he may delegate his functions in this connection to any other Government official not below the rank of a confirmed sub-treasury officer, who is within easy reach of the branch, he should nominate such Government official for this purpose specially on each occasion when the necessity arises.

Neither the Government nor any Government Servant will incur any responsibility either to the State Bank of India or its subsidiaries or to any third party by reason of anything done *bona fide* under these instructions. The Government official concerned would, however, be responsible for the safe keeping, as a bailee of the keys of the strong room, etc., taken over by him and the accounting for the cash and other contents which he takes out from the strong room.

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