GOVERNMENT OF MADHYA PRADESH

THE

MADHYA PRADESH

TREASURY CODE

VOLUME I

Amended upto 31-12-1983

INDORE
GOVERNMENT REGIONAL PRESS
1987
प्रावकथन

पूर्व में प्रकाशित साध्यप्रदेश, कोष संहिता भाग-1, 31 जुलाई, 1972 तक संशोधित कर, प्रकाशित किया गया था ।

2. शासकीय कार्य सुचारू रूप से चले, इसे ध्यान में रखते हुए इन आठ वर्षों के शस्त्राल में, राज्य शासन द्वारा समय-समय पर प्रत्येक संशोधन जारी किये गये हैं ।

प्रत: यह प्रावकथा हो गया है कि इस पुस्तक का संस्करण पूर्णतः स्वीकृत मिया जाव । तदस्वरुप मथ्यपद्ध रत्न संहिता भाग-1 को दिनांक: 31-12-1983 तक नियमित करके प्रकाशित किया जा रहा है।

3. आशा है कि इस संस्करण के पुस्तक प्राप्ति से सभी सबसे शासकीय कार्य समाप्ति समाधिक होगी होगी तथा शासकीय कार्य निर्यातित रूप से समाप्त होगा।

भोपाल:  
दिनांक: 24 सितम्बर, 1984

एम. आर. शिवरामन

वित्त सचिव
PREFACE

The constitutional changes envisaged in the Constitution of India have made it necessary to revise the existing rules regarding treasury procedure and the revised rules are now issued in the Madhya Pradesh Treasury Code.

2. The Madhya Pradesh Treasury Code consists of two volumes of which the first contains the text of the Code and the second the appendices and forms. The first volume has been divided into the following two parts:

Part I—Includes the Treasury Rules.

Part II—Includes the Subsidiary Rules made under the Treasury Rules and the Executive Instructions.

3. Article 283 (2) of the Constitution provides that the custody of the Consolidated Fund and the Contingency Fund of State, the payment of moneys into such funds, the withdrawal of moneys therefrom, the custody of public moneys other than those credited to such funds received by or on behalf of the Government of the State, their payment into the public account of the State and withdrawal of moneys from such account and all other matter connected with or ancillary to matters aforesaid shall be regulated by law made by the Legislature of the State, and until provision in that behalf is so made, shall be regulated by rules made by the Governor. In exercise of the powers conferred by this Article of the Constitution and pending Legislative action in the matter, the Governor of Madhya Pradesh has promulgated the Treasury Rules which form Part I of the Madhya Pradesh Treasury Code.

4. Treasury Rules Nos. 4, 5, 10, 11, 13, 16, 30 and 32 authorise the Finance Minister to prescribe the procedure relating to matters specified therein consultation with the Accountant-General or the Reserve Bank of India, as the case may be. The Minister of Finance has accordingly prescribed the Subsidiary Rules under the Madhya Pradesh Treasury Rules which are included in Part II of the Code.

5. The rules and instructions contained in this Code deal primarily with the procedure which should be followed in treasuries, including offices and agencies of the Reserve Bank of India conducting the cash business of treasuries, and by Government officers generally in dealing with treasuries and the Bank. As regards receipt, custody and disbursement of moneys in offices other than treasuries and the Bank, these rules provide for vital principles and important safeguards of general applicability and special instructions applicable to particular departments which are to be the basis of the Latter's procedure. Details of departmental instructions on matters of minor importance or on subject special or Peculiar to the department concerned have been left to be prescribed by departmental regulations.

6. Certain executive instructions relating to resource, currency, coinage and allied subjects issued by the Government of India have also been adopted by the State Government and are included in Part II, Chapter XII of the Code.

7. With regard to the procedure to be followed by Treasury Officers in connection with payment of interest on Government securities, repayment of
principal of loans, receipt of subscriptions to new loans and other transactions, the relevant rules laid down in the Government Securities Manual, 1938, will continue to apply.


9. Under section 124 (1) of the Government of India Act, 1935, the Officers in charge of Provincial Treasuries and Sub-treasuries were entrusted with the function of receiving and disbursing and authorising the Bank to receive and disburse moneys of the Central Government with the stipulation that in respect of those transactions the Treasury Officers and Sub-treasury officers should act in accordance with Central Government compilation of the Treasury Rules in so far as they were special to Central transactions and did not refer to procedure already provided for in the rules of the Provincial Government. Pending delegation of functions by the President in terms of Article 258 (1) of the Constitution, the arrangement authorised under section 124 (1) of the Government of India Act, 1935, shall continue in force in all treasuries and sub-treasuries in Madhya Pradesh by viture of Article 372 (1) of the Constitution.

10. The Treasury Rules will be amended from time to time as occasion may arise by notification issued in the “Madhya Pradesh Gazette” and will be followed by Correction Slips. Amendment to rules in Part II will be made by issue of correction slips only.

11. The rules relating to coinage currency and allied subjects (e.g., Sections III, IV and V of Chapter XII) will be modified in consultation with the Government of India where necessary and the rules relating to matters with which the Reserve Bank is concerned (e.g., Chapters X and XI and Section II and VI of Chapter XII) will be amended in consultation with the Reserve Bank of India.

12. The rules in Part II along with the rules in Part I will have effect from the 1st September, 1955.

13. Any error or omission in this Code or suggestions for any amendments of the rules in this Code may be brought to the notice of the Finance Department through the administrative department concerned for consideration.

N. T. MONE
Secretary of Government, M.P.
Finance Department.

NAGPUR:
The 5th May, 1955.
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PART I.—THE MADHYA PRADESH TREASURY RULES

INTRODUCTION

[Notification No. 7435-17-R-VI (Codes), dated the 4th July, 1955, published in Madhya Pradesh Gazette, Part IV (c) dated the 8th July, 1955, under Finance Department.]

In exercise of the powers conferred by clause (2) of Article 283 of the Constitution of India and in supersession of this department Notification No. 2455-1882-R-VI-III, dated the 29th March, 1950, the Governor of Madhya Pradesh is pleased to make the following rules, namely:—

Section I.—Short title and commencement

1. These Rules may be called the "Treasury Rules, Madhya Pradesh" and they shall come into force on the 1st September, 1955.

1.-A. If the Government consider 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.

Section II.—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 the office of audit or of accounts and audit who is subordinate to the Comptroller and Auditor-General and who keeps the accounts of the State and exercises audit functions in relation to those accounts on behalf of the Comptroller and Auditor-General.

(b) "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.

(c) "Collector" means the Chief Officer in charge of the revenue administration of a district.
(d) "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 received by that Government in repayment of loans are credited, and from which the expenditure of that Government, when so authorized by the State Legislature is met.

(e) "The Constitution" means the Constitution of India.

(f) "Indian Audit and Accounts Department" means the officers and establishment, subordinate to the Comptroller and Auditor-General, that are employed upon the audit or upon the keeping and audit of accounts of the Union and of the States, or upon one or other of these duties.

(g) "Minister of Finance" means one of the Governor's Ministers to whom the business of finance is allocated by the Governor by whatsoever designation such person may be called.

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

(i) "State" and "Government" means respectively the State of Madhya Pradesh and the Government of Madhya Pradesh.

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

(k) "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 a Bank Treasury.

Section III.—Location of moneys standing in the Consolidated Fund and the Public Account of the State

3. Save as provided in sub-rule (2) of rule 7, moneys standing in the Consolidated Fund and the Public Account of the State must either be held in the treasury or in the Bank. Moneys deposited in the Bank shall be considered as one general fund held in the books of the Bank on behalf of the State.

The deposit of such moneys in the Bank shall be governed by the terms of the agreement made between the Governor of the State and the Bank under section 21 of the Reserve Bank of India Act, 1934 (Act II of 1934).

Note.—The agreement with the Bank is reproduced as Appendix I.

Section IV.—General system of control over Treasury

DISTRICT TREASURIES

4. (1) Unless the Government, after consultation with the Accountant-General otherwise direct in any special case, there shall be a treasury in every district. If moneys standing in the Consolidated Fund and Public Account of
PART I]  TREASURY RULES

the State are, in any district, not deposited in the Bank, the treasury of that
district shall be divided into two departments; a department of accounts, under
the charge of an Assistant Treasury officer and a department of cash, stamps
and opium, under the charge of a Treasurer.

(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 Accountant-General and the Bank.

Subject to the provisions of this rule, the respective responsibilities of the
Collector and the Treasury Officer for business of the treasury shall be such as
may be defined in accordance with such rules as the Minister of Finance may
approve, after consultation with the Accountant-General.

(3) The duty of verifying and certifying the monthly cash balance, if any, in
the treasury in such manner as the Minister of Finance after consultation with the
Accountant-General may prescribe and of submitting the monthly accounts of such
balance in such form and after such verification as the Accountant-General may
require shall be undertaken by the Collector or by such other officer as the Gov-
ernment may specify. It must be performed by the Collector in person at least
once in every period of six months.

(4) 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 Account-
ant-General the amount of the cash balance and stamp (including Match Excise
Banderols) and opium stores, if any, which he has taken over. The certificate
shall be submitted in such form and after such verification as the Minister of
Finance may, after consultation with the Accountant-General, prescribe.

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

SUB-TREASURIES

5. If the requirements of the public business make necessary, the establish-
ment of one or more sub-treasuries under a district treasury, the arrangements
for the administration thereof and for the proper conduct of business therein,
shall be such as may be prescribed by the Minister of Finance after consultation
with the Accountant-General.

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

OFFICE OF THE ACCOUNTANT-GENERAL

6. The office of Accountant-General may with the consent of and subject
to such conditions as may be prescribed by the Comptroller and Auditor General,
perform all or any prescribed part of the duties of a treasury in respect of claims
against the Government that may fall due for disbursement and moneys that may be tendered for credit to the Consolidated Fund and Public Account of the State.

Section V.—Payment of money into the Consolidated Fund and Public Account of the State

7. (1) Save as hereinafter provided in this section all moneys received by or tendered to Government servants on account of the Consolidated Fund and Public Account of the State, shall without undue delay be paid in full into the treasury or into the bank and shall be included into the Consolidated Fund and Public Account of the State. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure, nor otherwise kept apart from the Consolidated Fund and Public Account of the State. No department of the Government may require that any moneys received by it as aforesaid be kept out of the Consolidated Fund and Public Account of the State.

(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 summonses, diet-money of witnesses and similar purposes, in civil, revenue and criminal cases;
(b) in the case 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 (LIII of 1952), and utilised to defray legal expenses, incurred by them in the discharge of their duties as such Notaries Public;
(d) in the case of cash receipts utilised in accordance with departmental regulations by the Public Works Department to defray expenditure on current works, or utilised by that department under the authorisation of the Accountant-General to defray pay and travelling allowance charges;
(e) in the case of cash found on the persons of prisoners at the time of their admission to jail, and used for the repayment by Jail Superintendents under departmental regulations of similar sums due to other prisoners on their release;
(f) in the case of cash received by the Forest Department and utilised in meeting immediate local expenditure;
(g) in the case of collections in Government hospitals and utilised for making refunds, if any to patients leaving the hospitals;
(h) in the case of Courts allowed to make refunds out of money received by them as fines;
(i) in cases covered by the rules in other authorized Codes.

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 therefrom outside the account of
the payments into and the withdrawals from the Consolidated Fund and Public Account of the State.

8. Moneys received by or deposited with—

(a) any officer employed in connection with the affairs of the State in his capacity as such, other than revenues or public moneys raised or received by the State Government, or

(b) any Court within the State to the credit of any cause, matter, account or persons,

shall be paid into the Public Account of the State. If any question arises whether moneys are or are not moneys relating to or forming part of the Public Account of the State, the question shall be referred to Government whose decision shall be final.

9. (1) A Government servant may not, except with the special permission of the Government, deposit in a bank moneys withdrawn from the Consolidated Fund and Public Account of the State under the provision of Section VII of these rules.

(2) With the permission of the Governor, his Private or Military Secretary may open an account in a bank for the deposit of funds under the personal control of the Governor.

10. The procedure to be adopted by Government servants in receiving moneys on account of the Consolidated Fund and Public Account of the State, granting receipts for such moneys and paying them into the aforesaid accounts and by the treasury and the Bank in receiving such moneys and granting receipts for them shall be such as may be prescribed by the Minister of Finance after consultation with the Accountant-General. The procedure so prescribed shall, among other matters, contain provisions so as to secure that—

(i) any person paying money into the treasury shall present with it a memorandum (chalan) in such form, as may be prescribed, which will show clearly the nature of the payment and the person or Government servant on whose account it is made and will thus contain all the information necessary for the preparation of the receipt to be given in exchange and for the proper accounts classification of the credit and its allocation between Governments and departments concerned;

(ii) at places where the money is to be deposited in the Bank, the memorandum or chalan referred to in clause (i) above, shall except where otherwise provided be presented directly to Bank with money which will receive it and grant a receipt:

(iii) if a cheque on a bank is accepted in payment of Government dues under any rules, a receipt for the actual cheque only shall be given, but the formal receipt for payment shall not be delivered until the cheque has been accepted by the Bank on which it is drawn; and

(iv) at places where the money is to be deposited in the bank the advices of receipts, which according to any provision made under this rule have to be sent to public officers or departments and consolidated receipts
or certificates of receipts required by any such provision to be given to any public officer or department, shall be given by the treasury and not by the Bank.

Section VI.—Custody of moneys relating to or standing in the Consolidated Fund and Public Account of the State

11. (1) The procedure for the safe custody of moneys in the hands of Government servants, or held in a treasury, shall be as prescribed by the Minister of Finance, after consultation with the Accountant-General.

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

Section VII.—Withdrawal of moneys from the Consolidated Fund and Public Account of the State

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

13. Unless the Minister of Finance, after consultation with the Accountant-General, otherwise directs in any case, moneys may not be withdrawn from the consolidated Fund and Public Account of the State without the written permission of the Treasury Officer or of an officer of the Indian Audit and Accounts Department authorized in this behalf by the Accountant-General.

14. The Accountant-General may permit withdrawal for any purpose within the limit of his own jurisdiction. Unless expressly authorized by these rules or by any special orders of the Government, the Accountant-General may not permit withdrawal at a place outside the limits of his own jurisdiction.

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

(i) To pay sums due from the Government to the drawing officer,

(ii) To provide the drawing officer with funds to meet claims likely to be presented against the Government in the immediate future by—

(1) other Government servants, or

(2) private parties.

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

(iv) To pay direct from the treasury or from the Bank sums due by Government to a private party.

(v) In the case of an officer or authority empowered to make investments of moneys standing in the Consolidated Fund and the Public Account of the State, for the purpose of such investment.
PART I

TREASURY RULES

(vi) To pay sums to the drawing officer on account of Permanent Advance sanctioned to his office.

(b) Unless expressly authorized by the Accountant-General, a Treasury Officer shall not permit withdrawal for any purpose not specified in clause (a) of this rule.

(c) A Treasury Officer shall not permit the first drawal by a drawing officer of a newly created office or an office created by bifurcation of an existing office, unless a declaration from the Government nominating/authorising the Head of the office issued by the Government, is received in audit and an authority is received by the Treasury officer from the Accountant-General, placing the new drawing officer in account with the treasury. First payment shall be made after specimen signatures are received, in the manner laid down in S.R. 157 of the M.P.T.C. Volume-I.

16. Except as provided in rules 26 and 27, a Treasury Officer shall not permit withdrawal for any purpose unless the claim for withdrawal is presented by such person and in such form, and has been satisfactorily submitted by the Treasury Officer to such checks, as the Minister of Finance, after consultation with the Accountant-General, may prescribe. The procedure so prescribed shall, among other matters, contain provisions so as to secure—

(i) that any person having a claim against Government shall present his voucher at the treasury duly receipted, and stamped where necessary, and that unless otherwise specially provided no such claim shall be paid unless the claim is first submitted to, and the payment directed by, the Treasury Officer;

(ii) that where sub-treasuries are specially permitted by the Government to cash certain classes of bills without reference to the Treasury Officer, the payment of such bills shall not, except under special arrangements and on particular occasions, be allowed at the district treasury also;

(iii) that all bills and vouchers on which payment is made by the Treasury Officer or which are enfaced by him for payment at the Bank or a sub-treasury shall show to what head of account the payment is to be debited, how the amount of the payment is to be allocated between Governments or departments, and what amount, if any, appertains to other Governments.

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 authorized by or under these rules. If a demand of any kind is presented at a treasury for a payment which is not authorized by or under these rules, or is not covered by a special order received from the Accountant-General, the Treasury Officer shall decline payment for want of authority. A Treasury Officer has no authority to act under an order of 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.
18. A Treasury Officer shall not honour a claim which he considers to be disputable. He shall require the claimant to refer it to the Accountant-General.

19. Except as provided by rules 20 and 21 a payment shall, unless Government by general or special order otherwise direct be made in the district in which the claim arises.

20. The leave salary of a gazetted Government servant who draws his leave salary in India may be paid in any district of the State and the leave salary of a non-gazetted Government servant may be drawn from that treasury or office of disbursement only from which his pay could be drawn if he were on duty. In the latter case, the Government servant must make his own arrangement where necessary, for getting his leave salary remitted to him.

21. Pensions payable in India may be paid in any district of the State.

22. No withdrawal shall be permitted in order to meet the pay, leave salary or allowances of a gazetted Government servant or a reward or honorarium payable to a gazetted Government servant, or any pensions 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 concurrence of the Accountant-General, waive the provisions of this rule.

Note.—In the following cases, the Government, in consultation with the Accountant-General, Madhya Pradesh, have waived the substantive provision of the rule and consequently no authority of the Accountant-General for permitting the withdrawal of funds in such cases is necessary:—

(a) For payment of honorarium to a gazetted Government servant by the Editor “Sainik Samachar” for contributing articles, etc;

(b) For payment to be made under the scheme for the withdrawal of pay and allowances etc., of gazetted Government servants by Heads of Offices, in Establishment bill forms;

(c) For payment of pay and allowances by Indian Embassy etc., to a gazetted Government servant sent on deputation abroad for a period not exceeding two months in cases where the sanction itself is regarded as an authority for making the payment;

(d) For payment of honorarium to a gazetted Government servant by the Public Service Commission;

(e) For payment of honorarium of an occasional nature up to Rs. 100 by a Head of Office to a Gazetted Government servant.

23. No withdrawal shall be permitted on a claim for the first of any series of payments in a district, of pay or allowances to a Government servant other than a person newly appointed to Government service, unless the claim is supported by a last pay certificate in such form as may be prescribed by the Com-
troller and Auditor-General. 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.

Note.—Withdrawal for a claim for travelling allowance in respect of journey by a retiring All-India Service Officer and his family, from his last place of duty to a place where he wishes to reside, may be permitted by a Treasury Officer even without surrendering the Last Pay Certificate.

23-A. Unless the Government specially direct otherwise in any case, a Treasury Officer shall not make payment on account of the Government's investments in a Company, Corporation or similar autonomous organisations except on the authority of the Accountant-General, Madhya Pradesh. This condition will however, not apply in the case of investments in the form of share capital of or loans to any co-operative society registered under M.P. Co-operative Societies Act.

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

25. A 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.

26. A Treasury Officer may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to him for payment, but shall intimate to the drawing officer any correction which he makes.

27. 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, and the Treasury Officer shall 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., floods, earthquake and the like, and withdrawals of money under this rule should, as far as possible, exclude all personal claims of Government servants.

28. A Government servant who is authorized to draw moneys by means of cheques shall notify to the Bank or the treasury upon which he draws, the number of each cheque book brought into use and the number of cheques it contains.

29. When a Government servant who is authorized to draw or countersign cheques or bills payable at the treasury or the Bank makes over charge of his office to another, he shall send a specimen of the relieving Government servant's signature to the Treasury Officer or to the Bank, as the case may be.
Section VIII.—Transfer of moneys standing in the Consolidated Fund
and Public Account of the State

30. The transfer of Government moneys from one treasury to another and
between the currency chest balance and treasury balance of a treasury and bet-
ween a treasury and the Bank shall be governed by such instructions as may be
issued in this behalf by the Minister of Finance after consultation with the Reserve
Bank of India. The transfer of moneys from or to a small coin depot to or from a treasury under the control of the Government of the State shall be gov-
erned by instructions issued by the Central Government in this behalf.

Section IX.—Responsibility for moneys withdrawn

31. 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.

32. (a) Subject as hereinafter provided in this rule, the procedure to be
observed by a Government servant in regard to moneys withdrawn from the
Consolidated Fund and Public Account of the State for expenditure shall be such
as may be prescribed by the Minister of Finance after consultation with the
Accountant-General.

(b) A Government servant 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. He shall also be responsible for seeing
that payments are made to persons entitled to receive them.

(c) If any doubt arises as to the identity of the Government servant by
whom an account of such funds shall be rendered, it shall be decided by Gov-
ernment.

Section X.—Inter Government treasuries

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

(2) Moneys presented within the jurisdiction of another Government for
credit to the Consolidated Fund and Public Account of the State or a payment
made by another Government as a withdrawal affecting the balances of the
Consolidated Fund and Public Account of the State shall not be credited or de-
bited to the Consolidated Fund and Public Account of the State except under
express authority of the Accountant-General or any other Accounting Officer
authorized in this behalf by the Comptroller and Auditor-General.

(3) All adjustments against the balance of the State by debit or credit to
another Government shall be made through the Central Accounts Office of the
Reserve Bank of India.
34. Where such a course is authorized in consequence of a delegation of functions made under sub-section (1) of Article 258 of the Constitution, the Treasury Officer may receive or authorize the Bank to receive moneys tendered on behalf of the Central Government, and may make or authorize the Bank to make disbursements on behalf of the Central Government in accordance with such procedure as may be specified in the rules made by or under the authority of the President. Such receipts and disbursements 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 are temporarily taken into account against the balance of the Consolidated Fund of the State or the Public Account of the State, as the case may be, 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 Office of the Reserve Bank of India, against the balances in the Consolidated Fund or the Public Account of India held by the Bank.

35. The Treasury Officer may, subject to any general or specific direction of the Government in this behalf, receive or authorize the Bank to receive moneys tendered on behalf of another State and may, if so required by the Accountant-General, make or authorize payment of any claim against another State. The necessary credits or 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 Office of the Reserve Bank of India, but until such adjustments are made the credits and debits shall be entered in the Consolidated Fund and Public Account of the State, as the case may be.

Moneys 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 General Accounts Office of the Reserve Bank of India against the balances of the State concerned.

Section XI.—Receipts and disbursements of the State in the United Kingdom

36. Moneys received in the United Kingdom on account of the Consolidated Fund of the 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 Consolidated Fund of India in that country, in accordance with such procedure as may be prescribed for the transactions of the Central Government in the United Kingdom. These transactions shall be adjusted in India, at the earliest opportunity, against the balances of the Consolidated Fund of the State according to such directions as may be given in this behalf by the Comptroller and Auditor-General of India with the approval of the President.

Section XII.—Supplemental

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

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

39. The Minister of Finance may not exercise any power conferred upon him by these rules so as to impose upon the Bank in connection with the business of the Government any responsibility not imposed upon the Bank by the terms of its agreement with the Governor.
PART II.—SUBSIDIARY RULES UNDER TREASURY RULES

CHAPTER I.—GENERAL ORGANISATION AND WORKING OF TREASURIES

Section 1.—General Organisation

MANAGEMENT

1. A list of treasuries and sub-treasuries in Madhya Pradesh is given in Appendix 2.

2. (a) Each treasury, the cash business of which is not conducted by the Bank, is divided into two departments—that of accounts under the charge of an Asstt. Treasury Officer, and that of cash, stamps and opium (if any) under the charge of a treasurer. Treasuries, the cash business of which is conducted by the Bank, have no treasurer, and the charge of stamps and opium at such places is held by clerks (other than Asstt. Treasury Officer) directed by Treasury Officers to hold such charge.

(b) The two departments should be so located as to work quite independently of each other during the day; the arrangement should be such that any person having business to do with the treasury, must first pass into the account office (branch) and then through the treasurer’s department.

(c) It is desirable, when the building accommodation allows of it—(1) that the Treasury Officer’s room should have a door leading into the Asstt. Treasury Officer’s room behind a counter which should extend across the room so as to prevent the public obtaining access into that portion in which the Asstt. Treasury Officer and his assistants are employed; (2) that the treasurer’s room should be next to the Asstt. Treasury Officer’s also with a similar counter, with communication (i) for the public in front of the counter, and (ii) with the Asstt. Treasury Officer by an opening behind the counter.

COLLECTOR

3. The Collector, as in general charge of the treasury, shall be immediately responsible to Government 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 responsibility which 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 the implicit obedience of the Treasury Officer to the instructions issued by the Accountant-General, Currency Officer or other competent authority.

4. The Collector shall send immediate notice to the Accountant-General, Finance Department of Government and other authorities concerned of any defalcation or loss of public moneys, stamps or 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 Government. Petty cases, that is, cases involving losses not exceeding Rs. 500 each, need not be reported to the Accountant-General unless there are in any case important features which merit detailed investigation and consideration.

5. 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 the subordinate inasmuch as reports prepared in this manner are likely, by lulling suspicion, to lead to greater irregularities afterwards.

6. (1) The duty of verifying and certifying the monthly cash balances and of signing the monthly cash accounts and plus and minus memoranda may be entrusted to a senior Deputy Collector not being the officer in charge of the treasury. The duty must, however, be performed by the Collector himself once in every period of six months, the verification of the balances being made without giving previous intimation as it would help to check defalcations in the treasuries.

Note.—List of payments and its subsidiary schedules sent to the Accountant-General twice a month should be signed only by the Treasury Officer. The Collector will, however, remain responsible for the correctness of the accounts.

(2) In addition to the cash balance, the stock of stamp, opium and plain watermarked paper should also be verified with the balances as shown in the treasury registers and in the monthly plus and minus memorandum rendered to the Accountant-General. The Collector or Deputy Collector who verifies cash, stock of stamps, opium, watermarked paper etc., should also verify valuables, court property and other articles lodged with the Treasury for safe custody and certify on the Register of Valuables prescribed under S.R. 48.

7. The verification should be made in accordance with subsidiary rules in Section III of Chapter III, and should include the balance in the treasurer's separate chest as well as that under double locks. Small amounts of silver, which cannot be verified by weighing, should be counted in detail. It is not permissible to exclude from the monthly counting, any part of the cash balance, however carefully counted, Sealed and Stowed away. The officer should see that gunny bags of special make and standard size are used for storing all silver coins, and should satisfy himself that every bag actually contains the description of coin which it purports to do. He must also satisfy himself that the orders for ensuring the safe custody of coins are properly carried out.

8. In verifying the cash balance, the officer should satisfy himself, by personal examination, that the actual stock of coin, currency notes, etc., corresponds with the balances shown in the register of cash under double locks and in the treasurer's balance sheet; also that the sum held by the treasurer in his
separate custody is not larger than is necessary for the convenient transaction of the Government business, or larger than the security given by him. The maximum balances to be held by treasurers under single lock in the district and sub-treasuries are given in Subsidiary Rule 95. He is also required to verify the stock of drafts and similar forms which are intended for use in monetary transactions when verifying stamps and opium.

Note.—The word “Stamps” used in this and other rules of this part includes the Match Excise Banderols.

9. The Collector shall satisfy himself at least once in every quarter that the deposit registers are kept according to prescribed rules and that all necessary entries are made and initialled without fail at the time of the transaction.

10. The Collector shall be specially careful, when assuming or relinquishing charge of a district, to see that the cash balance and stock of stamps, opium, etc., in the treasury are thoroughly verified and that the certificate, in Form M.P.T.C. 1 which is required from the relieving and relieved officers, showing the treasury balance in cash, stamps, opium, etc., is invariably despatched along with the charge report to the Accountant-General on the same day that the transfer of charge takes place.

11. The Collector shall report every transfer of the executive charge of a Treasury by post the same day to the Accountant-General, the Director of Treasuries and Accounts and the Secretary to the Government in the Finance Department. This shall be done by forwarding a copy of the Certificate in form M.P.T.C. 1 A signed by the relieving and relieved Treasury officers. Before signing the certificate the treasury officer on assuming or relinquishing charge shall ensure that the cash balance and stock of stamps, opium, etc., are thoroughly verified.

TREASURY OFFICER

12. The appointment of very junior officers to the charge of treasuries is objectionable, but if in a temporary emergency such an appointment is made, the departure from the strict rule should be reported to the Accountant-General and the reasons for it should be explained to that officer.

13. The charge of treasuries is to be entrusted to Deputy Collector, but may be combined with such definite charge of magisterial, revenue, municipal, or other work as may not be incompatible with the efficient performance of the primary duty of treasury administration. An Assistant Collector must not be placed in charge except for the purpose of training or as a strictly temporary measure, pending the arrival of the Deputy Collector, appointed to the post. The officer selected should have had at least three years’ service and must have passed in Accounts by the higher standard. Every Assistant Collector, or Deputy Collector, shall, until he has passed in Accounts by the higher standard, be placed, for purposes of training, in charge of the treasury, under the general supervision of the Deputy Collector ordinarily in charge, or some other competent officer on the spot, for a period of not less than six weeks or more than two months in each year. Frequent changes in the charge of treasuries should be
ORGANISATION AND WORKING OF TREASURIES

Avoided. As far as possible, the same officer should be kept in charge for the year.

Note 1.—The condition of three years' service need not, however, be insisted on in the case of Deputy Collectors who have been promoted from the ranks of Naib-Tahsildars and Tahsildars.

Note 2.—No re-employed pensioner should be placed in charge of a treasury or sub-treasury.

14. As the Collector's delegate and representative, the Treasury Officer is responsible to the Collector 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, 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.

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

16. 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 chapters of these rules.

A list of some of the matters of treasury procedure in which special personal intervention of the Treasury Officer is required by the rules is given in Appendix 3. That list, however, is not exhaustive.

RELATION WITH THE ACCOUNTANT-GENERAL

17. The Accountant-General directs his communications regarding treasury accounts and procedure either to the Collector or to the Treasury Officer, but all important communications to the Accountant-General must issue over the signature of the Collector or with his approval. The Collector may not forward the Treasury Officer's explanation as his own in reply to questions or enquiries concerning the treasury work.

RELATION WITH THE CURRENCY OFFICER

18. The Currency Officer ordinarily directs his communications to the Treasury Officer but, save in matters of daily routine, all communications to the Currency Officer must issue over the signature of the Collector or with his approval. The Currency Officer will bring to the notice of the Collector 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, so far as the treasuries in this State are concerned, is conducted, under the control of the Bank, by the Currency Officer in charge of the Issue Department of the Bank at Bombay.
24. The Asstt. Treasury Officer is responsible under the orders of the Treasury Officer for keeping complete records of cash 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 of irregularity to the notice of the Treasury Officer.

25. The Asstt. Treasury Officer may be required to inspect, under the orders of the Treasury Officer, the account records of sub-treasuries and to check a percentage of the initial accounts.

Section II.—Treasury Accounts

Treasurer's Records

26. The treasurer shall maintain a simple cash book (without subordinate registers) in which each receipt and payment shall be posted at the time and on the date on which they actually occur and in the order of occurrence. The Treasurer shall sign and immediately return to the Asstt. Treasury Officer (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 Account Department when the books are compared.

27. When stamps or opium have been sold, the total sales shall be entered before the cash book is closed and a memorandum shall be prepared and forwarded to the Asstt. Treasury Officer, so that the necessary entry may be made in the accounts. The Treasurer's cash book shall be totalled on each page and for each day, but the total should not be carried forward from day to day. The Treasurer must enter in the cash book in consecutive order all the amounts he receives and post the payments by the same number and letter which the vouchers bear in the Asstt. Treasury Officer's cash book and registers, whether they come to him consecutively or not.

In the case of receipts of frequent occurrence such as land revenue, it may be convenient to enter the items following under the same head in one place in the cash book. This can be done by setting apart a portion of the day's pages at the commencement of business for the entry of such items.

Assistant Treasury Officer's Books

28. 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 producible, if necessary, as satisfactory and convincing evidence of facts.
(d) A Fidelity Guarantee Policy of the Life Insurance Corporation of India may also be accepted as security from the treasury staff provided that:

(i) The Employees take Fidelity Insurance Policies at their own expense;

(ii) This form of security is not accepted from a private party;

(iii) When the security is furnished in the form of Fidelity Guarantee Policy the authority who accepts security under S.R. 20 shall see that the Govt. servant pays the premia necessary to keep the policy alive on the due dates. If the Govt. servant fails to deliver the premium receipt to the said authority in time, he should be removed from his post at once.

23. The Collector may, at his discretion, accept personal securities from the staff of the treasuries entrusted with the charge of money in Form M.P.T.C. 3. The determination of the adequacy of the security is left to him and he is also responsible for verifying the continued solvency of the sureties once a year.

Where personal security has been furnished, the Collector will send to Director of Treasuries and Accounts, Madhya Pradesh on the 15th April, of each year a certificate to the effect that he is satisfied of the continued solvency of all such sureties.

"Note.—Whenever, the Collector under his discretion accepts personal securities under the above rule, he may also in addition to it, permit the Government servant to pay the amount of security in suitable monthly instalments. The amount so paid will be deposited by the Government servant in a Post Office Savings Banks Account, opened in his name provided that the depositor has signed and delivered to the Post Master a letter in the prescribed form as per Post Office Savings Bank Rules, pledging the account to the Collector of the district, to the extent of the security fixed. When an amount equal to the security fixed is thus deposited, it shall be got converted in one of the forms described in S.R. 22 and the Government servant shall furnish a bond in Form M.P.T.C. 2. Till these formalities are completed, it shall be ensured that the personal securities already furnished remain in force, and that the annual certificate of the continued solvency of the sureties is regularly furnished.

TREASURY RECORDS

23A. Treasury records will be retained for the periods noted against them in the list given in Appendix 4-A. The year in which such papers are to be eliminated should be marked upon them immediately after disposal and before their deposit in the record room. To ensure that they are regularly eliminated, the record-keeper in whose custody the records are kept should regularly, in the course of the year, submit through the Treasury Officer to the Collector a list of records liable to be destroyed.
24. The Asstt. Treasury Officer is responsible under the orders of the Treasury Officer for keeping complete records of cash 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 of irregularity to the notice of the Treasury Officer.

25. The Asstt. Treasury Officer may be required to inspect, under the orders of the Treasury Officer, the account records of sub-treasuries and to check a percentage of the initial accounts.

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In the case of receipts of frequent occurrence such as land revenue, it may be convenient to enter the items following under the same head in one place in the cash book. This can be done by setting apart a portion of the day's page or pages at the commencement of business for the entry of such items.

Assistant Treasury Officer's Books

28. 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 producible, if necessary, as satisfactory and convincing evidence of facts.
PURCHASE AND WORKING OF TREASURIES

(d) A Fidelity Guarantee Policy of the Life Insurance Corporation of India may also be accepted as security from the treasury staff provided that:

(i) The Employees take Fidelity Insurance Policies at their own expense;

(ii) This form of security is not accepted from a private party;

(iii) When the security is furnished in the form of Fidelity Guarantee Policy the authority who accepts security under S.R. 20 shall see that the Govt. servant pays the premia necessary to keep the policy alive on the due dates. If the Govt. servant fails to deliver the premium receipt to the said authority in time, he should be removed from his post at once.

23. The Collector may, at his discretion, accept personal securities from the staff of the treasuries entrusted with the charge of money in Form M.P.T.C. 3. The determination of the adequacy of the security is left to him and he is also responsible for verifying the continued solvency of the sureties once a year.

Where personal security has been furnished, the Collector will send to the Director of Treasuries and Accounts, Madhya Pradesh on the 15th April, of each year a certificate to the effect that he is satisfied of the continued solvency of all such sureties.

"Note.—Whenever, the Collector under his discretion accepts personal securities under the above rule, he may also in addition to it, permit the Government servant to pay the amount of security in suitable monthly instalments. The amount so paid will be deposited by the Government servant in a Post Office Savings Banks Account, opened in his name provided that the depositor has signed and delivered to the Post Master a letter in the prescribed form as per Post Office Savings Bank Rules, pledging the account to the Collector of the district, to the extent of the security fixed. When an amount equal to the security fixed is thus deposited, it shall be got converted in one of the forms described in S.R. 22 and the Government servant shall furnish a bond in Form M.P.T.C. 2. Till these formalities are completed, it shall be ensured that the personal securities already furnished remain in force, and that the annual certificate of the continued solvency of the sureties is regularly furnished.

TREASURY RECORDS

23A. Treasury records will be retained for the periods noted against them in the list given in Appendix 4-A. The year in which such papers are to be eliminated should be marked upon them immediately after disposal and before their deposit in the record room. To ensure that they are regularly eliminated, the record-keeper in whose custody the records are kept should regularly, in the course of the year, submit through the Treasury Officer to the Collector a list of records liable to be destroyed.
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SUB-TREASURY ACCOUNTS

32. (a) 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.

After closing the day's transactions, the Sub-treasury Officer should forward to the District Treasury Officer, by first post, under certificate of posting, the list of daily receipts and payments and balance statement with all chalans and payment vouchers. The list must be sent whether there are transactions or not. In the list the cash balance of the sub-treasury should be written in words as well as in figures, the words being written in such a manner as to afford no facility for alteration or interpolation.

(b) The receipts and payments (after examination) should be posted from it on the same day or at the latest on the day following the day of their receipt, into the accounts of the district treasury in the same way as if they had taken place at it. But they do not pass into the treasurer's cash book.

Note.—If a Treasury Officer owing to the Volume of Sub-Treasury transactions finds it difficult to scrutinize each and every subsidiary voucher, he may at his discretion, leave over the work to the Assistant Treasury Officer and the concerning Clerk, a percentage check not less than 10% being effected by him, 40% by the Assistant Treasury Officer and the rest 50% by the concerning Clerk. 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.

(c) The balance shown in the statement referred to in the preceding rule must be actually counted and certified by the sub-treasury officer on the closing day of every month. The form of certificate is printed at the foot of the statement. The daily sheet for the closing day of the month should also be accompanied by a minus memorandum of stamps and opium and a certificate of the stamps in store.

(d) When incorporating the sub-treasury accounts, the Asstt. Treasury Officer at the district treasury must examine the summations, check the payments with the vouchers and see that the latter are complete in every respect. He must also compare the opening balance with the closing balance of the previous day both to see that the balance is correctly brought forward and guard against the accidental omission of the day's account.

(e) The sub-treasury daily sheets, when entered in the district treasury books, should be enfaced by the Asstt. Treasury Officer, "Entered in account of (date)", signed and put away in order. The date of incorporation in the Sadar treasury accounts of payment vouchers at sub-treasuries should be noted thereon under initials of the Treasury Officer.

(f) It is the duty of the District Treasury Officer to scrutinize and examine receipts and payments at sub-treasuries in the same way as those at district treasuries; and to point out and watch against all irregularities. He
should also take 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. He should examine and regulate the procedure of Sub-treasury Officers as far as he can from the daily examination of their accounts.

CLOSING FOR THE DAY

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

(a) The daily total of each subsidiary register 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 Asstt. Treasury Officer's balance sheet will be drawn up strictly in accordance with the directions contained in the Account Code, Volume II. To the account balance thus brought out, the additions and deductions indicated at the 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.P.T.C. 4).

(c) If the results shown in the two balance sheets agree, the treasurer should sign the two cash 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 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;

(ii) examine at least two of the totallings on each side, marking 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 register 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 initialing them accordingly. It is, obviously necessary to guard against fraud or mistake of omitting to bring all entries from these registers upon the cash book; and this precaution is not complete if the Treasury Officer examines only those registers from which an entry is made upon the cash book.

(iv) verify the totalling of the cash book or get it done by some principal subordinate officer, other than the Asstt. Treasury Officer, 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 limited by the amount of his security. Any excess should immediately be placed under double lock, a certificate to this effect being appended to the Treasurer's balance sheet.

(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 Asstt. Treasurer's books need not be made till the following morning unless the office is to be closed for two or more days. The Asstt. Treasurer's balance sheet must not be signed, until it has been carefully agreed with the Treasurer's.

Note 1.—Ordinarily, the Treasurer's balance sheet should be compared and agreed with that of the Asstt. Treasurer before closing the treasury for the day and it is only when pressure of work renders this impossible that the comparison may be postponed till the following morning. When this is necessitated, the certificate over the Treasurer's signature at the foot of the Treasurer's balance sheet should be altered in manuscript by cancelling the words "agreed with the Asstt. Treasurer'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 Asstt. Treasury Officer's daily balance sheet". For the 31st March and first few days of April it will be necessary for the Asstt. Treasury Officer to prepare a separate rough balance sheet on each of these days of comparison with that of the Treasurer as the completion of the Asstt. Treasury Officer's balance sheet for the 31st March has to await the receipt of the sub-treasury accounts.

Note 2.—It is important that the Treasury Officer should satisfy himself by actual summation daily that the details of the Treasurer's balance sheet work up to the grand total and that the resulting total closing balance is correctly arrived at. In the Asstt. Treasury Officer's balance sheet there is not one figure which the Treasury Officer has not ample means of verifying; the opening entries agree with the closing ones of the preceding day; the receipt and charge are taken from the cash book; the amount shown as sub-treasury balances can be ascertained in a few moments from the daily sheets of sub-treasuries and any change made since the previous day in the amount under remittance within the district must be supported by an entry in the sub-treasury sheets, or in the Treasurer's cash book. The balance in the district treasury is shown in the Treasurer's balance sheet; and in that part of it which is under joint locks no change can be made without the active intervention of the Treasury Officer himself.

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 Asstt. Treasury Officer's cash book with the 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 Asstt. Treasury Officer'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 to postpone it.

34. The accounts of the sub-treasury shall be closed on the last day of the calendar month including therein all the transactions at the sub-treasury during the month. The District Treasury shall incorporate the accounts of the sub-treasury in its monthly accounts.

35. (1) In closing the accounts of the district treasury for the month, the month's totals of the subsidiary registers will be carried into the cash account in the case of receipts, and into the list of payments in the case of payments,
the cash account being closed in accordance with the directions contained in the Account Code, Volume II. The cash must be verified by actual counting and the cash balance report made out in accordance with the procedure prescribed in Chapter III of Part II.

(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 deductions 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 account and list of payments with the corresponding totals in the cash book and see that the totals of all the registers are correctly carried into the cash book.

Note.—If at any time, the Treasury Officer be unable to compare all, at least he may compare some; notably, he should compare the entries in the plus and minus memorandum of deposits, stamps, etc., with the entries in the account, 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

36. (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 shall be kept at each treasury. The accounts and returns shall be written up in accordance with the directions contained in this behalf in the Account Code, Volume II, and such orders and instructions as may be issued by the Collector.

(2) Serious notice will be taken of any avoidable delays by the Collector or Treasury Officer in the despatch of the prescribed accounts and returns with complete schedules and vouchers, particularly those required by the Government, the Accountant-General and the Currency Officer concerned.

Note 1.—A List of returns, etc., to be submitted by the Treasury Officer is given in Appendix 4.

Note 2.—The returns due for despatch on a holiday may be sent one day (but not more than one day) late. “If however, the day on which the returns are to be sent is a postal holiday, the same may be despatched on the first working day of the post office after the holiday or holidays.

37. Vouchers pertaining to each schedule relating to the cash account or the list of payments shall be numbered consecutively in a separate monthly series and kept in the custody of the Asstt. Treasury Officer, under lock and key in the order of payment till they are despatched. Before despatch of the list of payments and schedules, 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 voucher, there can be no excuse for the absence of any unless it be that for a specie remittance.
CORRECTION OF ACCOUNTS

37-A. The rules regarding corrections and alterations in any account-register, schedule, cash book, vouchers, cheques, pay orders, drafts, etc., are contained in subsidiary rules 29, 53(vi), 121(ii), 146, 162, 165, 709 and 712-Note. Special care should be taken both by the Treasury Officer and Sub-Treasury Officer as regards all vouchers and accounts showing signs of alterations and if such documents are frequently received from any office, the attention of the head of the office should be formally drawn to the irregularity.

37-B. Treasury figures should never be altered after the accounts have been rendered to the Accountant-General. Any error brought to a treasury officer's notice in time (i.e., before the submission of the accounts to the Accountant-General) may be corrected before the accounts are despatched.

37-C. If an error of classification is found after the submission of the accounts to the Accountant-General, or at the time of comparing the treasury registers with the departmental returns, a note of it should at once be made against the items affected. The treasury officer, however, should not make any alteration in the figures in the registers but should immediately submit an application to the Accountant-General in Form M.P.T.C. 78-A for necessary transfer. The Accountant-General will inform the treasury officer of the adjustment when effected and the fact of the transfer having been made should be noted in the treasury registers on receipt of intimation from the Accountant-General.

Note.—The erroneous entries in the accounts of any month cannot be corrected by the Accountant-General in those accounts after they have been closed (which is about a month after their receipt), but in such cases the adjustment of transfer is made in a subsequent month's account so that the totals for the year up-to-date are correct.

37-D. No corrections of accounts for a past year, so far as concerns the heads of Government revenue and expenditure, can be admitted later than the 25th May.

37-E. If an error is discovered before the end of the financial year in which it occurs, which involves a correction of the accounts affecting balance heads (such as deposits, advances, local funds etc) it is desirable that it should be rectified in the treasury accounts of a subsequent month by an actual transaction on a refund voucher, which should be stamped "paid by transfer to credit of...". Such a correction may be made (without reference to the Accountant-General) with the consent of the officer or officers concerned, but the voucher must state distinctly the nature of the original error and indicate clearly the authority for its rectification. In case of doubt, a special reference should be made to the Accountant-General.

If an error is discovered in a balance head after the close of the year, in which it occurred, it will generally be necessary to effect the adjustment through the treasury account in the manner indicated in the previous para but such corrections should never be made without previous sanction of the Accountant-General.
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Note.—(i) The provisions of the above rule (i.e., corrections by actual transactions) would not apply to correction of mis-classification under the head “P—Loans and Advances by the State Government”. Such corrections shall be made by the Accountant-General on receipt of monthly consolidated requisition for corrections in the form M.P.T.C. 78-A from the treasury officers.

(ii) For exhibiting in accounts correct figures of payments under the head mentioned in (i) above, refunds of undisbursed advances, which appear as credits in the treasury accounts should be shown therein as distinct items with full particulars of the original debits.

Section III.—Treasury Inspection

(1) BY REVENUE OFFICERS

38. The Commissioners of Divisions shall inspect the Distt. treasuries of their respective divisions once a year and the sub-treasuries during the course of their inspection of Sub-Divisions. Similarly, the Director of Treasuries or the Joint Director of Treasuries and Accounts on behalf of Director of Treasuries shall personally inspect the District Treasuries at the Divisional Headquarters and the Durg Treasury once a year and other Distt. Treasuries and sub-treasuries once in 3 years and 6 years, respectively. The inspection shall be directed mainly to matters which are of importance from the general, administrative and financial points of view. Some of the important matters which should be seen during inspection are indicated in Appendix 5. A list of questionnaire for detailed inspection of treasuries and sub-treasuries is contained in appendices 6 and 7. Copies of the inspection reports together with a memorandum showing the action taken thereon shall be forwarded (1) to the Government in the Finance Department in so far as it relates to any points of administrative nature on which Government’s orders are required; and (2) to the Accountant-General in so far as it relates to any account and financial matters which require his attention.

38-A. The regional Joint Directors of Treasuries and Accounts shall conduct detailed inspections of all the District Treasuries in their Divisions once a year positively.

They will also conduct detailed inspection of one third of the sub-treasuries in their respective regions once a year personally and the rest two thirds shall be inspected by an Internal Audit Officer of his office once a year. Similarly, every Treasury Officer shall personally conduct detailed inspection of the sub-treasuries under him twice a year, during which he shall also ensure that the double lock and single lock registers have been properly maintained since the date of the last inspection. The Treasury Officer shall also personally verify the cash, stamp and valuable articles, etc., during these inspections.

39. Every Collector shall make a detailed inspection of the Treasury once in six months and that of the sub-treasuries in his district once a year. Besides this, the stamp depots and the Treasury Strong room shall also be inspected by a Deputy Collector nominated by the Collector for the purpose once in a month. The Sub-Divisional Officer in general charge of a sub-treasury shall likewise carryout inspection of the sub-treasury once in every six months. During these
The Collector, the Deputy Collector and the Sub-Divisional Officer shall personally verify the double and single lock registers as well as the valuable articles kept in the strong rooms of the Treasury/Sub-Treasury, and make suitable entries in the verification certificate. It shall be the responsibility of these authorities to ensure that the double and single lock registers have been maintained up-to-date from the date of the last inspection. The primary object of these inspections is to ensure that the procedure actually observed at the treasuries and sub-treasuries is in accordance with the rules and orders in all respects and that the accounts and other records are properly maintained. The inspection shall be carried out in accordance with the following general instructions:

(a) The strong-room should be first inspected, then the Treasurer's Branch and lastly the Accounts Branch.

(b) The cash balance should be verified, if not already done in the month preceding that in which the inspection is held.

(c) The following are some of the more important points to which personal attention must be devoted at the inspection:

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

(ii) that cash, draft forms and cheque forms are handled strictly in accordance with the rules;

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

(iv) that the Treasurer has given adequate security and that he has in addition furnished a security bond in proper form;

(v) that the Treasury Officer/Sub-treasury Officer exercises a proper and adequate check over the working of the treasury/sub-treasury;

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

Neither the specification of these points nor the inspection carried out by an officer of the Indian Audit Department shall in any way diminish the Collector's/Sub-Divisional Officer's personal responsibility for the efficient working of the treasury/sub-treasury. As the inspection must be made as systematically and thoroughly as possible, it is open to the inspecting officer to extend his personal scrutiny to points not mentioned in this rule, which in his opinion require such scrutiny.
PART II—CHAP. I ] ORGANISATION AND WORKING OF TREASURIES

Note 1.—The inspection of his own treasury by a Collector is for his own satisfaction only as he is the officer directly responsible for its proper management. No copy of his inspection note need ordinarily be submitted to any superior officer. When inspecting a sub-treasury, he will merely record an inspection note and send a copy to the Sub-Divisional Officer concerned. If, however, any important defect be detected either by himself or the Sub-Divisional Officer, the Collector should report the defect to the Director of Treasuries and Accounts and the Accountant-General separately. The Sub-Divisional Officer should transmit copies of their inspection memoranda of the sub-treasuries under him to the Collector, who will pass such orders on them as may appear to him to be necessary. The notes recorded in these inspections should be made available for the inspection of the Accounts Officer at the time of his inspection of the district treasury and sub-treasuries.

Note 2.—The questions to be used in the inspection of district treasuries are given in appendix 6 and those in the inspection of sub-treasuries in Appendix 7. The list is not exhaustive.

Note 3.—The Treasury Officers/Sub-Divisional Officers/the Regional Joint Directors of Treasuries and Accounts and the Collectors shall prepare rosters for the inspection of the Treasuries/Sub-Treasury for the whole year in the month of April each year and submit the same to the Director of Treasuries and Accounts for approval. The rosters prepared by the Commissioners of Divisions and the Director of Treasuries and Accounts shall be submitted to the Government in Finance Department in the month of April each year for approval. The rosters shall be so prepared that the inspections are carried out one after the other and in no case, two inspections be carried out at one time. Each inspecting officer should also ensure that the objections and other irregularities pointed out by the previous inspecting officer have been set right by the Treasury/Sub-Treasury Officer concerned and make suitable note in his inspection report. The inspections by the authorities mentioned in S. Rs. 38, 38-A and 39 should be conducted in details and in no circumstances should it be casual or cursory.

(II) BY THE INDIAN AUDIT DEPARTMENT

40. The accounts of each district treasury will ordinarily be inspected once in three years by a gazetted officer deputed from the Audit Office. A treasury which needs special attention may, however, be visited more frequently if this is deemed desirable, and the Accountant-General is authorized to vary the timetable of inspections as circumstances may require.

A small number of sub-treasuries in which payments are made may also be inspected.

41. The primary object of the inspection is to assist the revenue authorities in establishing a system of treasury working strictly in accordance with the prescribed rules.
42. The inspecting officer will see that the procedure observed at treasuries meets all the requirements of audit, that the accounts are properly maintained and that the rules regarding the custody and handling of treasure and the control of the balances are duly observed.

43. The results of the inspection will be set forth in a brief 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 audit 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 present at headquarters, any important points in the report will be generally discussed with him, if possible.

44. (a) The inspection reports will be forwarded by the Accountant-General to the Collector of the district concerned in triplicate for necessary action. A copy of Part I will at the same time be forwarded by the Accountant-General to the Currency Officer, Bombay.

(b) The Collector will pass such order as he considers necessary on the report. He will then record his remarks in respect of all the irregularities noticed, in one copy of the report, Part I of which will be sent to the Currency Officer, Bombay, and Part II to the Accountant-General, Madhya Pradesh, within five weeks from the date of receipt of the report in his office. One copy of the report (both Parts I and II), should be forwarded by the Collector with replies to the Director of Treasuries and Accounts. The Currency Officer will 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 or whether any further action is required.

45. (a) The irregularities in respect of which the Accountant-General considers that the action taken by the Collector concerned is inadequate will be reported to the State 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 of India.

46. The general result of the inspections during the 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 on the 31st May every year.

Section IV.—Miscellaneous Provisions

DEPOSIT OF CASH CHEST AND VALUABLES IN THE TREASURY

47. No department may require that funds pertaining to it be received in the treasury for safe custody and kept out of account, or be received at all, except under ordinary rules. The following are exceptions to this rule:

(i) Cash chests or realed bags belongs to other Government departments may be lodged in the treasury, or the sub-treasury under the orders
of the Collector and when so lodged they should be presented with a slip or memorandum stating the contents and a receipt should be granted by the Treasury Officer or the Sub-Treasury Officer, as the case may be, for a bag or bags, box or boxes, said to contain the amount specified in the slips. The boxes or bags should be placed, under double locks in the presence of the officer forwarding the money: or in the presence of his authorised subordinate, the bags being, if possible, placed in a separate treasure chest, of which the officer depositing them may be given the key. The officer depositing the money for safe custody is entirely responsible for the sum deposited and such sums will not be brought to account in the treasury or sub-treasury accounts. The key or keys of the chests should not be kept in the treasury or sub-treasury.

Note.—Permission of the Collector to keep cash chests in Treasury/Sub-Treasury shall be required only for the initial deposit and not on every occasion of deposit of the cash chest. If the cash chests are in operative for three years from the date of deposit, provisions of S.R. 47(ii) will apply.

(ii) Cash chest/sealed packet lodged in the strong room treasury or a sub-treasury should be taken back by the depositing officer on or before the expiry of 3 years from the date of its first deposit, thereafter if the depositor considers it necessary to re-lodge the chest/sealed packet in the treasury or sub-treasury, he should take necessary action in this respect as in the case of first deposit. If the chest/packet is not removed even after the period of 3 years, a notice will be served on the depositor by the Treasury/Sub-Treasury Officer for removing the same within a fortnight. If the chest/sealed packet is not removed even after the period of notice, then the Treasury/Sub-Treasury Officer should obtain the orders of the authority competent to permit lodging of such articles in the treasury/Sub-Treasury as to the manner in which it should be disposed of. As far as possible the article should simply be sent to the depositor or his successor in office through a responsible official or registered parcel insured for a nominal amount. If the depositor refuses to accept the article, the chest/packet should be opened and the manner of disposal decided with reference to the nature of the contents.

Note 1.—The Accountant-General should always be informed of the deposits made under this rule.

Note 2.—The Collector is authorised to permit local bodies and courts of wards in the district to deposit their cash chests in the local treasury for safe custody subject to the above conditions. The term "local bodies" includes all institutions whose funds are reckoned as "local funds" under Subsidiary Rule 601.

Note 3.—The lodgement of the post office balances in safes to be embedded in the verandahs of Treasuries and sub-Treasuries in cases in which they cannot conveniently be lodged in police station-houses is also permissible, provided that the conditions laid
down in Regulation No. 699 of the Madhya Pradesh Police Regulations are duly observed.

Note 4.—At places where there are no branches of the State Bank of India, local Banks which seek permission to keep their iron safes or cash chests and also sealed packets purporting to contain duplicate keys, for safe custody in the strong rooms of the districts treasuries and sub-treasuries, may be granted such permission by the Collector: provided that there is enough space in the strong room and subject to the fulfilment of the following conditions, viz.—

(A) For iron safes and cash chests—

(a) The bank must use strong iron box or safe of moderate dimensions with a good lock and sealed with a proper seal:

(b) that the treasury authorities must not be harassed by too frequent applications to open the treasury:

(c) that the bank authorities must keep in their own office the money required for current needs and only deposit in the treasury what will not often be wanted:

(d) that the treasury authorities will not be responsible for the contents of the box or the cash chest as long as the seals are intact:

(e) that the State Government or any of their officers will not be held responsible for the loss of the iron safe or cash chest either through destruction by fire or by theft, fraud or any other cause including negligence of their servants:

(f) that a fee at the flat rate of Rs. 5/- per month or Rs. 60/- per annum for each iron safe or cash chest shall be charged from the Bank availing of this facility provided that no such fee shall be levied on the iron safes or cash chests belonging to the co-operative Banks and societies. The fees thus realised shall be credited in the treasury under head “XLVI-B-Miscellaneous-Other Fees, Fines and Forefeitures”; and

(g) that it will be open to Government to withdraw the concession at any time if any of the above conditions are not fulfilled.

(B) For sealed packets purporting to contain duplicate keys—

(a) The packet should invariably be sealed properly before handing it over to the treasuries for safe custody; and it should also be accompanied by a memorandum from the Bank concerned;
(b) the Collector will have the option either to accept or to reject the duplicate keys of a particular Bank;

(c) the State Government or any of their officers will not be held responsible for the loss of the sealed packets containing duplicate keys either through destruction by fire or by theft, fraud or any other cause including negligence of their servants; and

(d) (i) A flat rate of Rs. (five) only, per pear or a part thereof, per packet irrespective of its size may be charged from the Bank availing of this facility. The banks will be permitted to withdraw the keys temporarily and no extra charge will be levied provided the keys are redeposited with the treasury/sub-treasury before the close of business of the day on which they are withdrawn.

(ii) A fee of Re. 1 will be levied if the keys are not redeposited on the day of their withdrawal but redeposited within 7 days from the date of their withdrawal.

(iii) If the keys are not redeposited within 7 days of their withdrawal, the transaction should be treated as a fresh one and the fee of Rs. 5/- as in (d)(i) above may be levied.

*Note 5.*—The offices of the State Bank of India and its subsidiaries are exempted, on reciprocal basis, from payment of any fees or charges for the safe deposit of their duplicate keys with the treasuries and the sub-treasuries.

*Note 6.*—Under the terms and conditions given in Note 4(B), the Madhya Pradesh Electricity Board is allowed to deposit the duplicate keys of office cash chests of its various offices in the State for safe custody in treasuries and sub-treasuries.

(ii) Bullion jewellery, other valuable, security bonds, etc., coming into the hands of a Government officer in his official capacity may also be received in the treasury for safe custody at the discretion of the Collector. Previous permission of the Collector shall not, however, be required for articles and other valuables to be deposited in the strong rooms of the treasuries/sub-treasuries for safe custody by the Courts under Rule 680 of High Court Rules and Orders (Criminal).

*Note.*—(i) Explosives like firearms, guns etc., should not be permitted to be lodged in the treasury/sub-treasury strong rooms:

(ii) Sealed packets containing valuables, etc., worth less than Rs. 250 each should not be kept by the Courts in the treasury/sub-treasury strong-rooms. Bullion and jewellery belonging to any Court of ward estate shall not be received in the treasury.
for safe custody. Such articles should be kept by the Officer-in-charge of Court of Wards estate in Bank Lockers under orders of the Collector. The charges for the Locker shall be borne by the Court of Ward estate funds.

(iii) the terms “other valuable” also include articles like Ganja, Bhang, Opium, Charas, etc., but these shall be so packed that they do not emit foul smell during storage in the strong-room.

(iv) A register in a form similar to that prescribed in Rule 48 below must be kept both in the treasury and sub-treasury in which the receipt and return of the chests, etc., should be duly acknowledged.

(v) All licence forms to be granted under the Indian Arms Act, 1878, should be kept in the treasury under the Treasury Officer's lock until they are required for use.

Note.—Licence forms under the Indian Arms Act, 1878, may be kept in the Seoni sub-treasury until they are required for use.

(vi) The fire-proof safe maintained in each district under sections 42 and 43 of the Indian Registration Act, for the custody of valuable documents like wills, etc., should be located in the treasury strong-room.

48. Valuables, etc., allowed to be kept in the treasury for safe custody under Rule 47 (ii) above should be made up in sealed packets and presented with a memorandum from the depositing officer giving a list of the property contained in the packet and a statement of their actual or estimated value. The Treasury Officer or the Sub-treasury Officer, after satisfying himself that the seal is intact, will record receipt of the packet in a register to be kept in the subjoined form in manuscript. This register shall be kept in the Treasury/Sub-treasury strong room.

**REGISTER OF VALUABLES LODGED IN THE TREASURY FOR SAFE CUSTODY**

<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Office from which received</th>
<th>Date of receipt of packet or bag</th>
<th>Initials of Treasury Officer</th>
<th>Initials of Treasurer Officer</th>
<th>Number of chest or receipt</th>
<th>List and description of property contained in the packet</th>
<th>Value estimated or actual</th>
<th>Initials of Treasury Officer</th>
<th>Initials of Treasurer Officer</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
<td>(10)</td>
<td>---------</td>
</tr>
</tbody>
</table>

The number assigned to the chest or packet according to the entry in the register will be noted on it and a receipt will be given in the following form on the back of the memorandum of contents:

"No. ........................................(here give number assigned to the packet in the register).

Received a sealed packet said to contain the property detailed on the reverse.

A. B.

*Treasury Officer*
After having signed the receipt, the Treasury Officer will return the memorandum to the officer presenting the packet. The chests or packet will then be kept under double lock in the same way as cash and should not be returned without a written order from the Government servant from whom it was received. The Treasury Officer should insist upon the return of the original memorandum of contents receipted by the Treasury Officer before the return of cash chests and valuables out of sale custody.

Note 1.—The Treasury Officer or Sub-Treasury Officer shall in the month of January of each year verify the existence of the sealed packets, satisfy himself that the seals are intact and record the fact of verification in the register prescribed in subsidiary rule 48.

Note 2.—In case the receipt furnished by the Treasury Officer is lost from the custody of depositor, the depositor should furnish to the Treasury Officer an indemnity bond which should include the following points:

1. Certificate regarding the loss of the original receipt
2. Assurance regarding return of the original receipt to the Treasury Officer if it is found later on.
3. If in case any other person/officer claims return of sealed packet/cash box on production of the original receipt later on, the person/officer who received the sealed packet/cash box without producing the receipt will personally be responsible to the Treasury Officer and the Government for such act.

Notices

49. Notices should be pasted up conspicuously in the office of the hour at which the treasury closes for the receipt and payment of money. This hour of closing should be at least an hour before the end of day's work, in order to give time for closing and agreeing the accounts.

Note.—If any local law requires that the treasury on any day should be kept open till a named hour the accounts cannot, of course, be closed till after that time, but should then be closed and agreed in the usual manner before any one leaves office.

50. The hours of business of all Treasuries and Sub-Treasuries for Public transactions are from 11 a.m. to 2 p.m. However, so far as Treasuries and Sub-Treasuries which deal with the Bank are concerned, the hours of business on a Saturday are 11 a.m. to 12.30 p.m. In all cases, on the 10th and the last day of the month (or the previous day, if the 10th or the last day be a Sunday or a Gazetted Holiday), Treasuries and Sub-Treasuries may be closed at 12 noon in order to give time for closing of the accounts.

Note 1.—Treasury business proper (i.e., receipts and payments of money) should not be suspended on holidays other than those notified under the Negotiable Instruments Act.
Note 2.—The following procedure should be followed for keeping Treasuries and Sub-Treasuries open, irrespective of holidays in the event of an emergency or an occasion entailing Mobilizations:—

(i) The Station Commander should make a written request to the Collector concerned intimating which Treasury/Sub-Treasury is to be kept open up to four consecutive days from a given date for transacting military official business only, forward a report of this action to Army Head Quarters and to intermediate formations; and also forward to the Secretary to the State Government in the Finance Department, a copy of his written request to the Collector;

(ii) The Collector receiving the intimation should arrange for the Treasury/Sub-Treasury to be kept open on the specified dates, or, where Government Treasury work is done by the State Bank of India, request the Agent to keep the Branch open for transacting military official business; and

(iii) Inform the State Government in each case, of the action taken.

(Finance Department Endorsement No. 793-3563-R-VI-III, dated the 22nd January, 1955)

Note 3.—The Treasury/Sub-Treasury may be kept open under specific orders of the Collector to enable Forest, Revenue, Excise etc., Departments, whose cash chests are kept in the Treasury/Sub-Treasury under S.R. 47, to lodge their cash chests in the strong room at late hours during departmental auctions.

51. 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 the encashment of currency notes, the supply of small silver coin, nickel and copper, 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.
CHAPTER II.—RECEIPT OF GOVERNMENT MONEYS AND PAYMENT OF SUCH MONEYS INTO THE CONSOLIDATED FUND AND PUBLIC ACCOUNT OF THE STATE

SECTION I.—GENERAL RULES

General Instructions for Handling Cash

52. A person may tender moneys in payment of dues to Government either (a) to the concerned departmental Officer by cheque, Bank Draft or in cash up to an amount not exceeding Rs. 300 in each case, or such higher amounts as they may be authorised to receive, or (b) at Treasury or the Bank.

53. Save as otherwise expressly provided in these rules or in any authorised departmental regulations, the following rules shall be observed by all Government servants who are required to receive and handle cash:

(i) Every Government servant receiving money on behalf of the Government should maintain a cash book in Form M.P.T.C. 5.

(ii) All monetary transactions should be entered in the cash book as soon as they occur and attested by the officer-in-charge of the cash book in token of check. Where the details of cash transactions are also recorded in separate revenue registers, the entries in such registers should be tallied with the entries in the cash book by a responsible official who should record a certificate to this effect in the relevant revenue registers.

(iii) The cash book should be closed at regular intervals if not daily and completely checked. The officer-in-charge of the cash book should verify the totalling of the cash book or have this done by some responsible subordinate other than writer of the cash book, and initial it as correct.

(iv) At the end of each month the officer-in-charge of the cash book should personally verify the cash balance in the cash book and record a signed and dated certificate to that effect. An analysis of the cash balance showing (a) the details of the balance under each class viz., Temporary Advance, Pay, Travelling Allowance, Contingencies, Miscellaneous, Revenue Receipts etc., (b) the dates from which outstanding, (c) the names of the payees, (d) the amounts to be paid to them, and (e) the reason for non-disbursement or non-payment into the treasury, etc., should also be prepared at the same time and its clearance should be reviewed by the officer-in-charge of the cash book once a month. The temporary advance must be adjusted as quickly as possible and in no case should the adjustment be delayed beyond three months.

(v) When Government moneys in the custody of a Government servant 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 challan 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 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 postings in the cash book.

Note 1.—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.

Note 2.—The consolidated treasury receipts should be sent to the Head of the office (or a Gazetted Officer nominated by him) by name and he should watch for the same. The head of the office should arrange to ensure that such letters are really opened by himself or the officer nominated by him.

(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 servant 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 servant 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.

(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 and, in all cases, when the amount to be handled is large, one or more guards should be sent to accompany the messenger.

Note 1.—The responsibility for the money entrusted to a peon or messenger is that of the drawing and disbursing officer and he is personally responsible for any loss of Government money occurring in non-observance of this rule. He should, therefore, use his discretion in selecting the person or persons and take the following precautions:

(a) The use of a single peon should be made only when the amount to be handled is Rs. 500 and below.

(b) When the amount to be handled exceeds Rs. 500, the Nazir, or the Accountant, or the Cashier, as the case may be, should go to the Bank/Treasury/Post Office, etc., along with the messenger.

(c) When the amount to be handled exceeds Rs. 10,000, the Nazir, or the Accountant, or the Cashier, as the case may be, should go to Bank/Treasury/Post Office, etc., accompanied by a Police escort, as laid down in Home (Police) Deptt. Notification No. 190-4703-II-B(3), dated 16-1-1974.
**Note 2.**—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.

**Note 3.**—The cash book 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 in this behalf should count the number of pages and record a certificate of count on the first page of the cash book.

**Note 4.**—Whenever any payment, not final in nature, is made out of cash balance or when an advance from Permanent Advance is paid to any official for meeting emergent expenditure subject to his rendering account thereof supported by vouchers, the fact of payment of advance should be noted in red ink, in the particulars column on the payment side of the cash-book of the disbursing Officer without entering the amount in the 'amounts' column. The amount so advanced will still form part of the cash-book balance of the disbursing officer making the advance.

**Note 5.**—When payment of a bill is required to be made through some other person or agency in terms of SR 121(ix) or when payment is desired to be made by means of demand draft, cash order, etc., or when the cash drawn from the Treasury is advanced to a subordinate officer for disbursement, it would be necessary for the drawing officer to make a note to this effect in the bill register M.P.I.C. 17 as it will be his responsibility to obtain detailed account together with proper acknowledgements of the payee duly attested by the disbursing officer and keep them safely in record in chronological order.

**Receipt of Coin, Notes, etc.**

54. 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 II. Chapter XII.

*Exception.* The Superintendent, Government Printing, Madhya Pradesh is authorised to accept revenue stamps and at his discretion in exceptional cases also postage stamps up to annas eight only in payment of the cost of Madhya Pradesh Government Publications.

**Cheques tendered in payment of Government dues**

55. (a) At places where the cash business of the treasury is conducted by the Bank, cheques on local Banks, which have clearing accounts with the Reserve Bank or the State Bank of India, may be accepted in payment of Government dues, or in settlement of other transactions with the Government, if the cheques have been crossed by the drawer. Until, however, a cheque has been cleared, the Government cannot admit that payment has been received and consequently final receipt shall not be granted when a cheque is tendered. A receipt for the actual cheque only may be given in the first instance, but if a person making payment in this manner so desires, a formal payment receipt shall be
sent to his address after the cheque has been cleared. Collection charges of the Bank, if any, will be recovered by or under instructions of the Bank from the party presenting the cheque.

The preliminary acknowledgment of the receipt of the cheque will be given in the form below:

"Received cheque No..............................for Rupees..............................
drawn on......................................on account of......................................"

As per chalan No.............................

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

(b) In the event of a 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 intimation that the cheque has been dishonoured. The chalan pertaining to such dishonoured cheque should not be returned to the presenter of the cheque but it should be destroyed.

(c) When Government dues which are payable by certain fixed dates are paid by 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.

56. 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 S.R. 55 and is honoured on presentation, payment shall be deemed to have been made:

(i) if the cheque is handed over to the Government's banker or to a Government Officer authorised to receive money on behalf of the Government, on the date on which it is 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 Post Office Money Order or by any other recognised mode of remitting money by post.

57. Special rules for the acceptance from the public of cheques, Bank pay orders and Bank credit chalans in some departments may be prescribed in their departmental regulations.
Grant of Receipt to the Payer

58. (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 entered properly in the cash books. 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 1.—The Public Service Commission Office is exempted from issuing money receipts for the crossed Indian Postal Orders received it, vide Note 1 below S.R. 80(a).

Note 2.—It is not necessary to issue a receipt to a payer in cases where the field staff of the Directorate of Small Savings receive moneys on account of sale of Savings boxes.

(2) Where money is realised not in cash but by recovery from a payment made on a 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 chalan in Forms M.P.T.C. 7 or 8 prescribed in Subsidiary Rule 68, as are required to be given to the tenders of moneys, and signed in full over the ‘Cash received/Received payment Stamp’. Other copies of the chalans may, however, be initialled against the amount already indicated therein over the ‘Cash received/Received payment Stamp’.

Form and Custody of Receipt Books

59. Receipt books in machine-numbered Form M.P.T.C. 6 may be obtained from the Superintendent, Stationery and Text Books, M.P. Bhopal. Each book should bear a serial number and this number should also be printed on each page of the receipt form. This standard form shall be used by all Government servants 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.

60. 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, and a register showing the receipt and issue of these books should also be maintained.

61. 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

62. No Government servant 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. This 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.

Note.—Rules for verification of a credit in the Treasury and issue of consequent certificate of credit or non-credit by the treasury are given in Appendix 7-B.

(These rules will have effect from 1-9-1969)

Departmental Regulations

63. Subject as provided in this section, the detailed procedure to be adopted in any particular department of the Government with regard to realisation of Government dues and granting of receipt for the money realised may be prescribed by departmental regulations.

SECTION II.—PROCEDURE FOR PAYING MONEYS INTO THE CONSOLIDATED FUND AND THE PUBLIC ACCOUNT OF THE STATE

Payment of Money

64. Payment of money into the treasury or the Bank should ordinarily be made only in cash, but cheques, Bank pay orders and Bank credit challans accepted under the provisions of rules 55 and 57 and also the National Savings/Plan Certificates will be received for credit in the Consolidated Fund and the Public Account of the State.

Note 1.—The conditions under which small coin and coin which is not legal tender, including foreign coins may be received at the treasury are regulated by the orders embodied in Part II, Chapter XII.

Note 2.—All officers who are empowered to receive money on behalf of the Government, are authorised to accept the National Savings/Plan Certificates in payment of Government dues in accordance with Rule L of the Post Office National Savings Certificates Rules 1944 and the Director General Post Offices. Circular No. 46, dated the 25th September, 1946, reproduced as Appendix 20. Besides the following further instructions should also be observed:

1. The Certificates should be accepted only in payment of an amount due from the individual concerned.

2. The value for which a certificate is accepted in payment of Government dues will be its surrender value on the date of its presentation to the departmental officers.

3. The amount due to the Government should not be less than the surrender value for which the certificate is accepted and any excess amount due to the Government should be paid in cash. Consequently, no amount will be refundable in cash to any individual who tenders a certificate or certificates in payment of Government dues. In cases where further interest accrues on a certificate after it has
been accepted from the holder and before encashment, the departmental officer concerned should see that the additional amount realised on encashment is credited to the Government as an item of miscellaneous revenue.

(4) The departmental officers who receive the National Savings Certificates in payment of Government dues should see in particular—
(a) that the National Savings Certificates have completed the period of non-encashability prescribed in Rule G(1) of the Post Office National Savings Certificates Rules, 1944; and
(b) that they have been duly discharged by the holders as laid down in Rule L of the Post Office National Savings Certificates Rules and are accompanied by forms in NC (3) duly completed and signed by the holders.

(5) The certificates and the N.C. 3 forms should be sent to the concerned treasury or sub-treasury along with other remittances in cash. The treasury or sub-treasury officer will make a list of all the certificates and the N.C. 3 forms received by him on any one day and send this list together with the certificates and the N.C. 3 forms to the Post Office which has direct dealings with that treasury. The Postmaster will, after scrutinising the certificates and N.C. 3 forms sign the list and return it to the Treasury or sub-treasury. On the strength of the signed list, which will serve as a "Treasury Voucher" or on a treasury voucher received from the Postmaster, the treasury or sub-treasury officer will credit the amount to this Government under the appropriate head by debit to the Postal Department.

65. Whenever, under the provisions of sub-rule(2) of Treasury Rule 7, moneys received on Government account, instead of being paid into a treasury or the Bank, are utilized to meet departmental payments, the gross receipts and the payments made there from shall be entered as receipts and expenditure in any record that may be kept of the payments into and withdrawals from the Consolidated Fund and the Public Account of the State, 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 Government servant making such remittance shall note on the memorandum or challan presented under Rule 68, 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 cheque shall be noted on the challan or remittance note.

66. A Government servant remitting a cheque to the treasury or to the Bank for transfer credit in the Consolidated Fund and the Public Account of the State must endorse the words "Received payment by transfer credit to*...................." on the document. The Government servant 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.

* The head of account to which the amount of cheque is creditable should be inserted here.
67. Cash may not be received by Treasury Officers from officers of the Government for supplies of service postage stamps, such supplies being regulated by the procedure laid down in Subsidiary Rule 337.

MEMORANDUM OF CHALAN

68. Subject as otherwise provided in these rules, or unless the Government in relation to any particular class of transactions direct otherwise, any person paying money into a treasury or the Bank on Government account shall present with it a memorandum (or chalan), 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 Governments and departments concerned. As far as possible, separate chalans shall be used for moneys creditable to different heads of accounts.

Note 1.—No chalan is required when under any special rule or order, revenue collected at outlaying stations is permitted to be remitted to treasuries by means of money order.

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

Forms to be used in paying money into the Treasury

69. One of the following forms of bilingual chalans should be used in paying money into a treasury or sub-treasury:—

(a) Chalans for money paid into the treasury (General) (Form M.P.T.C. 7)

(b) Chalan on account of land revenue and cesses (Form M.P.T.C. 8).

70. All chalans should bear the accounts classification.

71. Printed forms of these chalans are supplied by the department/Office concerned and where no departmental office for which the revenue is credited is located, by the treasury free of charge and should be presented in duplicate/triplicate/quadruplicate as the case may be, in accordance with the procedure prescribed above.

72. Chalans are usually prepared in duplicate, but in the following cases single or triplicate chalans should be presented:—

1. Single chalans—

(a) Money sent to the treasury for purchase of service postage stamps

(b) money paid into the treasury for obtaining Reserve Bank drafts or cash orders;

(c) remittances accompanied by a remittance pass-book—single chalan is required for the use of and will be retained by the treasury, while the Treasury Officer’s acknowledgment in the remittance pass-book is the receipt for the remitting officer: and
PART II—CHAP. II ] RECEIPT AND PAYMENT GOVERNMENT MONEY.

(d) money sent to the treasury for purchase of court-fee stamps by District and Sessions Judge’s offices.

Note.—The above instructions also apply in presenting chalans at a sub-treasury.

(2) Triplicate chalans—

(a) Mutation fees paid under section 125(x) of Act XVIII (Land Revenue Act);

(b) Court of Wards money paid into the treasury under the rules in the Court of Wards Manual;

(c) Money paid to the credit of district and dispensary funds;

(d) Forest revenue when brought direct to the treasury.

Chalans in respect of forest revenue exceeding Rs. 100 on account of forest contracts, when presented direct by forest contractors, in triplicate, may be accepted by the treasury only when they bear the seal of the Divisional Forest Office concerned, with date of issue therein and are free from any mutilation or correction;

(e) Fees for filing documents under the Indian Companies Act 1913, and other cognate acts, namely, the Societies Registration Act, 1860, the Indian Life Assurance Companies Act, 1912 and the Provident Insurance Societies Act, 1912, and the Indian Partnership Act, 1932;

(f) Inspection fees under section 6(2) of the Central Provinces Boiler Act, and examination fees under rule 35 of the rules framed under that Act;

(g) Sums paid to the credit of the major head “XLIX—Stationery and Printing” by heads of offices, except Collector. The Treasury Officer should send a copy of the challan to the Collector with a view to the inclusion of the receipts in the monthly return of receipts submitted by Collector to the State Government. In the case of the sale of Entertainment Duty ticket books the Treasury Officer should, while forwarding copies of the triplicate chalans to the Collector, intimate by each denomination the number of ticket books sold to the cinema houses;

(h) Sums paid to the credit of the major head “XXII—Education” by non-Government agencies;

(i) Recoveries from the co-operative Banks on account of the cost of the Liquidation Establishment and valuation fees from Land Mortgage Banks.

(j) Payment of money into a treasury on account of the tax, penalty or composition under the Madhya Pradesh Finance Act, 1938.

(k) (i) The composition fees levied under—

(a) the Central Provinces and Berar Tobacco Act,

(b) the Central Provinces and Berar Sales of Motor Spirit and Lubricants Taxation Act, and

(c) the Central Provinces Excise Act;
(ii) the penalties imposed under—

(a) the Central Provinces and Berar Tobacco Act, and

(b) the Central Provinces and Berar Sales of Motor Spirit and Lubricants Taxation Act, and

(c) the Indian Opium Act;

(iii) Taxes paid under—

(a) the Central Provinces and Berar Tobacco Act, and

(b) the Central Provinces and Berar Sales of Motor Spirit and Lubricants Taxation Act;

(l) Application fees for appointment in Government service.—The Treasury Officer should send one copy of the chalan to the departmental officer concerned in order to enable him to include the receipts in question in his accounts; a single receipt only is to be given to the tenderer and a duplicate may on no account be issued;

(m) duty payable under the Central Provinces and Berar Entertainments Duty Act, 1936.

The Treasury Officer should send the triplicate copy of the chalan to the District Excise Officer to enable him to prepare his departmental tauzi.

(a) Cost of non-postal stamps, on which discount is allowed under rules, credited by stamp vendors.

The Treasury Officer should send the triplicate copy of the chalan to the District Stamp Office to enable it to collect the information regarding discount without reference to the treasury figures (paragraph 17 of Chapter XII, Offices and Records of the Central Provinces and Berar Stamp Manual, 1942).

(o) The moneys on account of “Import and Export Licence Fees” may be accepted and accounted for under the head “XLVI—Miscellaneous—Import Licence Fees and Export Licence Fees”, even if the chalans are not endorsed by the officers of the Import and Export Trade Control Department, if any, at the station. The Treasury Officer should send the triplicate copy of the chalan in such cases to the Chief Comptroller of Import and Export, New Delhi, who is the departmental officer for the purpose.

(p) Cost of petrol, etc., purchased from the petrol pumps owned by the Government Department or the State Transport undertaking.

(q) Recoveries of overpayments made in cash.

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.
(r) Deleted.

Note.—Two copies of the chalans shall be returned to the tenderer and the third one retained at the treasury.

(a) Fees deposited under Madhya Pradesh Weights and Measures (Enforcement) Rules, 1959.

Note.—One copy of the chalan shall be retained in the Treasury, one copy shall be sent by the Treasury to the Inspector concerned and the remaining copy shall be returned to the person concerned duly signed.

(t) Land Revenue, Land Revenue Arrears, Miscellaneous Revenue, Taccavi Loans and all sums recoverable as arrears of land revenue under section 155 of the M.P. Land Revenue Code.

Note.—One copy of the chalan shall be retained in the Treasury, one copy shall be sent by the Treasury to the Tahsildar concerned the same day in the case of non-Bank treasury and as soon as the scrolls are received from the Bank in the case of Bank-treasury and the remaining copy shall be returned to the person concerned duly signed.


Note.—One copy of the chalan shall be retained in the treasury, one copy shall be sent by the treasury to the Collector concerned the same day and the remaining copy shall be returned to the person concerned duly signed.

(3) Whenever any revenue is deposited into a treasury under the Madhya Pradesh Sales Tax Act or the Madhya Pradesh Sales of Motor Spirit Taxation Act, or the Central Sales Tax Act or the Madhya Pradesh Nagariya Shthawar Sampatti Kar Adhiniyam, 1964 the Madhya Pradesh Vriti, Vyapar, Ajivika Aur Sevayojan Adhiniyam, 1966 or the rules thereunder, the tenderer shall present chalan in quadruplicate in the appropriate form as prescribed in the Madhya Pradesh General Sales Tax Rules, 1959 or the Madhya Pradesh Sales of Motor Spirit Taxation Rules, 1938 or the Madhya Pradesh Sales Tax (Central) Rules, 1957 or the Madhya Pradesh Nagariya Shthawar Sampatti Kar Niyam, 1964, or the Madhya Pradesh Vriti Vyapar. Ajivika Aur Sevayojan Niyam, 1966. The Treasury Officer shall retain one copy of the chalan for his own use, forward the second copy to the assessing authority and the remaining two copies shall be returned to the tenderer.

Note.—The above instructions also apply in presenting chalan at a sub-treasury.

(4) Whenever revenue is deposited into a Treasury under the Madhya Pradesh Motor Vehicles Taxation Act and rules made thereunder or the Madhya Pradesh Motor Vehicles (Taxation of Passenger) Act and rules made thereunder or the Madhya Pradesh Motor Vehicles (Taxation of Goods) Act and rules made thereunder the tenderer shall present the chalan in quadruplicate. The Treasury Officer shall retain one copy of the chalan for his own use, forward the second copy to the assessing authority and the remaining two copies shall be returned to the tenderer.
(5) Whenever revenue is credited into a treasury under (i) the Madhya Pradesh Electricity Duty Act, 1949, and (ii) Fees paid under the Indian Electricity Act, 1910 and the Rules and Regulations thereunder, the tenderer shall present the chalan in quadruplicate. The Treasury Officer shall retain one copy of the chalan for his own use, forward the second copy to the Electrical Inspector concerned and the remaining two copies shall be returned to the tenderer.

(6) Whenever revenue is credited into a treasury under (1) M.P. Factories Act and rules thereunder (2) M.P. Shop and Establishment Act, 1958 and rules thereunder (3) M.P. Motor Transport Workers Act, 1961 and rules thereunder (4) The M.P. Bidi and Cigar Workers' (conditions of employment) Act, 1966 and rules thereunder (5) The M.P. Contract Labour (Regulation and Abolition Act 1970 and rules thereunder, and (6) The M.P. Minimum Wages Act, 1948 the tenderer shall present the chalan in quadruplicate. The Treasury Officer shall retain one copy of the chalan for his own use, forward the second copy to the assessing authority and the remaining two copies shall be returned to the tenderer.

73. When money is paid by a private person into a treasury located in the same place as the departmental officer concerned in the payment, the chalan will be presented directly to the treasury in triplicate. One copy of the chalan shall be forwarded by the treasury to the departmental officer.

Note 1.—A special form of chalan has been prescribed for the payment of income tax into treasuries. The portion which is marked “Original” should be sent to the Income Tax Officer concerned.

Note 2.—Deleted.

74. At places where the cash business of the treasury is conducted by the Bank, the chalan shall be presented to the Bank directly to receive money and to grant a receipt.

Special procedure applicable to particular departments

75. The procedure to be observed by officers of the Public Works and the Forest Departments in paying into the treasury or the Bank moneys received by them shall be regulated by the rules laid down in Chapter VI of this Part.

SECTION III.—PROCEDURE AT TREASURIES IN RECEIVING MONEY AND GRANTING RECEIPTS

Checks to be applied at the Treasury

76. The memorandum or chalan with which money is presented shall be handed first to the Assistant Treasury Officer (or treasury clerk), who, if it is in order in all respects, will sign it. Next, the person making the payment will present it with the cash to the Treasurer, who will count and test the money, enter the amount in his own cash book and sign the chalan, which will again be taken to the Assistant Treasury Officer for entry in his cash book and for the preparation of a formal receipt for his own or the Treasury Officer’s signature. Such a receipt only will be a proper quittance.
77. Except as provided in Rule 79, receipts creditable to Revenue heads of account do not require the signature of the Treasury/Sub-Treasury Officer and may be signed by Treasurer and Assistant Treasury Officer. Similarly in case of receipts for sums below one thousand rupees relating to Deposit heads of account may be signed by the Treasurer and Assistant Treasury Officer. It should be ensured that Major, Minor and detailed heads of account have been properly mentioned in the chalans by the creditors.

In the cases of receipts for rupees one thousand and above relating to Deposit heads, these should invariably be signed by the Treasury Officer/Sub-Treasury Officer.

78. 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 specifically marked for this purpose. In cases in which the chalan is accompanied by a remittance book or a pass-book, the treasury receipt may be given on the remittance book or pass-book, as the case may be.

79. Receipts for supplies of service stamps when such receipts are to be given for cash received from the public or non-Government Institutions authorised to use such stamps, or for cheques drawn by an officer of an intending department, shall be given in a special treasury receipt Form M.P.T.C. 6. Such receipts shall be signed by the Treasury Officer irrespective of the amount involved.

Note.—When the value of stamps is paid by cheque and a separate indent is sent to the treasury under Subsidiary Rules 33(2), the indent form should be recorded in the treasury and should not be signed by the Treasury Officer as receipt.

Application fees for Government appointments and examination fees

80. (a) Application fees for appointment in Government service through the Public Service Commission and fees payable by candidates for examinations conducted by the Public Service Commission, Madhya Pradesh, may be received at the treasury or may be remitted to the Secretary, Public Service Commission, Madhya Pradesh, by means of crossed Indian Postal Orders. If the fees are deposited in the treasury, the chalans should be tendered in triplicate. A single receipt only is to be given to the tenderer and a duplicate may on no account be issued.

Note 1.—No money receipts need be issued for the crossed Indian Postal Orders received by the Public Service Commission Office from the candidates on account of the cost of application form, application-fee and/or examination fee.

Note 2.—The Postal Orders may be accumulated for a week and after making a forwarding endorsement sent along with a chalan in duplicate duly filled in with requisite particulars to the Treasury Officer who will enface the chalan with an order to the State Bank to collect the amount of the Postal Orders and credit it to the head “LII-Miscellaneous”.
(b) In the case of examinations conducted by Government otherwise than through the Public Service Commission, fees tendered by candidates will be received at the treasury and a single receipt only (not duplicate) may be given. When the fees from several candidates in a school are remitted into treasury in a lump sum, a single collective receipt for the whole amount may be issued.

Remittances of Departmental Officers

81. The Procedure to be observed by the Treasury Officer with regard to remittances made by or in respect of the Public Works and Forest Departments shall be regulated by the provisions contained in Chapter VI.

82. The provisions of this section with regard to the receipt of money at district treasuries apply to sub-treasuries also.

Bank treasury

83. 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 Consolidated Fund and the Public Account of the State and by the Bank in receiving such moneys and granting receipts for them shall be regulated by the rules laid down in Chapter V.
CHAPTER III.—CUSTODY OF MONEYS RELATING TO OR STANDING IN THE CONSOLIDATED FUND AND THE PUBLIC ACCOUNT OF THE STATE

Section 1.—Cash in Departmental Chests—General Rules

84. (1) Save as hereinafter provided, Government money not in the custody of a treasury or the Bank shall be kept in strong treasure chests secured by two locks of different patterns. All the keys of the same lock shall be kept in the same person’s custody, and as a general rule the keys of one lock shall be kept apart from the keys of the other lock and in a different person’s custody. The chest shall never be opened unless both the custodians of the keys are present. When there is a police guard, the officer in-charge of such guard shall hold custody of the keys of one of the locks, and he must always be present when the chest is opened and until it is again locked.

(2) Heads of Departments may authorise a departure from the latter of this rule in any individual case in which either the amount of cash handled by the departmental officer, or the extent of the security furnished by the office cashier, or any other special consideration, may be held to justify the adoption of a simpler and less costly arrangement without impairing the safety of Government money.

85. The duplicate keys of departmental treasure chests may, at the discretion of the departmental officer concerned, be placed under his seal in the custody of the Treasury Officer. In the event of this practice being adopted, a duplicate key register shall be maintained and once a year, in each April, the keys must be sent for, examined and returned under fresh seal to the Treasury Officer, a note being made in the register that they have been found correct.

86. When under Subsidiary Rules 47 and 48, departmental cash chests are lodged in the treasury for safe custody, the keys of such chests must be kept with the departmental officer concerned who, and not the Treasury Officer, will be responsible for its contents.

87. Subject as provided in this section, the detailed procedure to be observed with regard to the custody of Government money in the possession of a departmental officer may be laid down by departmental regulations.

Section II.—Cash balance in treasuries

GENERAL

88 The money held in a treasury is usually divided into two parts, viz.,—

(i) the treasury balance from which Government disbursements are made and into which Government receipts are paid;

(ii) the currency chest balance which consists partly of notes which are treated as not “in circulation” and partly of coin (rupees and gold coin) which forms a portion of the assets held by the Issue Department.
of the Reserve Bank against the note issue in accordance with the provisions of the Reserve Bank of India Act, 1934.

89. Money held in a small coin depot, where such a depot is located at a treasury, is kept entirely separate from the treasury and currency chest balances. 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 Treasury Rules.

SECURITY OF STRONG-ROOMS

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

(i) Without the special permission of the Government, no place shall be used as a strong-room unless it is first certified to be secure and fit for use as such by an officer of the Public Works Department not under the grade of an Executive Engineer. The Inspecting Officer in certifying the room may prescribe any necessary conditions as to the manner of storing the coin, as, e.g., “that it must not be piled on trestles, but must be in boxes; that no bags or boxes be placed within a prescribed distance of the wall or in any particular part of the room”. The Inspecting 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 Inspecting 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 or the Commanding Officer of the guard, if a military one, should record an order prescribing the positions of the sentries, and may also require any additional precautions to be taken in the strengthening of fastenings, burning of lights, etc., but the responsibility for the security of the building and its fixtures shall remain with the Executive Engineer, and that for the security of chests and other treasury furniture not being part of the building or fixtures shall remain with the officer in-charge of the treasury.

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

(v) The doors and windows of the strong-room must remain permanently closed and locked, except during the time necessary for moving coin or other valuables into or out of it. The Treasury Officer must be personally present during the whole time between the opening and shutting of the strong-room.
As an exception to this rule, the opening of shutters is permitted during office hours, in an aperture which is otherwise barred, if it is necessary for the admission of light or air to any other part of the building, provided that coin or valuables remain securely packed under lock and key.

**CUSTODY OF PADLOCKS AND KEYS OF STRONG-ROOMS**

91. (a) The following rules have been prescribed for the custody of duplicate keys of treasury strong-rooms and chests:

(i) A register of all padlocks belonging to the district treasury and sub-treasuries and treasure chests should be maintained in the following form and kept in the strong-room of the district treasury:

<table>
<thead>
<tr>
<th>Date of receipt</th>
<th>Number borne by Padlock and Keys</th>
<th>Description of Padlock</th>
<th>Purpose for which used</th>
<th>Number of keys received with Padlock</th>
<th>Custody of key</th>
<th>No. and date of order sanctioning removal of duplicate</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
</tr>
</tbody>
</table>

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).
(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.

(iii) If a padlock becomes unserviceable or ceases to be required, or if any one of the keys belonging to it is lost, it should be replaced immediately and a report should be made to the Director of Treasuries and Accounts 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.

(iv) No local mechanic should ever be allowed to repair a treasury padlock or to make a new key for one. Such a padlock may, however, be repaired or a new key made for one, in another district and be brought in use in that or any other district elsewhere than in a treasury or sub-treasury.

(v) No spare padlocks should be kept at a sub-treasury or, except with the permission of the Director of Treasuries and Accounts at a district treasury. The Director of Treasuries and Accounts should see that no unnecessary padlocks and keys and no unnecessary duplicate keys are supplied to or retained in any treasury. No duplicate keys should be kept at a sub-treasury.

(vi) All spare padlocks with their keys which are held in the district treasury with the approval of the Director of Treasuries and Accounts and all duplicate keys except those belonging to the locks of the district treasury strong-room, door and currency chests should be kept in the district treasury strong-room, under double locks the key of one lock being in the hands of the Treasury Officer, and of the other in the hands of the Treasurer. Original and duplicate keys should be used alternately every two years. The keys not in the use of the treasury strong-room and currency chests should be secured in a packet under the seals of the Treasury Officer and Treasurer, and the packets so sealed should be sent by the Collector himself to the agent (by name) of the nearest branch of the Bank in registered, insured and confidential parcel. Once in two years, in the month of April, the packets should be sent for by the Collector, who will open them and examine and retain the keys for use during the next two years. The keys in use at the time should be sent to the branch of the Bank in the manner described above and a note made in the register of duplicate keys that keys obtained from the Bank on (the date) were found correct and retained for use and that the keys in use during the previous two years were forwarded to the Bank on (the date).

(vii) Whenever the charge of a treasury is transferred or the 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.
At every inspection of a treasury, the inspecting officer shall report whether he has found the padlock and all keys (except duplicate keys of the strong-room locks and currency chests deposited elsewhere) correct and deposited in accordance with these rules.

(b) The above rules may be modified in particular points to suit local convenience under special orders of the Director of Treasuries and Accounts. The essential points, which should be borne in mind in sanctioning any modification of the rules prescribed are:

1. Some person or persons should be held definitely responsible for the custody of duplicate keys;
2. The whereabouts of the keys should be enquired into periodically and also whenever charge is transferred;
3. When the loss of a key is discovered, it should at once be reported to the Director of Treasuries and Accounts by whom such orders will be issued as will prevent the risk of access to the lock by anyone into whose hands the lost key may have fallen; and
4. 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.

STORING OF TREASURE

92. (1) The following are authorized 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.P.T.C. 9 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 stiched with a label in Form M.P.T.R. 10 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 well, 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. This method is not admissible unless every door, window, drain, skylight, 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; or

(iii) Temporarily, in boxes prepared for remittance in the manner prescribed in Subsidiary Rule 648.

Note.—Gold coin must be kept in a separate safe or chest.

(3) 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

93. 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 or other officials who handle coin in treasuries should on arrival for the day's work give up to the Treasurer or a responsible subordinate to whom the Treasurer may delegate the duty, all coin carried with them at the time. This coin should be restored when the men are leaving office at the close of the day's work.

CUSTODY OF TREASURY BALANCE

94. 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.

Note 1.—The prohibition laid down in the above rule, namely, that the Treasurer shall not hold in his separate custody a sum which, together with the values of stamps, opium, etc., in his sole custody, exceeds the security given by him is intended to apply to the amount which he keeps apart from the bulk of the treasure under double locks and not to the balance at any time during the day.

Note 2.—The cash in the hands of the Potdars together with the value of stamps in their possession should not, under any circumstances, be allowed to exceed the amount of their securities.
95. (a) Maximum balances to be held by Treasurers under single lock in district treasuries and sub-treasuries shall be as shown below:

<table>
<thead>
<tr>
<th>Cash</th>
<th>Stamps worth</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>District treasuries</td>
<td>1,500</td>
</tr>
<tr>
<td>Sub-treasuries</td>
<td>250</td>
</tr>
</tbody>
</table>

*Opium.*—Such reasonable quantity as the Commissioner of Excise may lay down.

*Exception.*—The maximum balances of cash and stamps to be held under single lock at the following treasuries and sub-treasuries have been fixed as noted against each:

<table>
<thead>
<tr>
<th>Cash</th>
<th>Stamps worth</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>... Rs</td>
<td>Rs.</td>
</tr>
</tbody>
</table>

*Treasuries*

- Raipur 8,000
- Jabalpur 8,000
- Betul 7,000
- Sagar 2,500
- Hoshangabad 2,500

*Sub-Treasuries*

- Gadarwara 450 2,500
- Damoh 1,000 4,000
- Narsimhapur 1,000 4,000
- Baloda Bazar 2,500
- Dhamtari 2,500
- Mahasamund 1,500
CUSTODY OF MONEYS

(b) Under rule 27 of the rules regarding supply and distribution of stamps contained in Part IV, section I, of the Stamp Manual, the stock of stamps to be made over to the ex officio vendor to be kept by him under single lock is ordinarily to be what would be sufficient for meeting the probable demand for a week.

Note 1.—The issue of stamps from double lock of a Treasury or a sub-Treasury should ordinarily be made once a week, but the Collector in his discretion may, by a general or specific order, permit issue of stamps from double lock more than once a week, if it is found necessary, having regard to the local conditions subject to the balance of stamps and other coins in the hands of the treasurer does not exceed the amount of his security.

Note 2.—The above rules apply also to the custody and issue of forest rated passes. In the case of the Harda sub-treasury, these passes are issued twice a week instead of once a week during each season, i.e., from the 15th November to 30th June following.

Note 3.—Match banderols may be issued to licensees from the Bilaspur treasury whenever they require.

Note 4.—Stamps will be supplied to the private parties and stamp vendors after due verification and comparison of the receipted chalan with the Bank Scroll, when received from the Bank.

96. 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 tied up in his presence with the slip in Form M.P.T.C. 9 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, i.e., that a note of a lower denomination has not been included in a bundle for a higher denomination and sign the label of Form M.P.T.C. 10 on the top 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 and Rs. 5 received in a remittance from the Currency Officer, 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) Silver coin may be given out of double locks by counting the number of bags only.

(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.P.T.C. 4) by the Treasury Officer with his own hand, and a memorandum should be kept in each chest showing the contents.
(vi) Moneys arriving from a distance too late in the day for 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 valuable mentioned in Subsidiary Rule 48.

97. As an alternative arrangement a separate register in Form M.P.T.C. 11 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 should 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

98. 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.P.T.C. 4) and that the conditions laid down in Subsidiary Rule 8 are fulfilled.

99. The following general instructions should be carefully observed in the verification of treasury balances:

(1) All verifying officers should realise that verification of treasuries is not merely a routine function, but an essential part of the system adopted for safeguarding the treasury balances. In particular the District Officer should so arrange his verification that on the date of verification he has adequate time to devote to the matter.

(2) The verifying officer must see that the outer gate of the double lock is opened in his presence by the Treasury Officer and the Treasurer, that each chest is also opened in his presence by the Treasury Officer and the Treasurer.

(3) The treasury balances should first be verified and thereafter the currency chest balances.

(4) During the whole period of verification not more than one chest should ever be opened at one time. As soon as the contents of one chest have been verified and a memorandum of their contents made, that chest should be immediately closed before another chest is opened.
The verifying officer is responsible for seeing that the contents of each chest (or of the tin box containing high value notes) are duly returned after verification to that chest (or box) before it is closed.

(5) At the close of the verification—

(a) he will compare the treasury balance as verified with the balance as shown in the Asst. Try-officer’s cash book:

(b) in the case of a monthly verification, he will sign a verification report of the total balance which he will require to be put up to the officer signing the report in Form M.P.T.C. 12.

(6) If the verifying officer is not the Collector, he will report to the Collector any irregularity or unusual feature which may have come to notice during the verification.

(7) A copy of these rules should be pasted in the treasury and in the Collector’s private room. It is the duty of the Treasury Officer to bring these rules to the notice of the verifying officer at each verification.

100. The following procedure should be adopted in verifying a cash balance by counting:

(i) Silver Coin.—(i) 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.

(ii) The whole number of bags should then be counted, and one in every twenty, taken at random, opened, and its contents poured into the scale and weighed against the verified Rs. 1,000 or Rs. 2,000. If their weight is less they should be retested 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.

(iii) 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.

(2) Copper, bronze and nickel coins.—The verifying authority may adopt any method of verification which think 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.

(3) Notes.—All notes of Rs. 100 and over 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 five rupee note is not counted as one of the ten rupee note bundle.

Note 1.—Any amount found surplus in treasury balances should be brought to account under the head “LI—Miscellaneous”.

Note 2.—These rules should be printed and pasted on to a board and hung up in the strong-room in a conspicuous place.

101. On the first day of each month each Treasury Officer shall telegraph to the Currency Officer, 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 Currency Officer concerned by the third of the month.

102. Currency chest balances.—Instructions regarding custody and verification of currency chest balances are laid down separately in Part II, Chapter XII of these Rules.

CASH BALANCE REPORT

103. On the first working day of each month a detailed cash balance report shall be despatched by the Treasury Officer to the Currency Officer, Nagpur. The head of the district is responsible for seeing that the cash balance report is submitted punctually. Delay in its submission is a serious treasury irregularity.

104. The report shall be prepared in Form M.P.T.C. 12 which must be signed by the Collector or by a senior Deputy Collector to whom this work has been entrusted by him under Subsidiary Rule 6(1), with a certificate that he has personally verified the several details of coin 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.P.T.C. 12. Such reports should show the details of balances at non-Bank sub-treasuries only, but a separate memorandum should be attached showing the value of small coin of each denomination and of uncurrent coin of each class held by the Bank, the necessary information being obtained from the Bank on the last day of each month.

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 Currency Officer in the usual form of cash balance report.

105. 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 amount held in each in gold coin, in notes, in silver rupees and half-rupees, in small silver, in nickel and in bronze and copper. The amounts 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.

106. The report provides also for memoranda detailing—

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

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

107. (i) When the officer who is authorized under Subsidiary Rule 6 (1) to verify and certify the monthly cash balance and to sign the accounts to be rendered to the Accountant-General, Currency Officer, Nagpur, or the Reserve Bank of India is absent on tour on the 1st 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 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 Naib-Tahsildar under Subsidiary Rule 31, the verification of the treasury balances should invariably be carried out both when the said official assumes and relinquishes the charge.
CHAPTER IV.—WITHDRAWAL FROM THE CONSOLIDATED FUND AND THE PUBLIC ACCOUNT OF THE STATE

Section I.—General Rules

Sub-Section 1.—Claims for withdrawal

MODE OF WITHDRAWAL

108. Save as otherwise specially provided in these rules, money may not be withdrawn from the Consolidated Fund and the Public Account of the State 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 chapters 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 when it is duly receipted and stamped "paid".

PRESENTATION OF CLAIDS

109. 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 payment 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 Chapter V.

110. Except as expressly provided in these rules, or as the Collector may arrange locally in special cases for particular classes of claims, 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 Collector, 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.—Payments which have to be made at sub-treasuries may be arranged by obtaining cash orders or Reserve Bank drafts issued by the district treasury in accordance with provisions of these rules.

Note 2.—An order endorsed by the district treasury officer for payment at a sub-treasury is current for one month only but may be renewed. Such orders may also 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
three months.

[F.D. endt. No. 5839-C.R.-15—R, VI (Codes), dated the 24th May, 1955].

111. The following classes of bills may be paid at a sub-treasury without
the authority of the District Treasury:—

(1) Pay, travelling allowance, contingent and other bills of offices in a
sub-division or tahsil, provided the bills are signed and, when neces-
sary, countersigned by the proper authorities.

(2) Salary, travelling allowance, or any other bills en faced for payment
at a sub-treasury by the Accountant-General.

(3) The pay, establishment, traveling allowance and contingent bills of
officers and subordinates attached to the Tandula Division which have
been specially authorized to be paid at the Balod sub-treasury.

(4) Pay and allowance bills, or any part thereof, of the gazetted officers
accompanying the Government to Pachmarhi and; Heads of Depart-
ments and other gazetted officers who are required or permitted to
reside at Pachmarhi, and Conservators of Forests, Central and Eastern
Circles, drawn on the Pachmarhi sub-treasury during the period of
their stay at Pachmarhi.

(5) All bills relating to the pay, travelling allowance, contingent expendi-
ture, etc., of the auditors, Co-operative Societies and the pay and
travelling allowance bills of their peons, when they are endorsed for
payment by the Registrar, Co-operative Societies, in favour of the
respective auditors, Co-operative Societies.

(6) (i) Salary bills of members of the Vidhan Sabha, and

(ii) travelling allowance bills of non-officials, whether members of
the Vidhan Sabha or not, for attending the meetings of the
Vidhan Sabha and Committees appointed by Government, duly
countersigned by the Controlling Officers: provided the bills are
presented for payment at the sub-treasury at which the claimants
reside.

The Sub-treasury Officer should see that he can identify the claimant
and should also obtain from him a proper discharge, his first signature
on the bill being considered as a mere claim, and verify both the
signatures. He should also maintain a record of payments of salary
made to members of the Legislative Assembly and secure that a claim
for a particular period is not paid more than once.

(7) Pay, travelling allowance and contingent bills of the Military Secretary
and Aide-de-Camp to the Governor and of the office establishment.

(8) Abstract contingent bills presented by the Military Secretary to the
Governor, in connection with furniture allowances and purchases for
Government House, Bhopal, and for the Pachmarhi Residency.
Bills of the non-gazetted establishments of the Ministers, Members of the Board of Revenue, all Secretaries to Government and Heads of Departments for contingent expenditure, travelling allowance and other allowances presented for encashment at the Pachmarhi sub-treasury.

Pension bills of pensioners authorized to take payment at sub-treasuries.

Cheques drawn on the sub-treasury by officers of the undermentioned departments—

- Public Works Department.
- Forest Department.

Repayments of Revenue, Criminal and Civil Courts deposits received at the sub-treasury.

Refunds out of fines in criminal courts at sub-divisions and refunds of income-tax.

Bills on account of diet-money and travelling expenses of witnesses presented by the District and Sessions Judges holding sessions trial at Seoni, Damoh, Narsimhapur, Rajnandgaon and Kanker for encashment at the respective sub-treasuries.

Cheques drawn by local bodies, such as a municipality, a Janapada Sabha, a cotton market committee, or by a dispensary fund committee banking with the sub-treasury.

Grant-in-aid scholarship bills passed (and when necessary countersigned) by proper authorities.

Bank and Government drafts issued on a sub-treasury.

Bills for payment of commission to patels of ryotwari villages and also bills for salaries of patwaries in Madhya Pradesh.

Receipts of postmasters or sub-postmasters authorized to draw on the sub-treasury.

Bills for loans under the Land Improvement and Agriculturists' Loans Acts.

Tour advances (a) to all inspecting and touring officers from the Pachmarhi sub-treasury, and (b) to the Members of the Board of Revenue from any sub-treasury.

Service postage stamps may be issued direct from sub-treasuries on the presentation of the bills without the bills being first passed by the District Treasury Officer.

Personal deposits, the account of which is maintained at a sub-treasury.

Bills of the following Agricultural or Veterinary farms at the sub-treasuries shown against each:

<table>
<thead>
<tr>
<th>Name of Farm</th>
<th>Sub-Treasury</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kusumkot</td>
<td>Burhanpur</td>
</tr>
<tr>
<td>Garhi</td>
<td>Baihar</td>
</tr>
</tbody>
</table>
WITHDRAWAL OF MONEYS. [PART II—CHAP. IV

(25) Bills for expenditure connected with the cultivation of the Vidya Mandir lands.

(26) Any other payment which the officer in-charge is authorized by any rule or order of Government or the Collector to make on his own responsibility, i.e., rewards payable under the Excise Act, rewards for the destruction of wild animals, bills of the Pachmarhi garden etc.

(27) The pay and allowances bills of the peripatetic audit staff of the Local Fund Audit Department within the respective jurisdiction of the Asstt. Examiner, Local Fund Accounts, where such staff may be on duty for the time being, when such bills are endorsed for payment in favour of the Senior Auditor by the Asstt. Examiner. In the absence of the Senior Auditor on leave or otherwise, the bills in this respect can be endorsed for payment in favour of the Asstt./Junior Auditor, provided the Assistant Examiner is satisfied that the bills so endorsed will be disbursed properly to the person concerned.

Note.—The bills for charges mentioned in clause (25) above, which are not subsequently covered by detailed bills, should, however, be countersigned by Collectors before incorporation in the Sadar treasury accounts as Tahsildars are not disbursing officers.

112. When a person not in the Government employment, claims payment for work done, service rendered, or articles supplied, such claims shall, unless there are express orders of the Government to the contrary, be submitted through the head of the department or other responsible Government officer under whose immediate order the service was done or the equivalent was given for which payment is demanded. The officer to whom such claims are submitted shall be responsible for completing the necessary formalities and for making the payment with due expedition. The payment may be made by the Officer by any recognised mode of making payments. The recognised mode 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 section VI of this Chapter.

113. Subject as provided in Subsidiary Rule 426, 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.

113-A. Government Officers may make such payments as are authorised to be paid out of permanent advances or imprests which are permitted to hold under orders of competent authority, subject to recoulement on presentation of bills.
114. The procedure to be observed by disbursing officers of the Public works and Forest Departments shall be regulated by the provisions of Chapter VI.

ARREAR CLAIMS

115. No claim against Govt. other than those by one Department against another or by other Governments not preferred within one year of its becoming due can be paid unless the claim has been sanctioned by Head of Department provided that such claim not exceeding Rs. 500/- presented within in three years of their becoming due may be paid without sanction by Head of Department.

This rule does not apply to payments:

(i) made by Forest Disbursing officers;

(ii) of remuneration to jaglias and mahars;

(iii) of claims on account of pensions which are governed by subsidiary rule 387;

(iv) any other class of payments which are governed by special rules or orders of the Government.

(v) claims on account of pay and allowances, other than travelling allowance and reimbursement of medical expenses of such non-gazetted Government servants whose names are not required to be shown in the pay bills in accordance with subsidiary rule 258(i);

(vi) claims on account of interest on Government securities; and

(vii) payment of Bandhan to Pujaries employed for the maintenance and management of temples.

Note 1.—For the purpose of this rule, the date on which a claim is presented at the treasury should be considered to be the date on which it is preferred.

Note 2.—Claims payable from contingencies for any amount which has fallen in arrears for more than one year should not be paid without sanction of Head of Department except that in respect of contingent claims not exceeding Rs. 500/- other than claims of a recurring nature presented within three years becoming due may be paid without sanction of Head of Department. Claims for sanction should be forwarded to the Head of Department with a certificate of previous non-payment and an adequate explanation for the delay.

Note 3.—The right of a Govt. servant to travelling allowance including daily allowance, is forfeited or deemed to have been relinquished if the claim for it is not preferred within one year from the date on which it became due and hence the question of preferment of travelling allowance claims to the Head of Department for sanction under this rule does not arise.
WITHDRAWAL OF MONEYS. [ PART II—CHAP. IV

(As per Finance Department memo. No. 530-3181-IV-R.II, dated 1st April 1968 this amendment has no retrospective effect and apply only to travelling allowance claims in respect of journeys/haits which commence after the date of issue of the above memo., i.e., 1st April 1968).

116. The period of one year should be calculated from the date the claim becomes due and not from the date from which sanction takes effect. In cases where arrear claims are due to orders having retrospective effect the charge does not become payable before it is sanctioned. The period of one year should, therefore, be calculated from the date of the order sanctioning the claims.

Note.—In case of reimbursement of medical bills the period of one year, for the purpose of sanction required under S.R. 116 should be counted from the date of the purchase of medicines.

117. In the case of travelling allowance bills, the one year should be reckoned from the date of return to head quarters or from the first of the month, if the tour continues over that date.

Note.—The period of one year for the purpose of sanction of travelling allowance claim for self/members of the family and claim for transportation of personal effects consequent upon the transfer of a Govt. servant should be reckoned from the date of completion of journey / date of despatch of personal effects respectively.

118. Scholarships and grant-in-aid bills become due on the last day of the month in which earned.

Note 1.—Students or teachers in Basic Training Institutions, College of Education, State Institute of Education, Bhopal, State Institute of Science Education, Jabalpur and Tantiya Tope College of Physical Education, Shivpuri, Health and Family Planing Training school Sipat Road Bilaspur may be paid their stipend or pay in advance for the last month in which they start for their homes after the final examination of their respective classes.

Note 2.—Scholarships and stipends payable to the students of educational institutions for the month of March may be drawn in advance during March, each year.

Note 3.—Director of Tribal Welfare will draw the amount of scholarships payable to students of Scheduled Castes, Scheduled Tribes and other Backward Classes on ad hoc basis as advance in every month on form M.P.T.C. 76 from Bhopal Treasury and arrange for its payment through Bank accounts. He will draw the amount on 25th of the previous month for scholarship payments of next month and submit detailed accounts to the Accountant-General, M.P., Gwalior by 25th of the next month in which it was disbursed. For the places where the distribution of scholarship is not possible through Bank, the Collector of the District concerned will draw the amount and arrange disbursement. The detailed procedure in this matter shall be issued by the Tribal and Harijan Welfare Department M.P., in consultation with Finance Department.
119. Bills for arrear pay and leave salary which were claimed in the original bill for the month to which they refer, but where shown as withheld for future payment, and bill on account of undisbursed pay and leave allowance drawn but subsequently refunded into the treasury require to be sanctioned if the claim is preferred after the expiry of the period of one year; provided that such claims not exceeding Rs. 100/- presented within three years of their becoming due may be paid without sanction of Head of Department. When submitting bills for sanction, the reason for not claiming the amount when it became due should always be stated in the bill and in the case of claims for arrear pay a reference to the original bill and information whether the amount was shown in that bill as "withheld". Undisbursed pay, or fine should also be given. Detailed explanation should also be furnished when amounts are drawn against "savings" as ordinarily 'savings' are not available for subsequent drawings.

120. (a) Claims of Government against railways for over-charges and claims of railways against Government departments for under-charges will be recognised and admitted if the claims are preferred within six months—

(1) in the case of cash payments—from the date of payment;

(2) in the case of warrants and credit notes—from the date of presentation of bill by the railway administration.

All railways have agreed to the adoption of this procedure.

(b) Under the provision of section 77 of the Indian Railways Act, IX of 1819, claims for a refund of an overcharge in respect of goods carried by a railway or to compensation for the loss, destruction or deterioration of goods delivered to it should be made to the railway administration within six months from the date of the delivery of goods for carriage by railway. All officers and subordinates who handle railway consignments should take prompt action in such matters and failure to do so will render them personally responsible for any loss which Government may have to sustain by their negligence.

GENERAL INSTRUCTIONS REGARDING THE PREPARATION AND FORM OF BILLS

121. The following general instructions regarding the preparation and form of bills should be observed:

(i) Printed prescribed forms should be used for preparation of bills, where Government have permitted use of special machines or Electronic Data Processing Equipment, forms suitable for use on such machines/equipment may be used.

(ii) All bills must be filled in and signed in ink, or ball point pen/dot pen provided that is legible. The amount of each bill should, as far as whole rupees are concerned, be written in words as well as in figures. The amount of annas and pies may, however, be written in figures after the words stating the number of rupees, but in case of there being no annas or pies, 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 seventy-six only".

"Rupees twenty-five 4/11".

Note 1.—A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees should invariably be recorded in the body of the bill in red ink. The amount so specified should be a sum slightly in excess of the total amount of the bill.

Note 2.—Where bills are prepared on special machines or Electronic Data Processing Equipment, it will be permissible to make entries in the bills by such machines/equipment and filling in the forms in ink will not be insisted upon.

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

Erasures and overwritings 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 full signature with date against each.

The space left blank either in the money column or in the column for particular of the bill should invariably be covered by oblique lines.

(iv) 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, and as far as practicable, its allocation between departments or Governments, where necessary.

(v) 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.

Note.—Charges on account of advances of pay and travelling allowances on transfer and other personal advances such as motor car, conveyance and house-building advances are incorporated in the treasury schedule of the respective departments and on each such bill the department to which it relates should be prominently recorded. The Treasury Officer should refuse encashment of bills which do not contain this information.
(vi) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charge should be quoted. Copies of sanctions accompanying a bill must be duly certified by a gazetted officer or by a responsible subordinate specially authorized in this behalf by the head of the office.

This rule does not authorize 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.

(vii) The authority under which deductions are made in a bill should be quoted.

(viii) 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 payments, it is not possible for the dates of payments to be noted by the payees, the dates of actual payments, 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.

(ix) When the drawing officer requires payment to be made through some other person or agency, he must specifically endorse an order to pay to that specified person or agency.

Note.—The general position in regard to endorsements on bills is set out in Subsidiary Rule 156.

(x) Deleted.

Note.—Deleted.

(xi) Pay bill of officers and other receipts bearing adhesive stamps, when presented for payment at a treasury or sub-treasury, should be rejected as unstamped, unless the stamp has been cancelled by writing on or across the stamp.

(xii) The preparation of pay bills, contingent bills, etc., by the Treasury Department is objectionable. It is their duty rather to scrutinize demands presented by others than to deal with matters of expenditure themselves.

(xiii) When payment is desired wholly or partly by a Reserve Bank draft, a formal application for the draft should accompany the bill and the manner in which payment is desired should also be indicated in the drawer's receipt on the bill.

Note.—The Reserve Bank Drafts so obtained shall invariably be entered in a register in the Form M.P.T.C. 7-A and each entry verified by the Drawing Officer.

(xiv) 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 properly prepared money order form or forms, as the case may be. The amount of the money order as well as the amount of commission due thereon should be shown as deductions in the bill.
WITHDRAWAL OF MONEYS.

The purpose of the money order must be briefly stated on the acknowledgment 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.

Note.—The provision 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.

ELIMINATION OF PAISE FROM GOVERNMENT ACCOUNT

122. The following transactions of Government involving fractions of a rupee shall be brought to account in multiples of 5 paise, portion not below 2½ 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 pensions, 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 2½ paise or substraction of an amount below 2½ paise, as the case may be, as will make the net amount payable to an individual on any bill a multiple of 5 paise.

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 2½ paise or by substraction of an amount below 2½ paise, as the case may be, as will make the net amount payable to the individual on a bill a multiple of 5 paise.

Example—

<table>
<thead>
<tr>
<th>Claim</th>
<th>Rs. P.</th>
<th>Bill to be made</th>
<th>Rs. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay</td>
<td>300.00</td>
<td>300.02</td>
<td></td>
</tr>
<tr>
<td>D.A.</td>
<td>40.00</td>
<td>40.00</td>
<td></td>
</tr>
<tr>
<td>C.C.A.</td>
<td>24.03</td>
<td>24.00</td>
<td></td>
</tr>
<tr>
<td>Gross Total</td>
<td>364.00</td>
<td>364.02</td>
<td></td>
</tr>
</tbody>
</table>

Deduction—

<table>
<thead>
<tr>
<th>Deduction</th>
<th>Rs. P.</th>
<th></th>
<th>Rs. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.F.</td>
<td>30.00</td>
<td>30.00</td>
<td></td>
</tr>
<tr>
<td>I.T.</td>
<td>2.06</td>
<td>2.06</td>
<td></td>
</tr>
<tr>
<td>P.L.I.</td>
<td>8.19</td>
<td>8.19</td>
<td></td>
</tr>
<tr>
<td>C.H.S.</td>
<td>2.50</td>
<td>2.50</td>
<td></td>
</tr>
<tr>
<td>Total Deductions</td>
<td>61.87</td>
<td>61.87</td>
<td></td>
</tr>
<tr>
<td>Net Amount</td>
<td>302.13</td>
<td>302.15</td>
<td></td>
</tr>
</tbody>
</table>
PART II—CHAP. IV ] WITHDRAWAL OF MONEYS.

(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 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.

SPECIAL INSTRUCTIONS APPLICABLE TO PARTICULAR KINDS OF CLAIMS

123. 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 sections of this Chapter.

SIGNATURE AND COUNTERSIGNATURE ON BILLS

124. Unless the Government have expressly authorized 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.

125. 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 office 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.

Note.—A public officer signing a receipt or an endorsement in his official capacity must always add his official designation under his signature.

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

127. The following classes of bills should not be paid without countersignature:

(1) Bills to be countersigned by the Director of Public Instruction, Madhya Pradesh—


(2) Bills to be countersigned by the Deputy Director of Public Instruction, Madhya Pradesh—

(i) Bills for furniture and building grants to Local Bodies and Schools under private management;

(ii) Scholarship and stipend bills of the Anglo-Indian Schools;

(iii) Remuneration bills in connection with the Teacher Training Certificates and Elimination Test.

(3) Bills to be countersigned by the Personal Assistant to Director of Public Instruction—


(4) Bills to be countersigned by the Divisional Superintendent of Education/Inspectress of School—

(i) Grant-in-aid bills of Anglo-Indian Schools;

(ii) Grant-in-aid bills of Indian High and Normal Schools;

(iii) Stipend bills of non-Government High and Normal Schools;

(iv) Scholarship bills of Government-aided Industrial Schools;

(v) Bills of building and equipment grants of non-Government Boys' and Girls' High and Special Schools.

(5) Bills to be countersigned by the District Inspector of Schools/District Inspectress of Schools—

(i) Grant-in-aid bills of Local Bodies for Indian Education (recurring);

(ii) Grant-in-aid bills of Local Bodies for Compulsory Primary Education;
(iii) Grants to Local Bodies for Village Public Libraries;

(iv) Grants to Local Bodies on account of allowance to teachers specially trained in Agriculture, teaching agriculture in Indian Middle Schools;

(v) Recurring grants to Local Bodies for the maintenance of agricultural equipment, etc., at the Indian Middle School teaching agriculture;

(vi) Grants to Local Bodies for Adult Classes;

(vii) Grant-in-aid bills of the Indian English Middle, Indian Middle and Primary Schools under private management and Indian English Middle Schools under Local Bodies;

(viii) Grants to Local Bodies for continuation classes;

(ix) Grants to Local Bodies for village circulating libraries;

(x) Bills of building and equipment grants of the non-Government Boys’ and Girls’ Indian Middle I.E.M. and Primary Schools.

(6) Bills to be countersigned by the Secretary, Board of Secondary Education, Madhya Pradesh—

All remuneration bills in connection with the High School Certificate Examination.

(7) Bills to be countersigned by the Principals of Government Colleges and Principals of Diploma Training Institutes—

(i) College Scholarship bills;

(ii) Bills of stipendiary students and teachers in the Prantiya Shikshan Mahavidyalaya Jabalpur and Diploma Training Institutes for Men and Women, Madhya Pradesh.

(8) Bills to be countersigned by the Director or Deputy Director of Agriculture—

Bills for agricultural scholarships.

(9) Bills to be countersigned by the Joint Registrar and Deputy Registrar, Co-operative Societies, Madhya Pradesh—All Grant-in-aid and Loan Bills relating to the Co-operative Societies.

(10) Bills to be countersigned by the Joint Director-cum-Joint Registrar, Handlooms and Industrial Co-operative Societies and Deputy Director-cum-Deputy Registrar, Handlooms and Industrial Co-operative Societies—All grants-in-aid and loan bills to be released to Handlooms and Industrial Co-operative Societies.

128. 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.
129. (1) No Government Officer may issue duplicates; or copies or bills or other documents for the payment of money which has already been paid on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day a certain sum was paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost and does not apply to cases, if any, in which, by any rule or order, duplicates have to be prepared and tendered with the originals.

(2) In the case of a bill passed by the Drawing Officer/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.

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

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

(3) When any kind of bill is required to be prepared in duplicate or triplicate, only one copy shall be signed and countersigned in full and the other copy or copies may be only initially. If the previous audit of the Accountant-General is required, only the original copy shall be sent to that authority.

CASES IN WHICH RECEIPTS SHOULD BE STAMPED

130. Receipts for all sums exceeding Rs. 20 must be stamped under section 3 read with item 53 of Schedule I of the Indian Stamp Act (Act 11 of 1899), unless they are exempt from stamp duty.

A list of authorised exemptions relating to receipts is given in Appendix 8.

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 payee and stamped in accordance with the local laws if any, governing the stamping of such receipts.

CHEQUES

131. Save as expressly provided in these rules, no person is authorized to draw on a treasury by means of cheques without special order of the Government and before he has been placed in account with that treasury by the Accountant-General.
132. Subject as hereinafter provided in this rule, cheques shall be drawn on forms in cheque books supplied by the district treasury to the disbursing officers concerned.

Cheque books acquired for use on the Bank shall also be obtained from the treasury and not from the Bank. (See Rule 172.)

133. 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.

134. A separate cheque book shall be used for each treasury or sub-treasury. Cheques from books obtained from a particular treasury shall not be drawn on other treasuries or sub-treasuries of other districts.

**Exception 1.**—Where there are two treasuries at one place and the drawing officers are required to transact business at both these treasuries, they will obtain separate cheque books from each of these treasuries. In such a case, cheque books obtained from one treasury shall be drawn on that treasury only.

**Exception 2.**—Madhya Pradesh Life Assurance Department has, however, been allowed to use one cheque book at a time for all the District Treasuries and Sub-treasuries.

(This will have effect from 1st April 1970.)

135. 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 cases of emergency, it may be sent direct to the sub-treasury Officer, a copy being forwarded simultaneously to the Treasury Officer.

136. 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.

137. 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.

138. 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.

138-A. In cases where withdrawal of funds by cheques is no longer necessary, all the cheque forms of cheque books, which remain partly or wholly unused, shall be cancelled by writing the word, 'Cancelled' prominently across each cheque form and counterfoil, without 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.
139. The loss of a cheque book or blank cheque form shall be notified promptly to the Treasury Officer with whom the disbursing officer concerned has a drawing account.

140. 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 less than Rs. 800, but not less than Rs. 700. The amount shall be written in the manner prescribed for bills in clause (ii) of rule 121 and no abbreviations such as "eleven hundred" for one thousand "one hundred" is permissible.

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 an 'f' and changing the 'e' into an '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.—All cheques should be written and signed in indelible ink.

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

(2) In the absence of a specific request to the contrary from the payee, cheques drawn in favour of corporate bodies, firms or private persons shall also be crossed. Subject to any instructions received from the payee, a cheque shall be crossed "——& Co.", with the addition of the words "Not negotiable" between the crossing. Where the payee is believed to have a banking account, further precautions shall be adopted where possible by crossing the cheque specially (instead of by General crossing "——& 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 the crossed cheques is prescribed.

Note.—The procedure prescribed in this rule applies mutatis mutandis to inland postal orders used for remittance of money on Government account.

Exception.—Cheques preferable at a treasury for payment are non-negotiable instruments and should not, therefore, be crossed. In case, however, any cheque prepared at a treasury has been crossed inadvertently by the drawer or the collecting Bank, the fact of its being crossed may be treated as of no significance in making payment.
142. Every Cheque in favour of a Government officer must be made payable to order only; but when the payee is not in Government employ, the drawer may, at his request, make the cheque payable to bearer. Treasury Officers and Sub-treasury Officers will, therefore, cash cheques payable to "A.B." or "bearer" except when A.B. is a Government servant. If a cheque payable to a person not in Government employ "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 cheque Payable to order, of the regularity of the endorsement, if any, by which such person has become the holder of the cheque.

Note 1.—In the Public Works Department, when the cheques drawn at a considerable distance from a treasury have to be cashed at a treasury, by a chaprasi, he should be given a slip of paper on which should be entered the number of the cheque. The signature of the chaprasi should be taken on the back of the cheque before it is handed over to him; on presentation by him of the cheque at the treasury, the Treasury Officer should again take his signature and should satisfy himself that the two signatures are identical. In the event of, the chaprasi losing the cheque, he should immediately present the slip at the treasury and inform the Treasury Officer of the loss. The Treasury Officer will then stop the payment of the cheque. This will serve as a safeguard against the loss which the Government may have to suffer by the cheque being lost by or stolen away from the chaprasi and encashed by a wrong person.

Note 2.—The amount of a Contractor's/Supplier's bill may be paid to a Bank if the bill is receipted by the Contractor/Supplier and at the same time endorsed by him in favour of the Bank.

143. 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 receipt cheques payable to his order, owing to his being absent on tour or for other causes, and when he considers that strict compliance with the ordinary rule would cause inconvenience, he may especially authorize, 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 attorney's, 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 Subsidiary Rule 66 should be followed.

144. No advice of the issue of any cheque need be sent to the treasury.

145. As a general rule, cheques shall not be issued for sums less than Rs. 10 unless this is permissible under the provisions of any law or rule having the force of law.
WITHDRAWAL OF MONEYS.

**Exception 1.**—Cheques issued by the Forest Department for credits on account of the following items should be cashed irrespective of their amounts:

(i) Security deposits.

(ii) Income Tax deductions.

(iii) Postal Life Insurance premia.

(iv) Surcharge deductions.

(v) Super Tax deductions.

(vi) Professional Tax deductions.

**Exception 2.**—Cheques issued by the Treasurer of Charitable Endowments, Madhya Pradesh, should be cashed at the Treasury irrespective of their amounts.

**Exception 3.**—Cheques issued by the Secretary, Madhya Pradesh Life Assurance Departments should be cashed irrespective of their amounts.

(This will have effect from 1st April 1970)

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

147. 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 up to the 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. In the event of non return of the time barred cheque to the drawer, the drawer should on the expiry of prescribed period of three months after the month of issue of the cheque require the payee either to return the cheque or explain the causes for its non-return. If as a result of this enquiry the cheque is reported as lost, the Treasury Officer drawn on should be required to furnish a non-payment certificate with reference to rule 150(1).

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

149. When it is necessary to cancel a cheque, the cancellation 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 necessary entry in his accounts. A cheque remaining unpaid for any cause for twelve months after the month of
PART II—CHAP. IV] WITHDRAWAL OF MONEYS.

its issue should be cancelled in the above manner and its amount written back in the accounts.

Note.—Fanfold cheques used by the Defence and Supply Accounts Departments have no counterfoils. The cancellation of such cheques should, therefore, be recorded by the drawing officer on the copy of the Scheduled of cheques issued and the register of daily payments, as the case may be.

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

(2) 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 it “Payment stopped”.

Note.—If the currency of a 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.

(3) The drawing officer, on receipt of the certificate duly signed by the Treasury Officer/Bank shall enter, in his account the original cheque as cancelled, and may issue another.

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

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

(b) if it is posted to the payee in pursuance of a request for payment by post on the date on which the cover containing it is put into the post.

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

Note 2.—Cheques marked as not payable before a certain date should not be charged to the accounts until the date on which they become payable.

152. The provisions of rule 131, 134 to 147 as also of rules 149 and 150 apply to cheques drawn on the Bank.
Letters of Credit, Assignments and other Orders for Payment.

153. (1) Where under the provisions of these rules or under any special order of the Government, a letter of credit or assignment (Form M.P.T.C. 13) is issued in favour of a drawing officer, such letter of credit or assignment shall specify the maximum amount up to which the officer credited shall have authority to draw on the particular treasury on which the letter of credit 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.P.T.C. 13 prescribed for letters of credit is a general form which may be modified by the Accountant-General where necessary to meet the special requirement of any particular drawing officer.

154. (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.

(2) A letter of credit or assignment shall lapse at the close of the financial year in which it is issued and a cheque drawn before, but paid after the end of the year, shall be taken against the letter of credit or the assignment of the year in which it was drawn. If this causes overdrawal of the credit, the excess shall be treated as an overdrawal and the attention of the authorities concerned shall be drawn to the irregularity.

155. Subject to any distinct rule or order to the contrary, an order or authority issued by the Accountant-General of another State for payments to be made at a treasury should not be acted upon by the Treasury Officer, unless such order or authority is received through the Accountant-General, Madhya Pradesh.

Note.—All payments to private parties which are payable at treasuries or sub-treasuries under the jurisdiction of an Accountant-General other than the one in whose books the charges are adjustable should, as far as practicable, be made direct by the drawing officers by means of Government drafts instead of requesting their Accounts Officers for arranging payments through the Accountant-General concerned. A certificate to the effect that the payment has been made to the proper person and that a proper acknowledgment has been obtained and filed in his office may be sent to the Accountant-General by the drawing officer, as and when the payment is made to a private party.

The refund of earnest money deposits in similar circumstances would be made by means of Government drafts by the Accountant-General in whose books the deposits were finally adjusted. For this purpose the departmental officer concerned in the repayment of deposit should endorse the refund order on the original receipt granted by the Treasury Officer and send it to the Accountant-General.
ENDORSEMENT ON CHEQUES, BILLS, ETC.

156. 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 contingent bill which has been endorsed in favour of a firm of suppliers, etc., under Supplementary Rule 302 the firm, etc., can re-endorse it 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 any thing 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 bankers.

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 SIGNATURES AND OTHER SAFEGUARDS

157. Every Government Officer who is authorized 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.—The Mint Masters are exempted from circulating the specimen signatures of their officers issuing Mint Out-turn certificates payable at the treasuries or the Bank.
158. 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 authorized to draw cheques or sign payment orders on bills or to issue letters of authority for payment to be made by such Treasury Officer, disbursing officers or Accountants-General. Attested copies of specimen signatures of such gazetted officers serving under him as are authorized to draw cheques or sign payment orders upon the Bank will also be supplied by the Accountant-General to the Bank.

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

SUB-SECTION II.—PAYMENT OF CLAIMS AT THE OFFICE OF THE ACCOUNTANT-GENERAL

159. The following procedure should be followed in respect of payment of bills which are required to be pre-audited in the Accountant-General’s office:—

(i) Bills which should be only claims and not acknowledgments, should be presented in person, or by a messenger or through a Bank or other authorized agent, or by post.

(ii) Unless there is a special request on a bill for cash payments, no bill will be paid in cash if the total of all the bills received from one party at the same time exceeds Rs. 20.

(iii) If payment is to be made by cheque the bill should bear an endorsement showing—

(a) in whose favour the cheque is to be drawn—self, Bank or other authorized agent;

Note 1.—Cheques in favour of a firm or a private person for payment of contingent bills will always be crossed.

Note 2.—Drawing Officers at Gwalior should ascertain from suppliers when they indent for supplies, whether the suppliers would accept cross cheques issued in their favour and if the suppliers agree to do so, the drawing officers at Gwalior should record a note to this effect on the bills presented in the audit office when the bills themselves are not endorsed in favour of the suppliers.

(b) whether it is to be an open cheque or a crossed one; and

(c) in the latter case, whether the crossed cheque is to be sent by post (open cheques will not be sent by post).

(iv) When payment is to be made by crossed cheque sent by post, the cheque will be sent by the Accountant-General’s office without further action on the part of the payee. He must, however, acknowledge its receipt by return of post. Failure or delay to do this will render the drawer liable to forfeit the privilege of having his cheques sent by post.
(v) Payees should send their messengers to the office of the Accountant-General after a reasonable time with the receipt in the following form and the token received in exchange of the bill without waiting for any intimation from that office. Intimations of the bills having been passed for payment will be sent from the Accountant-General’s office only in the case of bills remaining unpaid long after cheques have been issued for them, or payment in cash authorised:

“Received by cash/cheque Rs.............................. from the Accountant-General, Madhya Pradesh, in payment of my bill No..........................., dated the........................19, on account of........................................

Signature of the payee’s.”

(vi) A payee who requires payment by cash or by an open cheque can received payment only in person or through a messenger. In the latter case the payee must understand that he receives payment through a third party at his own risk and that Government is in no way responsible for loss, and will hand over the cheque or cash to any person presenting—

(a) the token, if any, that had been given to the messenger; and

(b) payee’s receipt in the form mentioned in rule (v) above on which the signature or mark of the messenger will be taken.

(vii) Payees should communicate with the Accountant-General’s office in all cases in which payment has been delayed beyond one week from the presentation of the bills.

(viii) Facsimile signatures of gazetted officers, whether authorised to sign bills or to acknowledge them for the officers so authorized, should be furnished to the Accountant-General whenever there may be a change of such officers. In order to avoid unnecessary additional work and delay in payment care should be taken to keep similarity in signatures.

SUB-SECTION III.—PAYMENT OF CLAIMS AT THE TREASURY

Introductory

160. 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 Chapter V.

Checks to be applied at the Treasury on claims presented

161. (1) The bill, cheque or other documents presented as a claim for money shall be received and examined by the Asstt. Try. Officer 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 bills, etc., taking
WITHDRAWAL OF MONEYS. [PART II—CHAP. IV

care to adopt the precautions prescribed in clause (ii) of rule 121. 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.

(2) The order of payment should be entered both in words as well as figures; but in the case of—

(i) cheques;
(ii) bank drafts;
(iii) Reserve Bank Government drafts;
(iv) deposit repayment vouchers;
(v) postal vouchers;
(vi) lapsed deposit refund vouchers;
(vii) sub-treasury cash orders, including bills enbayed by district treasuries for payment at sub-treasuries; and
(viii) all bills pre-audited by the Accountant-General, Madhya Pradesh, when the amount is expressed in words and figures and no alteration is necessary owing to retrenchments, the pay order may be confined to the word "Pay".

(3) In cases in which the order of the Treasury Officer requires the sub-treasury Officer to pay a part of the amount in cash and a part by a transfer credit to some receipt head, and when no register subsidiary to the cash books is maintained at a sub-treasury for noting the amounts of transfer credits, the payment order given by the Treasury Officers both in words and figures should be repeated so that there may not be any risk of the full amount of the bill being paid by the Treasurer. In cases in which a subsidiary register is maintained the fact of payment by transfer should be noted in the register and the bill stamped "Paid by Transfer" by the sub-treasury Accountant, and the Treasurer will then pay only the amount payable in cash.

162. (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.

163. 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.

164. (1) When a bill is presented by a person who is not the Drawing Officer himself or his duly authorised Agent (banker), he shall be required to produce a letter, in Form M.P.T.C. 52-A, 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 cases in which the endorsement on a bill is unauthorized, 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.

165. Special precaution must be taken by the Treasury Officer as regards all bills and documents showing signs of alteration; and if such documents be frequently received from any office, the attention of the head of the office shall be formally drawn to the irregularity.

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

166. With regard to claims presented either on bills or on chéques, the signature of the drawing officer shall be compared with his specimen signature received under rule 157, before payment is ordered. In the case of payments to be made on the authority of an order purporting to have been issued from the office of the Accountant-General, the Treasury Officer shall verify the signature on the order by comparison with the specimen signature of the signing officer received under rule 158.

Note 1.—Specimen signature received by the Treasury Officer should be carefully pasted in guard-files which must be kept in the personal custody of the Treasury Officer.

Note 2.—In cases of extreme urgency when immediate payment is desired by disbursing officers telegraphic orders, for payment are issued by the audit office. In such cases, which of course will be very rare, payment may be made without waiting for the receipt of the postal copy of the telegram authorizing the payment subject to the following remarks:—

(i) It is necessary to act with greatest circumspection in dealing with these telegraphic orders. If there is any reason to doubt the bonafides of the telegram it is open to the Treasury Officer either (a) to take the orders of the Collector, (b) to apply to the audit office by telegram addressed “Accounts Gwalior” for further telegraphic confirmation of the original orders, or (c) to refuse payment until receipt of the duly authenticated postal copy of the telegram. In any case the action taken should be reviewed on receipt of the postal copy of the telegram. In cases in which the audit office will issue telegraphic orders for payments to non-Government servants, e.g., grants-in-aid to local funds or recognized institutions, the Treasury Officer should be in a position to verify the bonafides of the payment order.

(ii) Payment should be made wherever possible by transfer credit.

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

Note.—When bills presented for payment contain obvious arithmetical mistakes or trifling mistakes which can easily be corrected, the Treasury Officer should not return such bills but should correct them and pay the corrected amount of the bill. Similarly where bills contain doubtful items which can easily be eliminated, the Treasury Officer should disallow the doubtful items and pay the remainder of the bill. In all cases the
corrections made and the reasons 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 payments made at a sub-treasury).

168. 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 against the name of the Government servant concerned. As each pay or leave salary bill is presented for payment, reference to this register shall be made to see that the sanctioned rate is not exceeded.

169. When a gazetted officer is about to proceed on leave to Europe, or to retire from the service, his pay and travelling allowance bills should be sent to the Accountant-General as soon as they are paid, together with any bills already paid but not yet despatched to his office, under cover of a separate letter marked as urgent, instead of in the ordinary course with the list of payments. This is necessary in order that it may be ascertained if there is any amount to be recovered from the officer before his departure. These instructions do not modify the orders under which the final payment to an officer retiring from the service should not be made without a reference to the Accountant-General’s Office.

170. A Treasury Officer shall not undertake correspondence for a 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.

Payment to persons not in Government employment.

171. When a person not in Government employment claims payment for work done service rendered or articles supplied, the Treasury Officer shall, subject as provided in rule 114, require—

(a) The submission of claim by 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.

(b) Failing the above, in cases when it is necessary to pay the amount of a bill drawn by persons not in Government employment, and also when the authority of the head of the department or responsible officer is insufficient, an order from the Accountant-General must be sought by furnishing that officer with any necessary particulars for obtaining the sanction of Government should such be needed.

(c) 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.

(d) In all doubtful cases, the Treasury Officer shall take the orders of the Collector, who must be expected to assume the responsibility of his position; and he would doubtless be supported by the Government, if he can show that he has exercised a proper amount of care and discretion in the matter. When this necessity occurs, however, he shall immediately report the fact to the Accountant-General.
(e) Whereas group of individuals has been dealing with Government apparently as one firm, and where one or more of these individuals has died during the course of the transaction, then no payment should be made to any of the survivors without the production of a succession certificate or letters of administration except upon the advice of the Law Department.

Note.—Payments due to contractors may be made to financing Banks instead of direct to contractors provided that the department concerned obtains (1) an authorization from the contractor in the form of a legally valid document like the power of attorney or transfer deed conferring authority on the Bank to receive payment, and (2) the contractor's own acceptance of the correctness of the account made out as being due to him by Government or his signature on the bill or other claim preferred against Government in his behalf, before settlement of the account or claim by payment to the Bank. While the receipt given by the Bank holding a power of attorney or transfer deed from the contractor constitutes a full and sufficient discharge for the payment, contractors should, where possible, be induced to present their bills duly receipted and discharged through their bankers.

(f) The Treasury Officer shall furnish to the Commissioner of Income-tax concerned quarterly statements of individual payments 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 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

172. Stocks or cheque books required for supply to the drawing officers under rule 132 shall be kept by the Treasury Officer, supplies being obtained periodically from the Regional Joint Director of Treasuries and Accounts concerned. 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 flyleaf. They shall be examined again when issued to drawing officers, care being taken to see that they are acknowledged by the latter promptly.

Note 1.—Detailed instructions for the printing, custody and supply of cheque books are embodied in Appendix 22.

Note 2.—The supply of personal Deposit Account Cheque Books and Public Works Department Receipt Books should be obtained by Treasury Officers from the Superintendent, Government Printing Press Bhopal, direct for issue to the disbursing officers concerned.

173. 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 135 as in use by the drawing officer who has signed it. The provisions of rules 140 to 146 shall be specially borne in mind.
174. 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.

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

Note.—At places where pass books maintained by drawing officers are required to be completed by the Bank and the number of entries to be made is large, the Bank may furnish pen carbon copies of the payment scrolls containing full details of the paid cheques duly attested by an authorised official. In such cases the number of the first cheque paid may be written in full in the scroll and thereafter only the last three digits of the numbers of which should be written up once a month.

In cases where pen carbon copies of the payment scrolls are furnished, the daily total by the cheques paid may only be indicated in the relative pass book which should be written up once a month.

176. 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) of rule 150 shall be carefully observed with a view to preventing the payment of the cheque in question.

177. (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 overpayments.

Disbursement of Claims and Records of Payments

178. (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 department, 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 Department 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 abstraction 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.
179. 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.—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 item will 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, the voucher
should be stamped by the Asstt. Treasury officer “Paid by transfer”.

N. B.—Cheques received in payment of value of service stamps should,
however, be entered in the Treasurer’s cash book on both sides.

180. 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 altera-
tions that may be made in the bill presented. The note may be in bi-lingual
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 :

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bills presented for pay and allowances, etc.</td>
<td>.......</td>
</tr>
<tr>
<td>Bills presented for contingencies</td>
<td>.......</td>
</tr>
<tr>
<td>Bills presented for sundries</td>
<td>.......</td>
</tr>
</tbody>
</table>

Total ....

Paid in cash ....

Paid in drafts ....

*Deductions (if any) ....

Signature of Messenger.

*Explanation—

Payment by Postal Money Order

181. In cases 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.

182. (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 (XIV) of Rule 121.

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

Note.—Postal Money Order acknowledgments are accepted as sufficient legal acquittance for the moneys paid by the Government by Postal Money Order.

Payment at Sub-Treasuries

183. Subject as provided in Rules 110 and 111, the procedure in regard to the payment of money at district treasuries is generally applicable to sub-treasuries also.

184. Deleted.

185. Deleted.

186. Deleted.

187. Deleted.

188. Deleted.

189. Deleted.

Sub-section IV.—Responsibility for Moneys Withdrawn

VOUCHER FOR PAYMENT

190. Subject as hereinafter provided in this rule, a Government servant 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 for its proper classification and identification in the accounts. Every voucher must bear, or have attached to it, an acknowledgment of the payment signed by the person by whom, or in whose behalf the claim is put forward. The acknowledgment 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 acknowledgment of payment in respect of such bills.

Note 2. A single receipt, stamped where necessary, given by a payee in acknowledgment of several payment 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 officer, in such cases, should give cross reference on all vouchers to which receipt relates.
PART II—CHAP. IV] WITHDRAWAL OF MONEYS.

191. 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 sent forth, and where this necessitates the use of a regular bill form, the certificate itself may be recorded thereon.

Note 1.—In the case of articles received by value-payable, post, the value-payable cover, together with the invoice or bill showing the details of the items paid for, may be accepted as a voucher. The disbursing officer should endorse a note on the cover to the effect that the payment was made through the Post Office and this 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 such a copy or give a duplicate acknowledgment of the payment.

192. The provisions of Rules 121 and 130 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.—Cash memoranda which do not contain an acknowledgment 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 acknowledgment 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 acknowledgment 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.

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 acknowledgment.

193. 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.

Note.—Cashiers and others authorized to make disbursements on passed bills should make no payment without a pay order of the responsible disbursing officer recorded in ink on the bill.

194. 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.
195. 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.

196. 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.

The provisions of subsidiary Rule 296 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.

197. A bill Register in Form M.P.T.C. 17 should be maintained by all heads of offices who are authorized 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.

OVERCHARGES

198. The responsibility for an overcharge 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 of the Treasury Officer that the question of recovery from either of them may be considered.

Audit Objections And Recoveries

AUDIT OBJECTIONS

199. Every Government servant entrusted with the duty of making payments on behalf of Government should attend promptly to all objections and orders communicated to him by the Accountant-General, either direct or through the Treasury Officer, by letters, audit memoranda, etc., and return the audit memoranda or reply to objections within a fortnight, or send a letter explaining the cause of delay.

200. An Audit Officer is at liberty to call for any documents on which he considers it necessary to exercise the prescribed audit checks. It is not required for him to obtain the orders of the State Government before enforcing compliance in respect of his objections.

201. When the Accountant-General disallows a payment as unauthorized, 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 authorizes 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, or that the sanction of a higher authority has been applied for, are matters 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 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 from 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.

202. All references made by the State Government to the Government of India relating to account objections should be accompanied by a copy of the accounts officer's objection and any further explanations he may have given in connection with it. This procedure should also be observed in the case of references of a similar nature made by subordinate authorities to the State Government.

RECOVERIES

203. Recoveries may not ordinarily be made at a rate exceeding one-third of pay unless the Government servant affected has (a) in receiving or drawing the excess, acted contrary to orders or without due justification or (b) taken an advance for a specific purpose, not utilised it for the purpose for which the advance was sanctioned within the prescribed period and failed to refund the outstanding amount within the stipulated date.

204. 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 over-payment, and the method by which the over-payment has been adjusted.

Note.—The term 'recoveries' in this rule does not include repayments of optional advances such as house-building, motor car, etc., advances and advances from the Provident Fund. The limit of one-third of pay referred to in this rule should, therefore, be applied without taking into account repayments of optional advances.
205. The recovery of a sum retrenched from a pay bill need only be made from the next pay bill, and of a sum retrenched from a travelling allowance bill, from the next payment of travelling allowance bill, but retrenchments of travelling allowances must be recovered in cash or from pay bill when the officer concerned does not, within a month, present a travelling allowance claim from which they can be recovered.

Section II.—Personal Claims of Government Servants—General Rules Due Date

206. (1) However, if the first day (including Sunday) of the following month is a Public Holiday or Saturday on which funds for disbursement of pay and allowances cannot be drawn from the Treasury or the Bank, as the case may be, the pay and allowances shall be paid on the last two working days of the month to which they relate, except in the case of pay and allowances for the month of March which shall be paid on the first working day of the succeeding month.

(2) The Government may in special cases relax any of the conditions specified in this rule.

[S.R. 206(2)] “Explanation”

*Explanation.*—In the case of an industrial establishment where payments are staggered and made on days specifically fixed for the purpose the pay due on any of the specified days may be disbursed on the preceding working day if the first day, (including Sunday) commencing with the specified date, on which pay is due is a Public Holiday.

*Note.*—The monthly bills for pay and allowance of all non-gazetted employees of State Government posted at localities remote from the stations of the drawing and disbursing officers, whom remittances of the monthly salary even by the quickest possible means cannot reach within a reasonable time, say the first seven working days of the next month, and also such bills in respect of non-gazetted employees who are on tour and payment to whom has to be made at the station where they are on tour, may be presented at the treasuries not earlier than the 15th of the month to which the salary and allowances relate and also encashed before the end of the month to enable the drawing and disbursing officers to arrange for their remittance so as to reach the claimants within the first seven working days of the next month.

For this purpose the Collector of the district concerned will publish a list of remote localities of the district in the beginning of each calendar year which will be brought up-to-date by him by issuing amendments thereto from time to time by adding the names of new places or deleting the names of such localities as cease to be “remote”. Copies of such a list and amendments shall be furnished by the Collector to the drawing and disbursing officers and the Treasury/Sub-Treasury Officers of the district concerned as also to the Accountant-General. Madhya Pradesh, for information (these instructions come into effect from the 1st January, 1967).
In the case of non-gazetted employees who are on tour and payment to whom has to be made at the station where they are on tour the drawing officer shall record a certificate on the bill to the effect that it contains claims of pay and allowances of such non-gazetted Government employees whose pay, etc., shall have to be remitted outside as they would be on tour out-side the headquarters during the first seven working days of the following month.

207. In the following cases separate bills may be presented for pay and allowances or leave salary due for part of a month, and these bills may be paid before the end of the month:

(a) When a Government servant proceeds out of India on deputation or on leave or on vacation.

Note.—If a Government servant is permitted to draw his leave salary in India, he will not be paid up to the date of his relief, but will be allowed to draw his pay and allowance for the broken period of the month at the commencement of the next month along with the leave salary for the rest of the month.

(b) When a Government servant is transferred to another audit circle or within the same audit circle to or from the Public Works or Forest Department.

(c) When a Government servant finally quits the service of the Government or is transferred to Foreign service.

(d) When a Government servant, proceeding on leave from a post in a country outside India, draws in that country leave salary up to the date prior to that on which he leaves that country.

208. Deleted.

FORMS AND PREPARATION OF BILLS

209. The forms on which claims for pay, allowances, etc., are to be preferred and the detailed procedure to be deserved in the preparation and presentation of such claims, shall be regulated by the provisions contained, in the case of Gazetted Government servants in Section III, and in the case of Non-gazetted Government servants in Section IV of this chapter.

DEDUCTIONS FROM BILLS—GENERAL

210. The following deductions are usually made from pay bills:

(1) Rents of Government residences, including rents for furniture, water-supply and sanitary, heating and electric installations, etc., also municipal taxes on such residences if recoverable from the Government servant concerned.

(2) Fund Subscriptions.

(3) Amounts retrenched and ordered for recovery.

(4) Income-tax deductions.

(5) Deductions on account of Profession Tax.

(6) Repayments of advances.

(7) Premia for postal life insurance or endowment policies.
Note 1.—Recoveries on account of security deposits of the employees of different departments should be made in cash, at the time of disbursement of pay.

Note 2.—For payments made into a court of law, on account of attachment or otherwise, the recoveries should also be made in cash and then remitted to the court concerned. The receipts of the court should be obtained and filed with the acquittance roll.

FUND DEDUCTIONS

211. The duty of noting the proper deductions to be made from pay bills on account of Provident and other Funds shall devolve on the drawer of the bill, but no discretion is allowed in carrying out any order received from the Accountant-General to make any particular deduction.

The procedure to be followed in making such deductions is laid down in Chapter VII of these rules.

Note.—The Treasury Officer is responsible for seeing that deduction is made on account of I.C.S. Provident Fund from the pay bills of I.C.S. officers.

DEDUCTIONS OF TAXES ON INCOME

212. Deductions from 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.

213. Deleted (vide Correction Slip No. 145, dated 25-9-1962)

HOUSE-RENT DEDUCTIONS

214. (1) (a) 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. The departmental officer will also attach to the pay bill a statement in P.W.D. Form No. 48, in duplicate, showing the rate of emoluments and details of rent due and recovered from each official occupying Government quarters.

(b) The Treasury Officer will, as soon as possible, after payment of the bill, forward one copy of the statement in Public Works Department Form No. 48, with the certificate of recovery recorded thereon, to the Executive Engineer concerned who will check the correctness of the statement and complete the register of rents of buildings in his division. The other copy of the statement in Public Works Department Form 48 will be retained by the Treasury Officer with the bill from which the recovery has been made.

(c) If any official vacates his quarters before the last day of the month, owing to transfer to a station within the State, the amount of rent due for the broken period should be noted on the last pay certificate. If, however, he is
paid up to the day of giving over charge, when either retiring, proceeding on
transfer outside the State or taking leave out of India, the departmental officer
should see that the rent due for the broken period is deducted from his last pay
bill. In the above cases the departmental officer should also attach the necessary
statement in P.W.D. Form No. 48, in duplicate, to the last pay certificate or the
pay bill, as the case may be, in order to enable the Treasury Officer to take
action as laid down in the Clause (1) (b) above.

(d) If the rent recoverable from an official is limited to a certain per-
centage of his emoluments and such emoluments are changed retrospectively,
the rate at which rent is recovered should also be changed retrospectively and
recovery made accordingly.

(2) 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.

DEDUCTION ON ACCOUNT OF PROFESSION TAX

215. The amount of the tax should be deducted from the pay or leave
salary bills of the Government servants serving under the State Government.
A schedule containing information on the following points should be attached to
each bill from which the tax is recovered:—

(1) Name and designation of the assessee.

(2) Month of payment of the bill from which the tax is deducted.

(3) Amount of the tax deducted.

The Treasury Officers after verifying the recoveries from the actual
deduction shown in the bills forward the schedules to the respective Sales Tax
Officers for completing their demand registers.

ATTACHMENT OF PAY AND ALLOWANCES, ETC., FOR DEBT

216. When the salary 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 salary bill of the Government servant concerned, and he shall keep a
record of such deductions in Form M.P.T.C. 17 A.

When a Government servant is adjudged insolvent, the attachable portion
of his salary vests in the Court that passed the order of insolvency on the receiver
appointed by the court. The amounts which have been under attachment in execu-
tion of decrees against the insolvent shall, after the order of insolvency, rest in the
court that passed the order or the receiver as the case may be. The attached
amounts instead of being sent to the various courts which issued the orders of
attachment, should be sent to the Insolvency Court or the Receiver, as the case
may be, for pro-rata distribution among all the creditors of the insolvent
Government servant.
Note 1.—The extent to which the emoluments of a Government servant are exempt from attachment for debt is laid down in Sub-Section (1) of Section 60 of the Code of Civil Procedure, 1908. The following is an extract of the relevant provisions of the section:—

“60. (1) The following property is liable to attachment *** in execution of a decree ***

Provided that the following particulars shall not be liable to such attachment *** namely:

(i) The salary of any public officer .................. to the extent of the first two hundred rupees and one-half of the remainder, in execution of any decree other than a decree for maintenance, of such salary.

Provided that, where the whole or any part of the portion of such salary liable to attachment has been under attachment, whether continuously or intermittently for a total period of twenty-four months, such portion shall be exempt from attachment until the expiry of a further period of twelve months and, where such attachment has been made in execution of one and the same decree, shall be finally exempt from attachment in execution of that decree.

(i) (a) One-third of the salary in execution of any decree for maintenance.

(1) Any allowance forming part of the emoluments of any public officer *** which the appropriate Government may by notification in the official Gazette declare to be exempt from attachment, and any subsistence grant or allowance made to any such officer *** while under suspension:

Explanation 2.—In Clauses * * and (i), “salary” means the total monthly emoluments, excluding any allowance declared exempt from attachment under the provisions of Clause (1) derived by a person from his employment whether on duty or on leave.

Explanation 3.—In Clause (1), ‘Appropriate Government’ means:—

(i) as respects any Public Officer in the service of the Central Government * * * the Central Government; and

(ii) as respects any other Public Officer * * * the State Government.

* Inserted vide section 2 of the Code of Civil Procedure (Amendment) Act, 1963 (No. 26 of 1963), and has come into force with effect from the 4th September, 1963
PART II—CHAP. IV] WITHDRAWAL OF MONEYS.

Note 2.—The following declaration has been issued by the State Government under Clause (1) of the proviso to Sub-Section (1) of Section 60 of the Code of Civil Procedure, 1908:

"The following allowances payable to any Government servant in the service of the State Government shall be exempt from attachment by order of a Court—

(i) all kinds of travelling allowances;
(ii) all kinds of conveyance allowances;
(iii) all allowances granted for meeting the cost of—
   (a) uniforms, and
   (b) rations.
(iv) all allowances granted as compensation for higher cost of living in localities considered by the State Government to be expensive localities, including hill stations;
(v) all house rent allowances;
(vi) all allowances granted to provide relief against the increased cost of living;
(vii) a foreign allowance or, in the case of Heads of Diplomatic Missions, *frais de representation*, assigned to officers serving in the posts abroad;
(viii) all amounts paid by way of reimbursement of medical expenses.

Note.—Dearness pay, which is really a part of dearness allowance and is treated as pay for certain specific purposes only, shall be deemed to be part of allowance specified in item (vi)."

217. In accordance with the above provision the maximum amount attachable by a Civil Court, for decrees other than decrees for maintenance, is to be calculated thus—

If the total gross emoluments earned by the Government servant are represented by X, and the allowances declared to be exempt from attachment *vide Note 2 to S.R. 216* and, if the Government servant is under suspension, any subsistence grant or allowance made to him, are represented by Y, the net amount attachable, if any, is \( (X - Y) - 50 \)

Note.—The limit of the first two hundred rupees and one half of the remainder laid down in Sub-Section (1) of Section 60 of the Code of Civil Procedure, 1908, takes effect from the 4th September 1963. The decrees awarded by Courts prior to that date might be based on the limit of the first hundred rupees and one half of the remainder which was applicable until the provision was amended and would continue to be valid until revised by the Courts. In such cases the net amount attachable would be \( \frac{(X - Y)}{2} - 50 \)

217-A (1) If an order of attachment against a Government servant is received before a previous order of attachment against the same Government.
servant has been fully complied with, the recoveries shall be made by the disbursing officer so long as the total amount recoverable with reference to the attachment orders is within the maximum limits prescribed in Rule 217.

(2) If a new attachment order has the result of increasing the amount beyond the maximum limits prescribed, the disbursing officer shall return the attachment order to the Court concerned with a statement showing—

(i) particulars of the existing attachment ;
(ii) particulars of the amount withheld and paid into the court concerned up-to-date ; and
(iii) amount remaining uncovered.

218. Any deductions which may have to be made on account of subscription to Provident Funds recognised by Government, taxes on income payable by the Government servant, and dues of Co-operative Societies and debts due to Government shall be made from the non-attachable portion of the Government servant's salary.

219. Without prejudice to the appropriate provisions of the law as contained in Rule 48 of Order XXI of the First Schedule to the Code of Civil Procedure, 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 salary bills 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 salary 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 deduction is responsible for remitting the amounts without undue delay to the Court concerned. The cost, if any, of remittance to a Court, of money realized under its attachment order, shall be deducted from the amount realized and the net amount remitted to the Court.

Notes.—(a) Notices of orders of attachment of salary and allowances of Government servants mentioned below will be sent to the officer shown against each—

Judgment-debtor .

(i) Gazetted Government servant
(ii) Non-gazetted Government servant.
(iii) Non-gazetted Government servants who are their own disbursing officers.
(iv) Divisional Forest Officers and conservators.

*Officer to whom notices should be sent
(2)
Accountant General, Madhya Pradesh.
The officer whose duty it is to disburse the pay and allowances of the Government servant whose pay is attached.
Heads of Departments concerned.
Chief Conservator of Forests.

* a list of such officers is given in judicial department notification no. 1013-779-xix, dated the 11th may, 1939, which is reproduced in rule 199, high court's rules and orders (civil), page 71 (1938 edition).

(b) in the case of gazetted government servants, the attachment orders shall be carried out by the accountant general, where the pay bills of the officer are pre-audited and paid by him. where the salary of gazetted government servant is disbursed by an officer other than the accountant-general the notice of attachment sent by the courts shall be forwarded to the disbursing officer by the accountant-general for effecting the necessary recovery and remitting the money to the court and intimation of the fact shall also be given by the accountant-general to the head of department (to the collectors in the case of treasury officers) concerned at the same time, except in cases in which the order of attachment is received through the head of the department.

(c) officers whose duty it is to carry out attachment orders issued by civil courts against government servants' salary and allowances shall maintain a register called attachment register in which the orders of attachment when intimated to them shall be noted. the amounts deducted and remitted to the courts shall also be entered from time to time in the register.

(d) if any loss is caused to government through the default of any officer in discharging his responsibility for executing the orders of attachment of civil court, such officer shall render himself liable to make good the loss.

(e) the amount recovered shall be remitted to the court by the ordinary method adopted locally if the court is situated in the same station, otherwise by money order or reserve bank draft (after recovery of the necessary commission or premium).

(f) the officer who remits the amount to the court shall obtain a receipt for the amount from the court which shall be filed with the attachment register maintained under clause (c) or the acquittance roll, as may be considered suitable by the officer.

(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 accountant-general in the case of gazetted government servants and departmental drawing officer acting as or on behalf of the accountant-general in the case of others, shall 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 transactions shall not 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) shall be made wholly from the portion of the leave salary disbursed in the united kingdom.
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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 are 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 shall 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 salary to remain undischused, 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 salary bill, refrains from preparing his salary bill and drawing his salary 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-rules (2) and (3) above shall be treated in the accounts in the same way as leave salary or salary drawn by the Government servant concerned, the particulars of the attachment order being cited in the salary 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.

219-A. Recoveries from the salary of Government servants on account of profession tax levied by the State Government under their professions trades. Callings and Employments Taxation etc. Acts and dues of Co-operative Societies registered or deemed to have been registered under the Madhya Pradesh Co-operative Societies Act, 1960, shall be made under section 42 of the said Act, 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 Treasurer Officer on the advice of the Accountant-General or by the other appropriate Disbursing Officer concerned, as the cases may be, in accordance with such procedure as may be laid down by Government from time to time.

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.

First Payment of Pay, Allowances, etc.

220. 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 Comptroller and Auditor-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 the 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.

Where the competent authority under any rule or order authorises withdrawal of pay and allowances of a newly appointed Government servant for period not exceeding that specified in such rule or order without a medical certificate of health, a certificate to this effect shall be furnished in the pay bill.

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

Note 1.—The payments of pay, leave salary, etc., of gazetted Government servants are further subject to the provisions of Treasury Rule 22 and Subsidiary Rule 247.

Note 2.—The form of last pay certificate prescribed by the Comptroller and Auditor-General of India and the detailed instructions issued by him for its preparations are reproduced in Appendix 10.

Note 3.—In the case of a non-gazetted Government servant, who is also head of office and who is permitted to draw his pay bill without countersignature, his last pay certificate should be prepared and signed by his successor and countersigned by his superior gazetted Government officer.

Note 4.—When granting a last pay certificate to an officer occupying Government quarter's a Treasury Officer should invariably certify upon it that the officer has paid rent up to the date on which he vacated the building. This will enable the Accountant-General when granting a last pay certificate to an officer leaving India on leave to Europe to see that nothing is due from him as house rent at the time of his departure.

Note 5.—An officer who wishes to draw leave or other allowances from the capital town of another presidency or State should, before he obtains a last pay certificate, submit to the local Accountant-General two specimen signatures for transmission to the Accountant-General of the State concerned.
Note 6.—A Treasury Officer must be careful not to pay the pay and allowances of an officer to whom he has granted a last pay certificate, unless the certificate is first surrendered.

Note 7.—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 or on proceeding on leave ex-India

221. The last payment of the pay or allowances shall not be made to, or in respect of, a Government servant whose pay is drawn on gazetted Government servant's bill form, finally quitting the service of the Government by retirement, resignation, dismissal, death or otherwise, or placed under suspension, or proceeding out of India on leave or on deputation or on vacation leave or on transfer to foreign service, until the disbursing officer has satisfied himself, by reference 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.

Note 1.—In the case of contract officers and officers purely in the temporary employment of Government proceeding on foreign service in or out of India, final dues should be paid only after ascertaining that no demands are outstanding against them.

Note 2.—The procedure prescribed in respect of gazetted Government servants under this rule shall apply to the last payment of dues or honorarium to non-official, 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.

Payment on death of payee

222. Pay and allowances can be drawn for the day of a man's death: the hour at which death takes place has no effect on the claim.

Note.—"Day" for the purpose of this rule and rule 388 should mean a calendar day beginning and ending at midnight.

223 (1) Subject to the provision of Rule 221, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without production of the usual legal authority:

(a) If the gross amount of the claim does not exceed Rs. 5,000/- under order of the Head of the Office, in which the Government servant was employed at the time of his death, provided that the Head of the Office is otherwise satisfied about the right and title of the claimant; and

(b) If the gross amount of the claim exceeds Rs. 5,000/- under orders of the Administrative Department of the Government on execution of
an indemnity bond in form M.P.T.C. 18 for double the gross amount due for payment, with such sureties as may be deemed necessary, if it is satisfied of the right and title of the claimant and considers that undue delay and hardship would be caused by insisting on the production of the letters of administration; provided that the authority mentioned in clause (a) above may, subject to the condition prescribed in that sub-clause, make anticipatory payment of an amount not exceeding Rs. 5,000/-.

Note 1.—Normally there should be two sureties both of known financial stability, unless the gross amount of the claim is less than Rs. 7,500/- in which case the authority accepting the indemnity bond in Form M.P.T.C. 18 for and on behalf of the Governor of Madhya Pradesh should decide, on the merits of each case, whether to accept only one surety instead of two.

Note 2.—The claimant as well as the sureties executing the indemnity bond should have attained majority so that the bond may have legal effect or force. The bond is also required to be accepted on behalf of the Governor of Madhya Pradesh by an Officer duly authorised under Article 299(1) of the Constitution. The bond is exempt from stamp duty.

(2) In case of any doubt, payment shall be made only to the person(s) producing the legal authority.

(3) The procedure to be followed in regard to the preferment, withdrawal and disbursement of claims of deceased Government servants to their rightful claimants will be as under:

On receipt of the claim for payment of arrears of pay and allowances on behalf of a deceased Government servant from his heir/heirs the head of the office in which the Government servant was last employed should draw the amount in the appropriate bill form from the treasury. The claims should be supported by all the relevant certificates which the head of the office is required to furnish in the normal circumstances. However, in respect of the certificates which solely depend on the personal knowledge of the Government servant, and which obviously cannot be furnished by the head of the office, the head of office should record if he is satisfied about the correctness of the claim and furnish a certificate to the effect that ‘the claim is not susceptible of verification but is considered reasonable’. In the case of gazetted officers, the head of the office has to satisfy himself by reference to the Accountant-General, the departmental authorities concerned, if any, and his own records that there are no demands outstanding against the deceased Government servant. In the case of other Government servants payments may be made without reference to the Accountant-General on the responsibility of the head of office concerned. The amount should be disbursed to the claimant/claimants by the head of the office of his own where the gross amount of the claim does not exceed Rs. 5,000/- in terms of sub-rule 1(a) above and under orders of the Administrative Department of Government if the gross amount of the claim exceeds Rs. 5,000/- as mentioned in sub-rule 1(b) above. A formal receipt, stamped where necessary, should be obtained from the claimant(s).
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Note 1.—The procedure prescribed in this Rule shall apply to any claim for payment of dues or honorarium payable to deceased non-officials, including deceased non-official members of any Commission or Committee, whether statutory or not as it applies to the claim for payment of pay and allowances of a deceased Government servant.

Place of Payment—Pay and Allowances

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

Note 1.—The claims on account of pay and allowances of the non-gazetted personnel 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.

Exception.—A District and Sessions Judge having jurisdiction over more than one district may draw the bills of the staff of his subordinate courts in each district on the treasury sub-treasury of that District.

Note 2.—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 then arrange to send the Bank draft by registered post, the expenses incurred on postage (including registration charges) being treated as normal expenditure on correspondence of the treasury.

225. Gazetted Government servants accompanying the Government to Pachmarhi and Heads of Departments and other gazetted Government servants who are required to be on duty or permitted to reside at Pachmarhi are allowed to draw their pay and allowances either wholly at their headquarters or at Pachmarhi or partly at their headquarters and partly at Pachmarhi.

226. Treasury Officers should deal with such cases themselves and allow the concession if admissible under the rules. The intervention of the Accountant-General is not necessary.

227. 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.
228. When a Gazetted Government servant proceeds on leave and is permitted to draw his leave salary from a different treasury in the State, the pay and allowances due to him for the broken period of the month in which he proceeds on leave may be drawn along with his leave salary.

229. In the following cases claims may be paid in the districts other than the ones in which they arise:

(1) All kinds of bills of Assistant Medical Officers, Assistant Health Officers, subsidized medical practitioners, Vaidyas and Hakims stationed in the districts of Mandla and Balaghat at places where there are no treasuries or sub-treasuries may be encashed by the Civil Surgeons, Jabalpur and Bhandara, at their respective district treasuries and sent to the persons concerned by money order at Government cost.

(2) Gazetted officers of the Veterinary Department in charge of divisions may encash at their respective headquarter treasuries, bills for pay and allowances of subordinate and menial staff stationed at places where there are no treasuries or sub-treasuries.

(3) Grants-in-aid bills of dispensaries in the districts of Mandla and Balaghat located at places where there is no treasury or sub-treasury may be encashed by the Civil Surgeons, Jabalpur and Bhandara, at their respective district treasuries and sent to the Dispensary Committees concerned by money order after deducting the money order commission charges.

(4) Grants-in-aid bills drawn by the Superintendent, Leper Asylum, Chandkhuri in the Raipur district, may be paid to him at the Bilaspur Treasury.

(5) Grants-in-aid bills of the Sanhrwachhapar Leper Asylum in the Mandla district, may be drawn by the Civil Surgeon, Jabalpur, at the Jabalpur Treasury and remitted by money order after deducting the money order commission charges.

(6) Travelling allowance bills of non-officials, whether members of the Vidhan Sabha or not, for attending the Vidhan Sabha and Committees, etc., appointed by Government, may be paid without pre-audit by the Accountant-General at the treasury at which claimants reside, provided the bills are countersigned by controlling officers. With reference to Subsidiary Rule 172 (c) the treasury officer should see that he can identify the claimant and should also obtain from him a proper discharge his first signature on the bill being considered as a mere claim, and verify both the signatures.

(7) Travelling allowance, pay and contingent bills of the establishment of the Military Secretary to the Governor may be paid at any district treasury in the State without pre-audit by the Accountant-General.

(8) The bills of the auditors of the Co-operative Societies, Madhya Pradesh, and of their peons referred to in exception 5 below Subsidiary Rule 111 when they are endorsed for payment by the Registrar, Co-operative Societies, may be paid at any District treasury in the State without pre-audit by the Accountant-General.
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(9) The pay and allowances bills of the peripatetic staff of the Local Fund Audit Department from any treasury or sub-treasury within the respective jurisdiction of the Assistant Examiner, Local Fund Audit where such staff may be on duty for the time being. Such bills should be endorsed for payment to the Senior Auditor. In the absence of the Senior Auditor on leave or otherwise, the bills in this respect may be endorsed for payment in favour of the Assistant Junior Auditor, provided the Assistant Examiner is satisfied that bills so endorsed will be disbursed properly to the persons concerned.

230. When a non-gazetted Government servant is transferred to a new district before his claim for the journey performed prior to his transfer is billed for, the payment of the claim cannot be made in the district in which it arose. In such cases the travelling allowance bill should be signed by the head of the office under whom the claimant was serving at the time of journey billed for was performed and countersigned by the controlling officer, where necessary, and before presenting it for payment at the treasury of the new district, it should be endorsed by the new head of the office as “Received contents.”

Leave Salary

231. Subject to any special rule or procedure that may be prescribed by departmental regulations, the leave salary of a gazetted Government servant who draws his leave salary in India may be paid at any treasury in the State, and the leave salary of a non-gazetted Government Servant may be drawn from that treasury or office of disbursement only from which his pay could be drawn if he were on duty. In the latter case, the Government servant must make his own arrangement where necessary, for getting his leave salary remitted to him.

Bills of Inspecting Officers and their Establishment

232. A Government servant whose duty requires him to travel about on inspection should ordinarily take with him a last pay certificate, which will enable him to draw from the nearest treasury within his circle of jurisdiction such portion of his pay as may be entered in it at his request, the balance, if any, being drawn at his headquarters. Should he pass from one Accountant-General’s jurisdiction to another’s the last pay certificate should be countersigned by both. In such a case, no advance is made, and no recovery or adjustment becomes necessary. Similarly, he may draw his travelling allowance on the prescribed bill form with necessary certificates, countersigned by the controlling authority, if any, but he cannot take advances on account of travelling allowances.

Note.—In the Public Works Department, a Superintending Engineer may admit to the benefit of this rule any Executive Engineer in charge of a division who is obliged to be continuously absent from his headquarters for more than a month at a time.

233. When a part of his establishment moves with an inspecting officer, the head of the office may grant a last pay certificate for that part in order to enable him to draw from another treasury or office of disbursement such portion of the pay for it as may be desired the balance, if any, being drawn at headquarters.
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Pay due to Government servants absent out of India

234. 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.

Payment of Pay, Leave Salary, etc., through Agents—

Pay and Allowances

235. (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. The Government servant may be allowed to receive payment through a messenger duly authorized 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 accept no responsibility in respect of money, cheque or draft that may be handed over to the messenger.

Note.—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' under the provisions of Section 95(1) of the Indian Lunacy Act, 1912.

(2) (a) At his 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 or agent alike, if it is recorded on the bill itself or separately, shall be stamped, unless the receipt on 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 authorized 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 authorized 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 in 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
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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

236. 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 235 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 trust-worthy person. If he draws his salary
through an authorised agent, the agent must furnish the life certificate aforesaid,
or execute a bond to refund overpayment under the provisions of rules 237 and
238.

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

237. (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 security against any loss in the case of
overpayment.

Note.—A register of powers of attorney shall be kept by the Treasury Officer
in form M.P.T.C. 19.

(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 the pay/leave
salary/pension of during his
absence from , we/the (here insert the name
of the Bank) hereby engage to refund to the Government on demand, any
over payment that may be made to us/them as his agents/agent.

"
(3) It must be seen that the person signing the bond of indemnity has authority to bind the firm or bank.

238. (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 by Government in consultation with Accountant-General to execute a general bond in Form M.P.T.C. 20 to cover the pay, leave salary, pensions, etc., of their constituents in general.

Note.—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 this State Government.

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

Exception.—State Co-operative Banks, State-owned controlled banks, which are not included in the Second Schedule to the Reserve Bank of India Act, 1934, may be allowed by Government in consultation with the Reserve Bank to execute a general bond of indemnity under this rule, provided they undertake commercial banking and their financial position is considered satisfactory.

(2) Nothing contained in this rule shall affect the validity of bonds duly executed and continuing in force from dates prior to 1st April, 1937 unless in any particular case the Government issue orders to the contrary.

Note.—Under the arrangements in force before the 1st April, 1937 the Government of India in consultation with the Comptroller and Auditor-General permitted certain well-known banks (and firms of agents acting as bankers) of good standing to execute a bond for the purpose of drawing pay, leave salary, pension, etc., on behalf of Government servants serving under the Government of India or any State Government.

(3) Lists of agents who have executed general bonds of indemnity under the preceding subsidiary rules are contained in annexure to this section.
ANNEXURE A

[See sub-rule (3) of Subsidiary Rule 228]

1. List of Agents who have executed general bonds of indemnity with the

(A) With the President of India:
Governor of Madhya Pradesh after 1st April, 1937.

2. Indian Bank.
3. Eastern Bank Ltd.
5. New Bank of India Ltd.
6. Punjab and Sindh Bank Ltd.
7. Oriental Bank of Commerce Ltd.
10. Madras State Co-operative Bank Ltd.
11. United Industrial Bank Ltd.
13. Andhra Bank Ltd.
16. Maharashtra State Co-operative Bank Ltd.
    (incorporating the Vidarbha Co-operative Bank Ltd.)
17. Indian Overseas Bank.
18. National and Grindlays Bank Ltd.
22. Madhya Pradesh State Co-operative Bank Ltd.
23. Canara Banking Corporation Ltd.
26. Bank of Rajasthan Ltd.
27. Union Bank of India.
28. Bank of Tokyo Ltd.
29. Laxmi Commercial Bank.
30. Vijay Bank Ltd.

Part I

1. Imperial Bank of India (State Bank of India).
4. Punjab Co-operative Bank Ltd.

Part II

1. Hongkong and Shanghai Banking Corporation.
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5. Bank of India.
6. Central Bank of India.
10. United Bank of India.

ANNEXURE B

[See Note below sub-rule (1) of Subsidiary Rule 235]

In the context of the provisions of Section 95 of the Indian Lunacy Act, 1912 (Act No. 4 of 1912) the question of laying down a suitable procedure for the preferment, withdrawal and disbursement of sums payable in respect of pay and allowances of a Government servant who has been certified to be a lunatic by a magistrate has been under consideration of the State Government for some time. It has been decided that the following procedure may be adopted in this regard:

(i) On receipt of information that a Government servant has been certified to be a lunatic, the Head of the Office in which the Government servant before his being certified to be a lunatic was last employed should, on the basis of the orders issued by the appointing authority indicating the person(s) to whom and the proportion in which the pay and allowances admissible to the Government servant may be disbursed in accordance with the provisions of Section 95(1) of the Indian Lunacy Act, 1912, draw the pay and allowances of the Government servant in the appropriate bill form for gazetted or non-gazetted, as the case may be, from the treasury or other office of disbursement. The claim should be supported by all the relevant certificates which the Head of the Office is required to furnish in the normal circumstances. However, in respect of the certificates which solely depend on the personal knowledge of the Government servant and which cannot be furnished in such cases, the Head of the Office should record, if he is satisfied about the reasonableness of the claim, a certificate to the effect that the claim is not susceptible of verification but is considered reasonable. If the Government servant is invalidated from service, the claim would be the last one in respect of him and the requisite payment in case he was a gazetted Government servant shall be made only after the Head of the Office has satisfied himself by reference to the Accountant-General, the Departmental authorities, if any, and his own records that no Government dues are outstanding against him. In other cases, payment may be made on the responsibility of the Head of the Office concerned.

(ii) The amount withdrawn in the manner stated above, may be paid to the person(s) referred to in sub-paragraph (i) above in the proportion determined by the appointing authority and receipts obtained, stamped
where necessary. Since the receipts in acknowledgment of the payment made would not be the personal receipt of the Government servant concerned as required under S.R. 235(1) of M.P. Treasury Code, Vol. I, that Rule is being suitably amended.

2. Where a Government servant has been invalided from service and it is found that some Government dues are outstanding against him even after the adjustment of his claims for pay and allowances, the same may be adjusted, against the amount of his death-cum-retirement gratuity, if any, and if the same is also insufficient, the balance of the outstanding dues may be written off under sanction of the competent authority.

SECTION III.—BILLS OF GAZETTED GOVERNMENT SERVENTS

Introductory

239. The provisions of this section 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 Accountant-General. 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 authorized by departmental regulations.

Form of Bills — Pay, Fixed Allowances, etc.

240. (1) The pay and fixed allowances of a gazetted Government servant shall be claimed on bills in Form M.P.T.C. 21, 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 separate bill for it unless it is payable from a source other than State revenues.

(2) Subject as hereinafter provided in this section, the form 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 under F.R. 86 or any other corresponding rule, 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 re-employed under Government, Local Fund or a private employer.

241. Assistant Medical Officers and Assistant Health Officers who belong to non-gazetted establishments, are permitted to draw their pay and fixed allowances separately in the form provided for gazetted Government servants, instead of through the pay bills of their office establishment. Their bills should, however, be countersigned before payment by the head of the office who signs the pay bills of the establishment to which these officers belong.
242. (1) Every gazetted Government servant and a non-gazetted Government servant drawing pay on bills like a gazetted Government servant who is in receipt of a house rent allowance shall support his claim for the allowance with a certificate in the following form:

"Certified (1) that I have actually paid house rent at the rate of Rs. .......................per month for the month of...........................
(2) that no portion of the accommodation has been sub-let to any person, and (3) that no Government quarters on rent or free of rent have been occupied by me during this period."

(2) Every such Government servant shall submit, for verification, his claim for house rent allowance every six months during the months of January and July each year to the principal district officer of his department who is required to apply a physical check of the rent receipts in each case. In the case of the principal district officer such claims should be submitted to the head of the department concerned, for verification. The verifying officer should furnish a certificate in the pay bills of January and July each year to the effect that "the claims for house rent allowance have been verified with reference to the actual rent receipts and found correct". Pay bills for these two months which include claims for house rent allowance should not be paid by the Treasury Officer without the aforesaid certificate from the verifying officer.

COST OF MEDICAL TREATMENT

243. 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.P.T.C. 21A under the sub-head "Allowances, Honoraria, etc." without the prior authority of the Accountant-General. The amounts drawn in the bills must be supported by proper receipts and vouchers in all cases. Such bills should be countersigned by the controlling authorities who are empowered to countersign travelling allowance bills of the Government servants concerned. The controlling officer should scrutinise carefully before signing or countersigning that the claim is genuine, is covered by the existing rules and orders on the subject and is supported by the necessary bills, receipts and certificates, etc. They are empowered to disallow claims which do not satisfy these conditions.

TRAVELLING ALLOWANCES

244. Travelling allowance bills of a gazetted Government servant shall be drawn in accordance with the rules under which such allowance may be due. Form M.P.T.C. 23 is prescribed for general use.

Note.—The Ministers will however draw their travelling allowance bills in form M.P.T.C. 23-A.

245. The provisions of clause (ii) of rule 269 apply mutatis mutandis to the bills for travelling allowances of gazetted Government servants.

246. A register of travelling allowance bills should be maintained by the controlling officers in respect of gazetted officers under their control in the form of travelling allowance bills prescribed for these officers in Form M.P.T.C. 23, with a memorandum of all essential details.
WITHDRAWAL OF MONEYS. [PART II—CHAP. IV

ALTERATIONS OF PAY, ETC.

247. Save as provided in Treasury Rule 22, no gazetted Government servant may draw an increased or a changed rate of pay, leave salary, fixed allowances 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. The 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 no more than old rates, or send their bills for pre-audit to the Accountant-General, if they have not received his letter of authority.

LEAVE, PROMOTION, REVERSION, TRANSFER, ETC.

247-A. No gazetted officer who has relinquished charge of a post consequent on his proceeding 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, an officer is appointed to the same post from which he proceeded on leave, 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 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 claim 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 his 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.

248. A newly appointed gazetted Government servant drawing pay or allowances for the first time from any treasury should present with his bill an order from the Accountant-General intimating the rate at which the payment should be made.
249. In the case of transfer or leave a reference in the pay bill to the Gazette notification (where such exists) will ordinarily be sufficient for purposes of audit, but when an order making a transfer or granting leave has not been notified in the Gazette, a copy of the order should be attached to the bill. In all cases of transfer, the date of making over charge of the former appointment held and the date of joining the new one should be given in the first pay bill drawn at the new station, and it should always be stated whether the transfer of charge took place before or after noon.

ADVANCES

250. The undermentioned advances to a gazetted Government servant may be drawn from the treasury in the form prescribed in Subsidiary Rule 630, on the authority of the sanction or a duly certified copy thereof appended to the bill, without any previous authority from the Accountant-General:

(i) Advances on transfer;

(ii) Advances on tour;

(iii) Advances on account of travel concession during regular leave to All-India Service Officers serving in the State;

(iv) Advance of travelling allowance to an All-India Service Officer on retirement, in respect of journey to the place where he intends to settle, performed during leave preparatory to retirement or during refused leave but not in cases of journeys performed after retirement;

(v) House Building Advances;

(vi) Advances for purchase of conveyance; and

(vii) Tentage Advances.

No other personal advances can be paid to a gazetted Government servant unless the payment has first been authorised by the Accountant-General, or the claim has been pre-audited by him.

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.

REWARDS FOR PROFICIENCY IN ORIENTAL LANGUAGES

251. Bills for rewards for proficiency in oriental languages to Civil Officers, including Military Officers in civil employ and Public Works Officers shall be presented to the Accountant-General for pre-audit.

Section IV.—Bills of non-gazetted establishments

INTRODUCTORY

252. The rules of procedure prescribed in this section shall apply primarily to personal claims of non-gazetted Government servants whose pay, allowances
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etc., are payable on bills drawn directly on a treasury or on the office of the Accountant-General. 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 authorized by departmental regulations.

MONTHLY BILLS

253. For purposes of this section, parts of an establishment under the same officer, which appertain to different major heads, shall be regarded as distinct establishments, e.g., a District Officer's Excise establishment shall be treated as distinct and separate from his Land Revenue establishment.

FORM AND PREPARATION

254. Deleted.

255. In entering the sections in the establishment pay bills, the following instructions should be observed:

(1) The pay of all sections numbered consecutively in Appendix 11 against each office should be drawn in the same bill.

(2) The sections should be shown in the bill in the order in which they appear in Appendix 11.

(3) The name of each section should be written in red ink across the bill above the entries of names, etc., falling under that section.

(4) The entries in all the money columns of the bills should be totalled under each section and the totals written in red ink.

256. (1) Except as provided in sub-rules (3) and (4) of this rule, pay bills should be prepared in Form M.P.T.C. 24 separately for permanent and temporary establishments and also for those classes of Government servants for whom no establishment returns are submitted and no service books are maintained. Against each post should be shown [except in cases referred to in rule (2) below] the names of both the substantive and officiating incumbents, and against each temporary post should also be noted the sanction thereto. In the first money column should be shown the full amount of pay claimed, and, in the second money column the full amount of leave-salary claimed, whether drawn or not. When salary is drawn for a portion of a month only, the rate at which it is drawn, and the number of days for which it is claimed, should be stated either against the name of the employee in the body of the bill, or in a note at foot of the page; the salaries of the persons included in each section will be marked off in it, and the total of each section will be entered in red ink....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 the drawing officer or by a gazetted officer or some one other than the clerk preparing the bill before the bill is signed by the drawing officer.

Note.—In the case of the Police constables, however, the pay and leave salary should be shown in separate columns only in those cases where the rates of pay and leave salary differ.
(2) The pay of establishments, which is treated as a contingent charge, should be drawn in contingent bills and not in pay bills.

(3) Pay of Patwaris should be drawn in Form M.P.T.C. 26-A. The detailed procedure for preparation of such pay bills is given in Annexure A to this Section.

(4) Pay of all grades of the District Executive Force should be drawn in Form M.P.T.C. 26-B. The detailed procedure for preparation of such pay bills is given in Annexure B to this Section.

(5) In establishment pay bills for ministerial cadres in which charges for pay of outsiders employed in leave vacancies and special pay for discharging additional duties are drawn, a certificate should be given to the effect that the pay of outsiders employed in leave vacancies and the special pay to clerks for doing the duties of absentees in addition to their own are at the rate and for the period sanctioned by the head of the department concerned.

(6) When the name of a newly employed clerk appears for the first time in an establishment bill, a certificate in the following form must accompany the bill:

"Certified that the clerk has the necessary qualification mentioned in paragraph 1 of Government Book Circular I-2 or that the sanction of the Collector or the Head of the Department concerned has been obtained for exempting him from the prescribed qualifications."

(7) All fixed allowances, including house rent allowance, permanent travelling allowance, conveyance allowance, house allowance, etc., should be drawn in the establishment pay bill.

(8) (a) Every Government servant who claims house rent allowance admissible to him under the rules or any order of Government shall furnish every month to the drawing officer concerned a certificate in Form I below and every bill in which house rent allowance is claimed shall contain a certificate of the drawing officer in Form II below. The certificate in Form II has been included in the pay bill form for establishment (Form M.P.T.C. 24). The drawing officer should carefully scrutinize every claim for house rent allowance before signing the certificate.

Note.—These certificates are not to be furnished for drawal of house rent allowance sanctioned under the Finance Department Resolution No. 2271-CR-722-IV-R-II, dated the 28th October, 1957.

CERTIFICATE

FORM I

To be furnished by Government servants

"Certified (1) that I have actually paid house rent at the rate of Rs. .............. per month for the month of ......................... (2) that no
portion of the accommodation has been sub-let to any person, and (3) that no Government quarters on rent or free of rent have been occupied by me during this period.

Date. ..................

Signature and designation of the Government servant.

FORM II
To be furnished by Drawing Officers

"Certified (i) that no person for whom house rent allowance has been drawn in this bill has been in occupation of any Government quarters on rent or free of rent during the period for which the allowance has been drawn, (ii) that the actual expenditure incurred for the hire of the house is not less than the amount claimed, and (iii) that certificates prescribed by Government have been obtained from the Government servants for whom house rent allowance has been drawn in this bill, and I am satisfied that the claims are in accordance with the orders of Government.

Date. ..................

Signature and designation of the Drawing Officer.

(b) In order to minimise chances of house rent allowance being drawn in cases where no house rent has actually been paid or where house rent has been paid at an amount less than that claimed by a Government servant, the drawing officer shall further apply a physical check of the rent receipts in each case (at an interval of six months) during the months of January and July each year and shall furnish an additional certificate of his having done so in the bills for those months in Form III below:—

FORM III

"Certified further that the claims of all persons for whom house rent allowances have been drawn for the last six months ending December/June have been duly verified by physical check of the rent receipts in each case during January/July."

(9) The Heads of Department and Officers should attach to the pay bills for the month of June every year a certificate to the effect that annual verification of service with local records in respect of all the incumbents (whose pay is drawn in the bill) has been completed. In the absence of the certificate the bill will not be passed for payment by the Treasury Officer.

257. When a non-gazetted Government servant proceeds on leave, but draws no leave-salary for the reason that final sanction has not been received regarding all details of his leave, there should be recorded in column 4 of the establishment pay bill opposite his name an amount equal to the full pay which he would have drawn for the period had he not proceeded on leave. This amount should be recorded in red ink to indicate that such leave-salary is held over, and it should accordingly be ignored in totalling. The entry of this amount of leave-salary should not create any presumption as to what will finally be decided as admissible and it is only for the facility of audit that the entry is made:—
258. (1) Names of the following categories of non-gazetted Government servants shall be omitted from pay bills:

(a) Incumbents of posts carrying a fixed pay not exceeding Rs. 252/- per month or on time scale of pay the maximum of which does not exceed Rs. 252/-;

(b) All persons in class IV;

(c) Head constables and constables;

(d) Patwaris;

(e) Chief and head warders and warders of the jails, mental hospitals and reformatory schools;

(f) The Supervisors of Gram Panchayats and the Secretaries of Nyaya Panchayats of the former Vindhya Pradesh region; and

(g) All primary school teachers under Education Department in the scale of pay of primary school teachers whether posted in primary schools or in the primary sections of Middle or High Schools.

(h) All primary school teachers under the Tribal and Harijan Welfare Department in the scale of pay of primary school teachers whether posted in primary schools or in the primary sections of Middle or High Schools.

(This will have effect from 1-9-1975, viz., the pay bill for the month of September, 1975 payable in October, 1975 and onwards.)

This order will have effect from 1st April 1969, viz., the pay bill for the month of April, 1969 payable in May, 1969 onwards.

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 up to 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.

(2) The claims of Government servants, whose names are omitted from the bills under the provisions of this rule should not be lumped together and entered as a single item in the bills. The bills in such cases should show separately the numbers on different rates of pay, or with different designations.

(3) Pay should not be disbursed till the service books are written up, as they are practically the only important safeguards for the proper maintenance of the records of service for non-gazetted Government servants.
WITHDRAWAL OF MONEYS

259. (1) When leave-salary based on average pay is drawn in a bill in which the leave-salary is first drawn, it should be accompanied by a statement attested by the drawing officer, showing the calculations by which the amount drawn on account of leave-salary have been deducted. If the calculation is based on pay drawn outside the Government servant's substantive section or office, a reference to the vouchers in, or the office, from which such pay was drawn should 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 Fundamental 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 during their leave periods."

(ii) In all other cases—

"That the leave-salary claimed is admissible under

Note.—A certificate to the effect that the Government servant on leave preparatory to retirement or refused leave under F.R. 86 or any other corresponding rule, or terminal leave or such other leave on the expiry of which he is not expected to return to duty, was not employed under Government, Local Fund or a 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.

Exception.—The statement referred to in the above rule need not be submitted to the Audit Office in the case of head constables, Constables, chief and head warders, warders, patwaris and class IV Government servants, and Government servants whose names are omitted from pay bills. The Accountant-General should be furnished with a certificate to the effect that the rates of leave-salary drawn in the bill have been correctly allowed.

260. The following procedure should be followed in the preparation of pay bills for the tahsil establishments of Collectors and District and Sessions Judges:

(i) The Collector or the District and Sessions Judge should draw separate pay bills for Government servants sanctioned in different tahsils in his district. The claims of men borne on State (i.e., Tahsildars and Naib-Tahsildars, etc.), and district scales should be drawn on separate bills even though the charges be debitable to the same major head.

(ii) The consolidated absentee statements should be sent to the Accountant-General.

*The rule under which leave-salary has been claimed should be specified here.*
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(iii) The bills should in sufficient time be sent to the tahsil headquarters for payment at the sub-treasury so as to ensure the establishment receiving their pay on the first working day of the following month.

(iv) The tahsil bills should be separately prepared for each of the following categories of the establishment stationed at tahsils:

(a) General.
(b) Process serving.
(c) Small Cause Court.

Note.—As service books of tahsil establishments are kept at the tahsil, the bills for such establishments should not be prepared until a certificate is received from the Tahsildar to the effect that all entries have been duly made in the service books of the persons concerned.

261. The allowance granted to the recipients of Police Medal or the Bar there to should be drawn monthly on a separate establishments bill, showing the name of each recipient.

Absentee Statement

262. (1) The monthly bill shall be supported by an absentee statement in Form M.P.T.C. 26, 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. 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, below the last entry.

(2) In the case of amalgamated establishments, a consolidated absentee statement showing complete chain or arrangements shall be separately furnished by the controlling authority on or about the 15th of the month following that to which it relates. In the case of the Statewise establishment of the Forest Department, the absentee statement may be sent by the 15th of the second month after the month to which the statement relates. No separate absentee statement need be furnished by the drawer of the bill along with the monthly pay bill, 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 establishments on time-scales of pay, the arrangements made by heads of offices should be reported to the controlling authority for inclusion in the consolidated absentee statement.

Note 2.—Whenever an absentee statement accompanies a bill, Certificate No. 2 printed on the bill form should be struck out.

Note 3.—In cases of persons in Superior Service whose names are omitted from the establishment pay bills, a categorywise statement showing the
number of sanctioned posts and the number of vacancies of each cadre left unfilled, during a month, duly countersigned by the Controlling Authority, may be furnished to the audit office on or about the 15th of the month following that to which it relates. A certificate in the following form may also be furnished by the Controlling Officer:

"Certified that the following vacancies have been left unfilled during the month of 19 in the grades mentioned against each."

263. 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

264. To the first bill in which a periodical increment is drawn by a Government servant, a certificate in Form M.P.T.C. 27 should be appended.

265. The form provides for two alternative certificates. The first alternative certificate may be used in any case in which the increment is due to a Government servant for having been the incumbent of the post specified for the prescribed term from the date of last increment or of appointment to the post, excluding periods of absence from duty not counting for increment and absence on extraordinary leave and, if he had held the post in an officiating capacity, or if the post held by him substantively was a temporary post, kinds of leave which are shown in the tabular portion of the certificate. An increment so certified may be drawn in the establishment bill without further authority. In all other cases, the second alternative certificate is required, and in such cases, the certificate with explanatory memorandum (which should show briefly but clearly, grounds on which the increment is claimed) should be attached to the Establishment Bill, and the increment drawn without further authority.

Note.—It is not necessary to attach the increment certificates in respect of Government servants whose names are omitted from the pay bills under rule 258(1) in Form M.P.T.C. 27 to the pay bills intended for payment and submission to audit. For facility of test check during local audit, these certificates should be attached to the office copies of the pay bills retained by the disbursing officers.

265. When an increment claimed operates to carry a Government servant over an efficiency bar, it should be supported by a declaration from the authority empowered to allow the increment that it has satisfied itself that the Government servant in question 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 scrutinized by the sanctioning authority before signing the declaration prescribed above.
OVERTIME ALLOWANCE

267. 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 them 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 is paid out of fees recovered from private parties, the drawing officer should certify on the bill that the prescribed fees have been realised and credited into the treasury.

ARREAR BILLS

268. 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 number and date together with date of encashment of the bill from which the charge was omitted or withheld, or on which it was refunded by deduction, or of any special order of competent authority granting a new allowance or an increase in pay. A note of arrear bill, shall invariably be made in the office copy of the bills for the period to which the claim pertains, over the dated initials of the drawer of the arrear bill, in order to avoid 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 115, arrear bills can be presented at any time and may include as many items as are necessary.

Note 1.—All drawing and disbursing officers should record, on the arrear pay bills of Government servants (reinstated in Government service, with retrospective effect, after compulsory retirement, removal, dismissal, etc.) after careful investigation, a certificate to the effect that the Government servant concerned was not employed by a local body, private institution, etc., during the periods he was out of service and for which arrears of pay and allowances are being claimed.
Note 2.—The arrears of pay and allowances of such members of the staff as have been transferred and in respect of whom last pay certificates have already been issued should, in no case, be drawn by the office, from which they have been transferred. In such cases the arrear bill for the period the Government servant was employed in the old office should be prepared by the old office only. After making suitable notes in the original bills, as enjoined in the rule, the old office should send the bill, after completing the necessary preliminaries, duly endorsed in favour of the new drawing officer for arranging payments. Thus the old office will not make any payment in this respect.

Arrear bills, if any, due in respect of service in the new office will be prepared by the new office.

TRAVELLING ALLOWANCE BILLS

269. 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.P.T.C. 28, the instructions printed on the form being strictly observed.

(ii) When a circuitous route is taken, the reason for doing so must invariably be stated in the bill. 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 bills) 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."

270. 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.
271. 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 the 31st March, if the tour has been completed before that date.


273. A register of travelling allowance bills should be maintained by controlling officers in respect of non-gazetted Government servants under their control in the form of travelling allowance bills prescribed for them with a memorandum of all essential details.

274. In the public Works Department travelling allowance bills can be presented for payment only after the claims have been passed by the controlling officer. Subordinates should prepare their travelling allowance journals in Form M.P.T.C. 29 and after these are duly countersigned by the proper authority, an abstract showing the totals under each head of claim for each person should be prepared in Form M.P.T.C. 30 by the Executive Engineer for presentation at the treasury.

COST OF MEDICAL TREATMENT

275. The expenditure incurred by, and to be reimbursed to, non-gazetted Government servants, on account of medical attendance and treatment may be drawn in the Form M.P.T.C. 24-A under the sub-head “Allowances, Honoraria, etc.” The amount drawn in the bill must be supported by proper receipts and vouchers in all cases.

DISBURSEMENT OF PAY AND ALLOWANCES—ACQUITTANCE ROLLS

276. (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 a separate acquittance roll in Form M.P.T.C. 31.

(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 the Subsidiary Rule 268 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 undischursed 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) Leave salary drawn for a non-gazetted Government servant, who cannot present himself at the time of disbursement, may, at the request of the payee, be remitted to him by postal money order, after deducting the money order commission charges therefrom. The acknowledgement of the money order, signed by the payee, should be attached to the acquittance roll in token of payee's receipt.
(4) 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 balance of the Department, if any. An account of undisbursed pay and allowances should be kept in a Register in Form M.P.T.C. 31-A. Entries of the total and particular amounts of undisbursed pay and allowances may be made against each bill serially, and subsequent payment thereof entered in the appropriate columns of the register and the cash book: each such entry being attested by a gazetted officer. From this register, an abstract of amount 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 Form M.P.T.C. 17 should be maintained by all heads of offices who are authorised to draw moneys from the treasury on bills signed by them (see also S.R. 197).

Note 4.—A Bill Transit Register in form M.P.T.C. 17-B should be maintained by all Heads of Offices who are authorised to draw money from the Treasury. The entries of bills submitted to Treasury shall be made on pages of the register (M.P.T.C. 17-B) in duplicate and the treasury will detach the second copy (carbon copy) along with the bills for record of the treasury.

This amendment shall be effective from 1st July, 1979.

The bills of the self drawing officers who are stationed at the headquarters of the District Treasury, other than those who submit their bills through banks, 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.

Note 5.—The Treasury Officer will not entertain a fresh Transit Register of Bills until the following certificate is recorded on the first page of the newly opened register duly signed (with seal) by the drawing Officer:

Certified that the undersigned has checked the previous register and that no blank page has been left therein. The new Transit
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Register has also been checked. It contains ...................... pages from No. 1 to No. ......................... and has been started from (Date) ............... The previous register has been completed on (Date) and kept in the personal safe custody of the undersigned.

If there is any blank page in the previous register, the same must be crossed by the Drawing Officer so that it could not be used further. Adding of additional pages to the Transit Register is prohibited.

277. Before signing the certificate printed at foot of the monthly pay bill regarding the disbursement of pay drawn on former bills, the drawing officer should satisfy himself that the total amount of pay of absentees refunded by deduction from the pay bill and that retained for payment in the near future agrees with the amount of undischarged by as per acquittance rolls or office copies of the former bills as the case may be.

ANNEXURE A

[See Subsidiary Rule 256(3)]

Patwaris are paid monthly, those residing more than ten miles from tahsil headquarters receiving their pay by money order, through the post offices nearest their homes, the cost of commission being borne by Government. All patwaris are, however, required to attend the tahsils for the purpose described in paragraph 5(c), page 39 of the Land Records Manual, Volume I, usually in the month of October, when they will be paid at the tahsil treasury. The following arrangements should be made for their payments:

(i) Revenue Inspectors will despatch patwaris' pay bills so as to reach the kanungo four days before the last working day of the month. After checking these bills with the entries regarding each man in his patwari register he will prepare from them a nominal roll (Form Q.R.B.C. II-10, Revenue Manual, Volume IV), which will serve also as an acquittance roll. From the patwari register, the kanungo will know how much pay is due to each patwari for each month, and the revenue inspectors' bills are a check on the entries in this register.

(ii) The nominal roll should be prepared by the kanungo on the same day as he receives the bill from the revenue inspectors or at the latest the next day, and on the same day as it is ready he should get it reviewed and signed by the Tahsildar and send it to the nazir. The roll will distinguish between patwaris paid direct and those paid by money order. The naib-nazir should then from this roll make out pay bills as required for the amounts to be paid in cash and those to be remitted by money order and present them at the treasury or sub-treasury not later than the first working day of the month following. He will note in the coupon of the money order the amount as well as the month for which the pay is being remitted. The money order amount will not be drawn in cash, but paid by transfer to the credit of the "Postal" head of receipt in the books of the sub-treasury, thus appearing in both debit and credit sides of the cash book. A chalan acknowledging the amount thus received by transfer to the credit of the postal head and including
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also credit, under the same head in cash for the amount of money order commission due, will be sent together with the money orders written out by the naib-nazir to the post-master at tahsil headquarters. The latter will accept the Tahsildar's (or Naib-Tahsildar's) signature on the chalan as evidence that the necessary credits have been made in the treasury to the departmental head of account and forthwith issue the money orders to the post offices or sub-post offices concerned for payment as usual.

(iii) As each batch comes up, fresh bills can be drawn. The signature of patwaris who attend the tahsil will be taken in column (12) of the nominal roll, receipt stamps being affixed for payments exceeding Rs. 20. The Naib-nazir will, when payments are made by the money order, note the number and date of the money order in the remarks column against the payee's name, and when the payee's receipt has been received, paste it neatly into its appropriate place in the nominal roll. The post office receipt will serve as a voucher for the commission paid. The Tahsildars, or, in their absence the Naib-tahsildars will be considered disbursing officers in this respect. (paragraph 20 R.B.C. II-10, Revenue Manual, Volume II.)

ANNEXURE B

[See Subsidiary Rule 256(4)]

The pay of all grades of the District Executive Force should be drawn by the District Superintendent in the special form of establishment pay bill printed as Form M.P.T.C. 26-B. The pay and travelling allowance of Railway Police (other than extra police) should, however, be drawn on separate bills.

(a) When extra police are specially entertained under section 13, 14 or 15 of Act V of 1861, their pay should be drawn in separate pay bills, in Form M.P.T.C. 26-B headed "Extra Police" under section 13, 14 or 15 (as the case may be).

This rule applies equally whether the extra police are themselves deputed on the special duty, or are entertained in lieu of regular police so deputed.

For the entertainment of police under section 13, the authority of the district officer is sufficient and the bill for pay of such police should be countersigned by the Collector before payment. In pay bills of police entertained under sections 14 and 15, the order of the Inspector-General of Police or the gazette notification authorising their entertainment should be quoted.

The District Superintendent of Police is required to effect the prescribed recoveries from the parties concerned for extra police entertained under sections 13 and 14. He will keep such registers and make such departmental returns of demand and realization as may be prescribed by the Inspector-General of Police; and he must credit to Government, immediately upon receipt, the actual amount realized. When extra police are entertained under section 15, it is the duty of the Collector to make the necessary recoveries, and to credit them as above directed.
Recoveries on account of the cost of Police guards supplied to departments, railways and individuals should be made as follows:

<table>
<thead>
<tr>
<th>Name of charge</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pay of establishment</td>
<td>According to Fundamental Rules, 127.</td>
</tr>
<tr>
<td>2. Allowance</td>
<td>According to scale sanctioned.</td>
</tr>
<tr>
<td>3. Supervision. contingencies dress, accoutrements, etc.</td>
<td>10 per cent of the actual of the pay of the guard.</td>
</tr>
<tr>
<td>4. House-Rent</td>
<td>Rs. 3 per mensem for head constables. and Rs. 2 per mensem for Constables.</td>
</tr>
<tr>
<td>5. Leave and pension contribution.</td>
<td>According to Fundamental Rule 116 and Government of India Order 6 (but see note 1 below).</td>
</tr>
</tbody>
</table>

When the provision of guards involves the enlistment of temporary constables an extra charge of Rs. 10 in addition to the above charges will be levied for each head constable and constable for each year or part of a year.

Note 1.—Recoveries on account of leave and pension contribution are levied at different rates according to the date of sanction of the establishment, viz., one-six of actual sanctioned salary for establishments sanctioned up to the 1st August, 1913 (Original Article 768 of Civil Service Regulations, 5th Edition of 1910) one-fourth on or from that date up to the 1st March, 1929 (Article 770 of Civil Service Regulations, 5th Edition, as introduced by correction slip No. 322, dated the 1st August, 1913, and Government of India Order 3 below Fundamental Rule 116) and the rates prescribed in the statement annexed to Government of India Order 6 below Fundamental Rule 116 from the 1st March, 1929.

The contribution for leave and pension should be paid into the treasury in separate chalans and not mixed up with the other recoveries.

Note 2.—(a) Bills for pay of extra police should not be paid at the treasury unless the recovery of the cost and of the special contribution for pension under the foregoing rules are duly noted thereon by the drawing officer. These recoveries should be effected and the amount paid into the treasury before the pay of the police is drawn. In the case of extra police employed under section 15 of Act V of 1861, the pay of such extra establishment may be drawn before the recoveries are actually effected. In those cases where the pay drawn is not covered by recovery the Collector should furnish, by the 10th of the month, to the Accountant-General a statement showing the amount recoverable and the recovery made on account of the extra police employed within his jurisdiction, together with a note explaining the action taken to effect recovery of the balance due.

(b) If the police are supplied under the Act quoted above without increasing the regular force and are not specially entertained, their pay and allowances should also be drawn on separate bills headed.
“Police employed under section 13, 14 or 15 (as the case may be)" and not in the ordinary monthly pay bill of the police force. The supply of extra police from the regular police force does not dispense with the necessity for the recovery of the cost including pension contribution under clause (a) above.

Section V.—Contingent Charges

SUB-SECTION 1.—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", "stock", "tools and plant", etc.

279. The rules of procedure prescribed in this section shall apply primarily to contingencies, but miscellaneous expenditure which is not classed as contingencies is also subject to the rules except in so far as it may be governed by any special rules of procedure prescribed in other sections of this Chapter, or by any departmental regulations.

Note.—The term "miscellaneous expenditure" includes such classes of expenditure as grants to educational institutions, political pensions, scholarships, medical and other grants to local bodies, grants to religious and charitable institutions, expenditure from discretionary grants, compensation to Government servants for accidental losses, contributions to public exhibitions and fairs. The term also includes cost of railway warrants, way charges of escorts, rewards, fees, remuneration to preliminary examiners and other allowances paid to non-official members of commissions and committees, which are of the nature of allowances and are debited to the primary unit "Allowances, Honoraria, etc."

280. The provisions of this section 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 section, except in so far as they are supplemented or modified by departmental regulations.

SUB-SECTION II.—GENERAL RULES

Classification of Charges

281. Contingent charges incurred on the public service are divided into the following classes:—

(i) Contract contingencies—those for which a lump sum is placed annually at the disposal of a disbursing officer for expenditure without further sanction of any kind. They generally consist of charges the annual incidence of which can be averaged with reasonable accuracy.
(ii) Scale-regulated contingencies, *i.e.*, such contingent charges as are regulated by scales, such as rewards for destruction of wild animals, etc.

(iii) Special contingencies, *i.e.*, such contingent charges, whether recurring or non-recurring, as cannot be incurred without the previous sanction of superior authority.

(iv) Countersigned contingencies, *i.e.*, such contingent charges as may require the approval of some controlling authority before they can be admitted as legitimate expenditure against the Government, such approval usually taking the form of countersignature after payment on a detailed bill submitted to the Accountant-General.

(v) Fully vouched contingencies, *i.e.*, such contingent charges as require neither special sanction nor countersignature, but may be incurred by the head of the office on his own authority subject to the necessity of accounting for them. These may be passed on fully vouched bills without countersignature.

*Note.*—The five classes of contingencies set forth above are not necessarily mutually exclusive. There may be cases in which special contingencies may be regulated by scales, or in which a bill for scale-regulated contingencies may require countersignature. When a contingent bill falls within two or more classes, the procedure prescribed in subsection IV of this section for each of these classes should, as far as possible, be applied to it.

**Permanent Advances**

282. (a) 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. The holder of a permanent advance is responsible for the safe custody of the money placed in his hands and he must at all times be ready to produce the total amount of money in vouchers or in cash. All such claims upto Rs. 50/- may be disbursed out of permanent advance or imprest.

(b) All sanctions of permanent advances should be communicated to the Accountant-General. The amount should be drawn from the treasury on a simple receipt form in Form M.P.T.C. 76 supported by a copy of the order sanctioning the advance.

**General Limitations**

283. 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. If possible, expenditure should be post-poned till the preparation of a new budget has given opportunity of making provision, and till the sanction of that budget has supplied means, but on no account may a charge be actually incurred in one year and thrown on the grant of another year.
284. No money shall be drawn from the treasury unless it is required for immediate disbursement. It is a serious irregularity to draw advances from the treasury in anticipation of demands, or to prevent the lapse of budget grants, and persons at fault render themselves liable to disciplinary action for such drawal.

285. 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 adjustment being left to the Accountant-General.

286 (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 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:—

(a) Hot weather establishment.

(b) Mazdoors engaged on manual labour and paid daily or monthly wages.

(c) Temporary field establishments on surveys and settlements.

(d) Sweepers (whether whole-time servants or not).

(e) Other classes of class IV servants, e.g., dhobies, tailors, syces, grass-cutters, cooks, malis, watermen, cartmen, dairymen, mochis, barbers, ploughmen, carpenters, etc.

287. Contingent charges incurred on account of the wages of mazdoors engaged on manual labour and paid at daily or monthly rates shall be supported by a certificate signed by the disbursing officer to the effect that the mazdoors were actually entertained and paid.

288. In the case of all other class IV servants whose pay is drawn on contingent bills, a certificate in the following form shall be furnished by the drawing officer:

"Certified that all class IV servants whose pay has been charged in this bill were actually entertained in Government service during the period concerned."

289. Contingent bills preferring claims for rents, electricity and other connected charges incurred on account of the hire of private buildings by the Government for accommodation of State Government offices should be accompanied by the following certificates signed by the disbursing officer:

"Certified that the amount drawn on account of rent, rates and taxes in Contingent Bill No. .................., dated the.................. was actually paid to the parties concerned and that—

(i) no portion of the building for which the expenditure was incurred was 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 on rent, rates and taxes, etc., required to be paid by each of them to different parties, the following certificates 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 the ............... have actually been paid to the parties concerned; and

(b) the amounts drawn in this bill will be paid to the parties on realisation.”

289-A. Contingent bills which include charges 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 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 those goods are correct under the provisions of that Act or the rules made thereunder and that in the case of supplies against regular contracts, the relevant contract includes a specific provision that Sales Tax is payable by Government.

289-B. 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 refreshments 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 and Disbursing Officers

290. Every public officer shall exercise the same vigilance in respect to contingent expenditure, as a person of ordinary prudence would exercise in spending his own money. The drawing officer is further responsible for seeing (1) that bills are prepared according to rules, (2) that the money is either required for immediate disbursement or has already been paid from the permanent advance, (3) that the expenditure is within the available appropriation, (4) that all steps have been taken with a view to obtain an additional appropriation, if the original appropriation has either been exceeded or is likely to be exceeded, and (5) that in the case of contract contingencies, the proposed expenditure does not cause any excess over the contract grant.
291. Every disbursing officer should make at least one detailed inspection once in a month of his office and particularly examine the accounts with a view to see that the accounts have been maintained in the prescribed manner and in the prescribed registers and should go into the reasons for undue fluctuations in receipts and expenditure, particularly into the reasons for rapid flow of expenditure and for possible excesses over budget allotments. A report should be submitted each quarter to the controlling officer after each such inspection stating the irregularities noticed and actions taken to regularise them.

Responsibility of Controlling Authority

292. It is the duty of countersigning officer to see (1) that the charges made in a contingent bill are of obvious necessity and are at fair and reasonable rates, (2) that previous sanction for any item requiring it is attached, (3) that the requisite vouchers are all received and in order, (4) that the calculations are correct, specially, (5) that the appropriations have not been exceeded or are not likely to be exceeded, and (6) that the Accountant-General is 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 should communicate with the disbursing officer and insist on its being checked. He should also see that his subordinate officer regularly sends to him a monthly statement of expenditure under each class of contingencies so as to enable him to exercise a check on the total expenditure against the total appropriation under his control.

293. Every controlling officer should make a thorough inspection once a year or as suitable in each case, of the office of each of the disbursing officers under him and his own office and in cases where the number of such disbursing officers is large and it is not practicable to make an annual inspection of the whole office, the controlling officers should make at least an inspection of the accounts side of the office of the disbursing officers, with special reference to the points mentioned in rule 291. To facilitate the inspection, the controlling officer should take with him the monthly statements of expenditure submitted by the disbursing officers for a period of at least twelve months up to the date of the inspection and also the periodical reports received from disbursing officers as in rule 291 above. A consolidated report on the inspection of the offices of all disbursing officers under each controlling officer should be submitted by him to Government in the administrative department every year before 31st July along with his comments as to whether the accounts are being properly maintained in all the offices subordinate to him.

Sub-vouchers and their cancellation and destruction

294. The sub-vouchers or receipts taken for contingent expenditure should always set forth the expenditure in the same detail which a customer would require from a tradesman, or an employer from a servant, so as to show exactly the nature of the payment and the manner in which the total of it has been arrived at and they should be always endorsed as passed for payment by the disbursing officer before the money is paid from the permanent advance or before they are entered in the contingent register in cases where the amount is too large to be met from the permanent advance.

Note 1.—Receipts granted by the telegraph office for “Service Telegrams” in the case of unavoidable cash payments do not require to be endorsed.
PART II—CHAP. IV] WITHDRAWAL OF MONEYS

Note 2.—Value-payable covers showing the amounts paid to the post office may be accepted as "payee's receipt", provided they are certified by the paying officer and are in addition to the regular invoice or bill showing details of items.

295. Sub-vouchers should be consecutively numbered and taken together. It will be found convenient to place the number and the amount of the voucher prominently in red ink on one particular part (say the outside upper corner) of the voucher. The stamps affixed to the sub-vouchers should always be so defaced as to preclude the possibility of their being again used.

296. 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 sub-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 authorized 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 a 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 the drawing officer but which he is not required to submit to the Accountant-General.

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.
Sub-section III.—Record of Contingent Expenditure

CONTINGENT REGISTER

297. 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.

298. The standard form of the contingent register will be as in Form M.P. T.C. 32. 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 Accountant-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 of period to which any recurring charges (e.g., rent, wages of punkha pullers) entered in the other columns 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 Government servant 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 servant, the register must be reviewed and the entries re-initialled by the head of the office or such gazetted Government servant on return to duty in the headquarters.

299. As each payment is made, entries must be made in the contingent register of the date of payment, the name of payee and the number of sub-vouchers in the 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.

300. 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 Subsidiary Rule 332, from the commencement of the year up to the end of the last expired month.

Sub-section IV.—Bills for Contingent Charges

GENERAL

301. (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 bill for each class of contingent expenditure. The head of the office or the officer to whom this duty has been delegated, shall carefully scrutinize the entries in the register or registers with the sub-vouchers, initial them if this has not already been done 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 cases 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.P.T.C. 34-A.

Note 2.—The charges falling under the heads other contract contingencies, office expenses and miscellaneous (including tour charges) and other miscellaneous services and supplies, etc., should not be drawn in lump but the details making up the charge should be exhibited on the bill.

Note 3.—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. The Drawing Officer should record a pay order on the bills/invoices in question and attach those which are required to be sent to the Accountant-General under S.R. 310 to the Fully Vouched Contingent Bill before presenting it for payment at the Treasury. In cases of items of contingent expenditure for which no bill/invoice is received (e.g. expenditure on payment of house rent, wages of contingency paid staff) or the bill/invoice in support of which cannot be parted with by the Drawing Officer until after the payment has been made (e.g. expenditure on payment of charges for telephone and trunk calls, telegrams, energy and water supplies) the drawing officer should state in the body of the Fully Vouched Contingent Bill or in a separate sheet attached to it his reasons for not supporting the claim with a bill/invoice. Except in cases in which there is no bill at all, the number and date of the bill should be quoted in the body of the Fully Vouched Contingent Bill and an attested copy of the bill/invoice should be attached to it and the bill/invoice should be sent to the Audit Office along with the paid voucher as soon as the payment is made.

302. (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.

(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 endorse) to the Treasury Officer and the Bank (in case of bank treasury) 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 endorse wishes to collect payment on the bill through a messenger (other than a banker), the messenger must produce a letter of authority from him in Form M. P. T. C. 52-A. A copy of the form 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.—Endorsements 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 orders 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 clause (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.

303. 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.

CONTRACT CONTINGENCIES

304. Contract contingencies are drawn on bills in Form M.P.T.C. 33.

305. No details beyond stating the expenditure against the printed or manuscript heading in the bills are required to be given and no sub-voucher need be attached to them. (See also Note 1 below S.R. 301.)

306. The disbursing officers must obtain legal quittances for all payments. As soon as charges are billed for, all sub-vouchers, for amounts exceeding as well as below Rs. 25, should be so defaced that they cannot be used again and they should then be preserved in the offices of the drawing officers for a period of three years, after which they may be destroyed.

307. If any articles are obtained from a jail or other Government Department, the cost of which is payable from the contract allotment, the value of articles should be added to the amount of the total expenditure against the contract allotment and shown in the bill in distinct entry, the invoice or inter-departmental receipt for the articles supplied being attached to the bill when presented at the treasury for payment.
308. In the case of the offices of heads of departments there will be no classes of contingencies, and with the exception of certain charges which will require the previous sanction of Government, they may incur all contingent expenditure of their own offices. No countersignature is, therefore, necessary on the contingent bills of heads of departments.

Note 1.—The contingent expenditure of the offices mentioned below should be treated in the same way as the contingencies of heads of departments:

2. Vidhan Sabha Office.
3. Office of the Private Secretary to the Governor.
5. Offices of the Inspectresses of Schools.

Note 2.—Expenditure in connection with elections of the Parliament and the State Legislature incurred by the Collector should be treated in the same manner as contingencies of the heads of departments, subject to the condition that previous sanction of the Government is obtained for expenditure in excess of Rs. 100 in any one bill.

Note 3.—Heads of Offices who are competent to incur contingent charges of their own accord, either by virtue of special delegation of power or by reason of the fact that special sanction of the superior competent authority exists to the incurring of the charges, are allowed to draw such charges as Fully Vouched Contingencies and submit the vouchers to the Accountant-General directly.

309. 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.P.T.C. 34 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 subordinates are allowed to deal direct with some treasury, presenting bills for encashment which are to be adjusted by B’s monthly bills, B must submit monthly bills in adjustment of the bills cashed by himself and his subordinates.
WITHDRAWAL OF MONEYS

310. Sub-vouchers for items exceeding Rs. 1000/- in amount should be attached to the bill. Those for amounts not exceeding Rs. 1000/- which are not required to be sent to the Accountant-General, should be so defaced that they cannot be used again and they should then be preserved in the offices of the drawing officers for three years, after which they may be destroyed.

CHARGES REGULATED BY SCALES AND SPECIAL CONTINGENCIES

311. 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.P.T.C. 34 with full description of the charges and accompanied by sub-vouchers above Rs. 1000/-. In the case of special contingencies, the orders of the sanctioning authority should be quoted or if the sanctioning authority finds it more convenient to accord his sanction by countersigning the bill in which the charges in question are included, instead of forwarding a copy of his orders sanctioning the expenditure to the Accountant-General, he may do so. When expenditure for which a lump sum is granted under a single special sanction is continued over more than one month, the second and subsequent month’s bills should bear a note of how much has been spent up to date under the sanction.

312. Sub-vouchers for items exceeding Rs. 1000/- in amount should be attached to the bill. Those for amounts not exceeding Rs. 1000/- which are not required to be sent to the Accountant-General, should be so defaced that they cannot be used again and they should then be preserved in the offices of the drawing officers for a period of three years, after which they may be destroyed.

COUNTERSIGNED CONTINGENCIES—ABSTRACT BILL

313. Except in the case of contingencies requiring countersignature before payment, contingent charges falling under this group may be drawn from the treasury by presentation of abstract bills in Form M.P.T.C. 35, subject to the presentation of detailed bills to the controlling officers for countersignature and transmission to the Accountant-General in accordance with the procedure hereinafter prescribed.

314. The numbers assigned to the sub-vouchers pertaining to each entry in the abstract bill (Form M.P.T.C. 35) shall be detailed against the entry concerned, the amount being given only in those cases where a sub-voucher is for more than Rs. 1000/-. A certificate to the effect that the monthly detailed bill for abstract bills drawn in the previous month has been submitted for countersignature to the controlling officer on such and such date shall be attached to the first contingent abstract bill presented for payment after the 5th of each month. On no account may an abstract bill be cashed after the 5th of the month (except for tour charges) without this certificate.

Exception—In the case of charges for petty construction and repairs, the rule is relaxed so as to admit of abstract bills being cashed up to the 25th of the month without requiring the prescribed certificate of despatch of the detailed bill. The extension of the period being allowed in consideration of the delay that is sometimes unavoidable in obtaining receipts in connection with works under execution in
the interior of districts. For the Police Department a further extension is allowed for detailed bills for petty construction and repairs, and abstract bills may be cashed up to the 30th of the second month. For settlement officers, extension is also allowed up to the end of the following month.

315. In drawing money from the treasury on contingent bills it should be noted that an amount sanctioned for expenditure may not be drawn in a lump sum simply as such. A sanction is an authority to incur certain expenditure within certain authorized limits and not an order upon which money may be drawn from the treasury; the money must be drawn on bills, giving the necessary particulars etc. and under the usual rules as required from time to time to meet actual expenditure.

316. In certain cases, however, it is necessary that payment should be made in advance, that is to say, in anticipation of the receipt, as, for example, payments made in advance by a Jail Superintendent for grain to be delivered, or advances made to a contractor or other person for construction or repairs of buildings. In these cases the payments made are treated, for purposes of account, as charges of the department concerned, and not as advances. The money required for such payments should always be drawn on separate abstract bill as ordinary contingent charges and should be accounted for as laid down in the following rule.

317. The following procedure should be observed in adjusting advances to dealers and growers of grain for jail supplies referred to in the preceding rule:

(a) The amounts required to be advanced should be clearly described as advances in the abstract bills.

(b) Separate monthly detailed bills should be submitted supported by actual receipts of the persons to whom the advances have been made.

(c) The audit enfacement by the Inspector-General of Prisons on the detailed bills should run as follows:

"Provisionally passed for Rs.— pending receipt of detailed accounts of articles supplied."

(d) The detailed account should be sent to the Accountant-General through the Inspector-General of Prisons, for final adjustment, any difference between the original advance and the amount of the detailed account being paid into the treasury for credit in a distinct entry in the body of the treasury cash account.

(e) The submission of the detailed accounts referred to above should not be delayed beyond a reasonable time required for contractors to bring in supplies.

318. A similar procedure has been sanctioned for the adjustment of advances drawn for work connected with management of Government estates:

(a) The amount should be drawn on abstract contingent bills against the grant for "Management of Government Estates".
(b) The provisional detailed bill should be submitted to Government in the Revenue Department supported by the receipt of the contractor or patel, or of the Tahsildar, if the works are under the direct management of the Tahsildar.

(c) The final detailed bills should be submitted within six months of the dates of drawing the original advance. This period is the absolute maximum, and money that cannot be spent in that time should not be drawn.

Note.—There should be separate provisional and final detailed bills for the amounts of abstract bill drawn in any one month.

319. Trained Teachers' Certificate Examinations are held in Government Normal Schools/Non-Government Normal Schools and the Superintendents of the Normal Schools concerned are appointed as Superintendents of the Examination Centres. For purposes of meeting contingent expenditure in connection with the examination, a contingent advance not exceeding Rs. 50 per examination centre may be drawn on an abstract contingent bill by the Superintendent of Government Normal School concerned when the examination centre is located in his Normal School and by the Divisional Superintendent of Education/Inspectress of Schools in case the examination is in a Non-Government Normal School. In the latter case, Divisional Superintendent of Education/Inspectress of Schools will place the amount of the advance at the disposal of the Superintendent of the Examination Centre concerned.

Soon after examination, the advance should be adjusted by the Superintendent of the Examination Centre concerned. The Superintendent of Government Normal School will submit a detailed bill for the amount supported by necessary receipts and vouchers to the Divisional Superintendent of Education/Inspectress of Schools, as the case may be, and take steps to refund the balance of the advance by short drawing from the next contingent bill. The Superintendent of Non-Government Normal School concerned will submit the account of expenditure with actual payees' receipts and the balance of the advance to the Divisional Superintendent of Education/Inspectress of Schools, who will take necessary steps to adjust the advance.

320. Sub-vouchers for amounts exceeding Rs. 500/- should be sent to controlling officers with detailed contingent bills except when they are attached to the abstract bill in the case of municipal taxes. The controlling officer will forward all sub-vouchers exceeding Rs. 1000/- to the Accountant-General's Office and retain all others for three years after which they may be destroyed. As soon as the charges are billed for, sub-vouchers for amounts not exceeding Rs. 500 which are not required to be sent to the controlling authority, should be so defaced that they cannot be used again and they should then be preserved in the offices of the drawing officers for three years, after which they may be destroyed.

321. If an officer, after drawing money on an abstract bill for certain expenditure finds that it is unnecessary to expend the whole or any portion of it, he should return the unexpended amount either by short, drawing from the next abstract bill, in which a note should be given specifying the date of the abstract bill on which the expenditure was drawn and the items in which the amount refunded was included, or by refund in cash, in which case the date of the bill on which the amount was drawn must be quoted and particulars of the item refunded given.
Note.—Refunds in cash should invariably be credited as distinct items in the cash book and treasury cash accounts, even in the case of those departments whose receipts are usually credited in subsidiary registers.

DETAILED BILL

322. 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.P.T.C. 36 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 controlling officer with all sub-vouchers above Rs. 500/- or if there be no Controlling Officer, to the Accountant General direct with all sub-vouchers above Rs. 1,000/-, his signature to the certificate endorsed on the bill taking the place of the smaller ones.

323. 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.

COUNTERSIGNATURE

324. On receipt of the monthly detailed bill in the office of the countersigning officer, its figures will be transcribed in a register of the same form as the disburser's register, with similar description of items requiring explanation and the bill will then 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, will be noted on the bill and in the "Remarks" column of the register, and the amounts shown in the register in the columns affected will be corrected in red ink; the countersigning officer will then enter in the register the date of admission under his initials, sign the bill and despatch it to the audit office with the vouchers for items in excess of Rs. 1,000/- his signature to the certificate endorsed on the bill taking the place of the smaller ones. The controlling officers are also required to note in words on the detailed contingent bill the actual number of sub-vouchers for amounts exceeding Rs. 1,000/- forward with the bill.

Note.—The term "items" refers to items of expenditure and not items of charge e.g., a charge for Rs. 1,020/- 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. 1,000/-.

325. In the absence of the countersigning officer, the examination and countersignature of the bill may be performed by some responsible gazetted officer authorized by the countersigning officer. The bills should, however, be countersigned by the latter officer himself when he is present at headquarters.
WITHDRAWAL OF MONEYS

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Note.—Power has been delegated to the Registrar, High Court of Judicature at Jabalpur, to countersign contingent bills on behalf of the Chief Justice. The power does not, however, dispense with the necessity for obtaining the sanction of the Chief Justice where it is specifically required by the rules.

326. In the register maintained in the office of the countersigning officer, the columns to the right will be written up as follows:

That concerning the detailed bill will show the date of its receipt. The column for date of admission will show the date of despatch of the countersigned bill. In the register maintained by the disbursing officer the entry in this column will record the date of recovery of any disallowance, or that of the countersigning officer's letter further passing a disallowed item not yet actually recovered; any disallowance will be recorded by each in the column of remarks on the same line with the figures affected.

327. Drawing officers should submit their monthly detailed bills with necessary vouchers to the departmental controlling officer not later than the 5th of the month following that in which the expenditure was incurred. But see exception under rule 314. Controlling officers are required to transmit the detailed bills to the Accountant-General, duly passed, so as to reach his office not later than the 25th of the same month. The strictest punctuality is called for in the transmission of these bills, as the amounts drawn on abstract bills are held under objection on the books of the Accountant-General until receipt of detailed bills duly vouched and countersigned.

328. When a detailed bill cannot be passed in full, for want of receipt or sanction or any other document or information, it should be passed for the balance and forwarded to the Accountant-General.

329. In the absence on tour of a controlling officer, the examination of detailed bills may be performed by the superintendent of his office or other chief subordinate, who would initial the entries in the register prescribed in S.R. 324 and forward the bills to the controlling officer for formal countersignature, noting in the margin of the register the date on which he forwarded them. If the bills after countersignature are sent direct by the countersigning officer to the Accountant-General, a memorandum should be sent back to the office of the former, giving the date of countersignature and despatch of each bill for note in the register, or if the countersigned bills are returned through the office, the register should be initialled and completed therefrom.

Note 1.—The inspecting staff of the Education Department has been constituted countersigning officers for purposes of the detailed contingent bills of all Government institutions under their respective control.

Note 2.—Power has been delegated to the Principal, Prantiya Shikshan Mahavidyalaya, Jabalpur, to countersign detailed contingent bills of the Model High School, the Kala Niketan and the Government Industrial School, Jabalpur.
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Note 3.—Monthly detailed contingent bills of Government Railway Police should be countersigned by the Deputy Inspector-General, Crime and Railways, and those of the District Police by the Range Deputy Inspector-General.

Note 4.—Bills for railway charges in connection with warrants issued by the Police Department may be countersigned by an officer not below the rank of District Superintendent of Police.

Note 5.—The State Superintendent of Census Operations is declared to be a controlling officer for the purpose of contingencies.

Note 6.—The Extra-Assistant Director in charge of the Animal Husbandry Section is a controlling and countersigning officer in respect of expenditure connected with the cattle-breeding, dairy and sheep-breeding farms, at (1) Garhi (District Balaghat), (2) Pendra (District Bilaspur), (3) Dewal (District Sagar) and (4) Dhar (District Betul). Deputy Directors of Agriculture are declared to be Controlling and Countersigning Officers in respect of Government farms under their control.

The Deputy Director of Agriculture Extension, is declared as Controlling Officer in respect of pay, travelling allowance and contingent bills of the establishment of the Basic Agricultural Schools at Adhartal (Jabalpur), Chandkhuri (Raipur) and Waraseoni (Balaghat) and the two Basic Agricultural School Wings attached to the Training Centres at Sindewahi and Powarkheda.

Note 7.—District Excise Officers are declared to be Disbursing Officers and Collectors to be their countersigning officers in respect of countersigned contingent charges other than tour charges and purchase of ganja and other drugs, relating to the Excise Department.

Note 8.—The Secretary to Government in the Law Department is declared to be countersigning officer in respect of fees to pleaders not in Government Service.

Note 9.—The Economic Botanist for Cotton, Madhya Pradesh, is declared a controlling and countersigning officer in respect of the expenditure connected with the Experimental farm at Akola.

DISALLOWANCES

330. 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 drawings 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.............." and the receipt given would be for the net amount only. An item disallowed must, without fail, be recovered and 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 of disallowance from bill of.............................. refunded by deduction from contingent Bill No..................., dated................. and re-allowed as per........................................", the receipt would be for the gross amount and the items would be re-included in the next monthly contingent bill.

Note.—It will be observed that the totals in the disburser's register are those of amounts charged, not of those admitted by the countersigning officer; but when an amount disallowed by him on one detailed head is adjusted by a short charge on another encashed bill, the actual charge for each head may be, worked out by entering the amount retrenched in black ink with a minus sign in the column of the retrenched head on the line of totals for the bill in which the adjustment is made; the forward totals will thus be correct.

INSPECTING OFFICERS' BILLS

331. An inspecting officer cannot take advances on account of office contingent charges. He should provide himself with a portion of his permanent advance, and recoup himself from time to time by presenting at the different treasuries contingent bills, in the ordinary form, for recovery of contract or countersigned charges, as the case may be. Thus, in the case of countersigned contingent charges, one detailed bill may adjust money drawn at more than one treasury; and in this case it will be well to require details at foot of the bills of the places of payment of the several encashed bills, as well as their dates and amounts. But the amounts drawn will all be taken as final payments and not as advances.

Sub-Section V.—Miscellaneous Rules

INTER—DEPARTMENTAL TRANSFERS

332. In the case of work done by a Government factory (such as Jail, Workshop) as also in other cases in which inter-departmental adjustments are permissible, the officer 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, entering at the same time on the complete account classification in the space provided for the purpose and return one copy to the supplying officer.

333. (a) The Government servant served will file in his own office one of the invoices received from the supplying Government servant 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 his grant but not including it as a disbursement among the charges of his bill.

(b) The Government servant served should, however, before despatching his monthly bill, post the amount of the work bill in his contingent register, and include it in the forward total, in order that he may agree that forward total with that shown in the statement of accounts on his contingent bills: in the register of the countersigning officer the amount of such bill should in like manner be separately entered. Such invoices will never be retained by the countersigning officer.
334. The officer served cannot charge the amount in his contingent bill, as no cash payment is made, but only a book adjustment in the account office; but the amount available for contingent expenditure is reduced, and so, to work out the available balance, a note is made in the register of contingent expenditure and in the statement of account at foot of bill.

335. In the case of the Forest Department the cost of the supplies has to be adjusted in the compiled accounts submitted to the Accountant-General. An officer of this department receiving stores will adjust the amount of the invoice in his accounts by crediting it to the supplying officer and debiting it to the service head concerned, and will send the third copy of the invoice to the Accountant-General in support of the entry in his accounts. Similarly, if he happens to be the supplying officer, he will charge the amount expended in his own accounts as a debit to the officer supplied and send the countersigned invoice to the Accountant-General as a voucher for the expenditure.

336. Bills for telephone charges not exceeding Rs. 50 each shall be paid in cash or by cheque instead of by book transfer. Bills for telephone charges exceeding Rs. 50 each are payable by book transfer; such bills are forwarded, in duplicate, to the officer served who on approving the bill, will countersign both and return one copy to the supplying officer. The other copy he will submit with the contingent bill to the Accountant-General after making the necessary note in his contingent register.

Note 1.—The accounts classification should be noted on the invoices before they are returned to the supplying officer, under the following details:

(1) Head of charge (major, minor and sub-head Primary and Secondary unit)
(2) Month and year to which charge relates
(3) Designation of the Accounts Officer by whom the charge is adjustable
(4) Name of the Government to which debitable

Note 2.—Bills in respect of stores, etc, purchased through the Director-General, Industries and Supplies, New Delhi, are not governed by rules in this sub-section, but by the special rules framed by the Government of India. In the case of such bills, unless there are instructions to the contrary, the consignee should retain only one copy of the bill for record in his office, the particulars and amount whereof should be noted in the memorandum of expenditure in his contingent bill, which need not be supported by a copy of the bill as is required in the case of other work bills mentioned in rule 332.

Note 3.—In cases where book transfers do not suit the methods of account or of business adopted by the receiving department, officers obtaining supplies must be prepared to make cash payment on bills presented by the supplying department. The officer obtaining supplies will include the amount required for payment in the appropriate contingent bill of his office, and he will draw the money from the treasury under the ordinary rules for contingent expenditure and make the payment in cash.
PURCHASE OF SERVICE POSTAGE STAMPS

337. The following procedure should be adopted by Government servants for obtaining service postage stamps from the treasury and for the adjustment of their value:

(1) Government servants who draw money from the treasury on contingent bills.—A bill in a special form M.P.T.C. 37 should be prepared by departmental officers, containing provision for the acknowledgment of the receipt of the stamps indented for. It 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 in to the treasury.

The Treasury Officer should pass the bill for "Payment by Transfer", have the stamps issued and enter the amount in the list of payments, crediting the value of stamps in the same manner as if cash were realized. The office of the Accountant-General will exercise the same check over the transactions as it does at present in other cases.

(2) Government servants who draw money by cheques from treasuries.—Cheques to be presented in payment of 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. Such cheques must always be crossed in accordance with the provisions of sub-rule (1) of Subsidiary Rule 141. Cheques drawn on the Bank may be accented and stamps issued without insisting on the cheques being deposited first in the Bank.

A separate indent drawn in Form M.P.T.C. 38 should accompany the cheque. The Treasury Officer will retain the indent and grant a receipt under Subsidiary Rule 79.

(3) Government servants at headquarters whose bills are pre-audited by the Accountant-General.—As an exception to the rule by which all bills payable at headquarters should be pre-audited, bills for service postage stamps should be submitted direct at the treasury without the charge being pre-audited by the Accountant-General. In making payment of such bills, the Treasury Officer will observe the same procedure as is given in sub-paragraph (1) of this rule.

338. Service postage stamps may be issued direct from sub-treasuries on the presentation of bills or cheques in accordance with the provisions of the preceding rule, without such bills or cheques being first passed by the district Treasury Officer.

Section VI—Pension Payments

SUB-SECTION 1.—INTRODUCTORY

339. (1) Subject as hereinafter provided, the rules in this section shall regulate the procedure with regard to the payment in India of pensions payable by or out of the revenues of, the State of Madhya Pradesh:
Provided that if in any State a different procedure has been prescribed for the payment of State pensions, the same procedure may, unless there are any general or special orders of the Government to the contrary, be applied in the making of payments at a treasury of that State of any pensions payable by, or out of the revenues of the State of Madhya Pradesh.

(2) Nothing contained in this rule shall be taken as affecting—

(i) the provisions of the Pensions Act (Act XXIII of 1871) or of any rules made thereunder, or the exercise by the State Government of such functions of the Central Government under the Pensions Act as may be entrusted to them in consequence of a delegation of function under sub-section (1) of Article 258 of the Constitution of India;

(ii) the provisions of any rule contained in the Civil Service Regulation not provided for in this section or of any departmental regulations issued by, or under the authority of the Governor of Madhya Pradesh, prescribing the procedure for the payment of any pensions payable by, or out of the revenues of the State of Madhya Pradesh.

340 Unless there is any thing 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 section unless there are express orders of the Government to the contrary.

341. In this section, except where it is expressly otherwise provided or the context otherwise requires—

"Disbursing Officer" means the Treasury or Sub-treasury Officer or the Accountant-General, as the case may be;

"Political Pension" means a pension, not being a service pension, 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;

"Service Pension" means a pension payable to, or in respect of, a pension in consideration of past employment under Government and includes a gratuity so payable.

342. 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 section.

SUB-SECTION II.—PLACE OF PAYMENT

343. Subject as hereinafter provided, service pensions payable in India may be drawn from any treasury in India, or from the office of an 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.

Note. —This Government have entered into a reciprocal arrangement with the Government of India and other State Governments under which the leave salary of a gazetted Government-servant or the pension of any Government servant may be drawn at any treasury in India.
TRANSFERS WITHIN THE STATE

344. Treasury Officer are authorised to transfer the payment of all service pensions and of political pensions not exceeding Rs. 100 from one district to another within the State. The following procedure should be observed in connection with such transfers:

The Treasury Officer should forward both halves of the Pension payment Order to the Treasury Officer of the new district with information of the date up to which payment was made in the old district and forward simultaneously a copy of the communication to the Accountant-General.

If, at the time of transfer, the pension Payment Order is renewed on account of the pensioner's half having been lost, the fact of the loss and renewal should be intimated to the Treasury Officer of the new district.

Note 1.—Transfer of payment of political pension exceeding Rs. 100 per mensem from one treasury to another requires the sanction of the State Government.

Note 2.—Special Rules applicable to political pensions are contained in Subsidiary Rules 381, 382, and the Annexure to this section.

345. The Treasury Officer may authorise payment in any Sub-treasury within his district of a pension payable at the headquarters of the district and may transfer the payment of a pension from such a sub-treasury to the district treasury or from one sub-treasury to another within his district.

TRANSFERS IN INDIA

346. The Accountant-General may on application and on sufficient cause being shown permit transfer of payment of pension from one treasury in India to another, except political pensions exceeding Rs. 100 per mensem which require the sanction of the State Government. An application received by a Treasury Officer requesting such transfer should be forwarded to the Accountant-General with both halves of the Pension Payment Order. The Accountant General will either issue a new Payment Order or enface the old Payment Order for payment at the new treasury outside the State and forward it to the Accountant-General of the other State for authorising the Treasury Officer concerned to pay the pension in future.

SUB-SECTION III.—AUTHORITY FOR PAYMENT

Pension Payment Order

347. Except in the case of Military pensions which are payable on Pension Certificate or other authorities issued by the Controller of Defence Accounts (Pensions) or unless the Government order 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.
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Note 1.—Payment of the allowance to the recipients of the President's Police Medal or the Bar thereto and also to the recipients of the Indian Police Medal on non-effective service and to the widows of deceased persons who were in receipt of the allowance will be authorized by the Accountant-General by the issue of a separate Pension Payment Order in favour of the recipient. The allowance will be drawn separately on a pension bill form, the nature of the claim being clearly stated in the bill.

Note 2.—Whenever any relief on pensions is sanctioned by the Government, the Finance Department shall, while endorsing copies of the order to all the Treasury Officers/Sub-treasury Officers, authorise them to make payment of the relief to the Civil pensioners of the State immediately on receipt of the order. The Accountant General may, however, issue authorisation for payment of relief to all concerned as usual.

348. 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, 1966, of his wife or her husband also, as the case may be.

This requirement will not apply to purdahnashin ladies, persons who are in receipt of family pensions granted under the Wound and Extraordinary Pension Rules and the Madhya Pradesh New Pension Rules, 1951, or to any other person specially exempted by the Government from the operation of this rule.

Note.—For pensions payable at the office of the Accountant-General, the purpose of the Disburser's portion of the Pension Payment Order is served by the Audit Register kept by the Accountant-General in which the necessary particulars relating to each pensioner are entered in full.

349. (1) On receipt of a Pension Payment Order at an office of disbursement, 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, 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 portion of the Pension Payment Orders shall be pasted in serial order in separate files, one for each class of pensions, such as Service, Political, Colonial Governments etc. These files must be kept in the personal custody of the disbursing officer in such a manner that pensioners shall not have access thereto.

Note.—Pension Payment Order 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 or any other series as may be found convenient.

350. When a pensioner is specially exempted from personal appearance, the fact 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 fact shall be put against the note.

351. Disbursing Officers are authorized 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 Disburser's portion are completely filled up. The renewed Pension Payment Orders 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 or 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 Susidiary Rule 356.

352. 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.

353. 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 commutation. 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 Accountant-General. After the commuted money is paid, the voucher for the commuted value will be sent to the Accountant-General 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. It would be incumbent on the Treasury Officer to personally ensure that the old Pension Payment Order is returned to the Audit Office without any loss of time.
354. In case where an anticipatory pension payment order has been issued by the Accountant-General, the final pension, when intimated by the Accountant-General will be noted in both of halves of the P.P.O. by the disbursing officer under his attestation quoting Accountant General's letter as authority. An intimation to this effect may be sent to the Accountant-General simultaneously. Future payments will be made to the pensioner at the revised rates based on the amended P.P.O. The voucher fee for the first payment of the final pension will be sent to the Accountant-General in a separate schedule.

PAYMENT AT SUB-TREASURIES

355. When the payment of a pension is authorized at a sub-treasury, the Sub-treasury Officer shall be furnished by the District Treasury Officer with an authenticated copy of the Disburser's portion of the Pension Payment Order, with an order for payment at the sub-treasury endorsed thereon. In issuing copies of Pension Payment Orders aforesaid, the Treasury Officer shall reproduce the full order 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 district treasury as well.—

The Sub-treasury Officer will deliver the Pensioner's portion of the Pension Payment Order to the pensioner and record his portion of the order in his register of Pension Payment Orders. The Sub-treasury Officer's portion shall be kept under the lock and key of the Sub-treasury Officer.

The procedure observed in the payment of pensions at sub-treasuries is the same as at district treasuries.

REGISTER OF PENSION PAYMENT ORDERS

356. The Treasury Officer will keep a register in Form M.P.T.C. 39 of the Pension Payment Orders issued on his treasury. This register will serve as an index to the files of orders referred to in subsidiary Rule 349 (2) above. After seeing that a new order is correctly entered in this register he will 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 are sent out of the office as a result of an application for transfer of payment out of the district, the order should be removed permanently from the register and the file; the Treasury Officer should have the date and reason for sending away both halves of the order entered at once in the column headed “Remarks” and initial the entry. If the original order be returned on account of non-appearance of a service pensioner, the date will be entered in red ink, and on reclamation this date will simply be struck out.

Note.—In the case of civil pensioners residing in Nepal who apply for transfer of pension from one pension disbursing officer to another, the submission of pensioner's half of the Pension Payment Order may not be insisted upon at the time of effecting the transfer of pension, the transfer being done on the strength of the disburser's half of the Pension Payment Order. The pensioner's half shall be collected by the new pension disbursing officer from the pensioner when
he first reports to receive his pension and forwarded to the Accountant-General concerned under intimation to the old pension disbursing officer.

357. 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 Subsidiary Rule 379, the necessary note shall be made on both portions of the Pension Payment Order.

358. Pensions which are not granted for life but are subject to special conditions, e.g., when they are to cease on marriage, or at a given age, or under other specified circumstances, shall not be entered in the same register with other pensions, but shall be recorded in special registers to be kept for the purpose. All Pension Payment Orders of such pensions will bear the letter fly, pol. Extraord. in addition to the number.

Additional columns shall be opened in such registers to show clearly and precisely special limitations and conditions attached to each pension of this category.

SUB-SECTION IV.—MANNER OF PAYMENT

Due Date

359. Pensions fixed at monthly rates are payable monthly on and after the first day of the following month:

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 month.

360. If the first day (including Sunday) of the following month is a Public Holiday on which Pensions are not disbursed at the treasury, the Collector may, if he thinks fit, direct the Payment of Pension to be made on the last working day of the month to which the pension relates except in the case of Pension for the month of March which shall be paid on or after the first working day of the succeeding month.

PAYMENT OF CLAIMS

361. Save as hereinafter provided, a pensioner must take payment in person after identification by comparison with the Pension Payment Order.

Pensions up to Rs. 300 per month may, as far as practicable, be disbursed in cash at the treasury at the request of the pensioners.

362. 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 servant or by some other well-known and trustworthy person.
Note.—In special circumstances Collectors and heads of departments are empowered to exempt pensioners from personal appearance for the purpose of drawing pensions.

363. 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 pensioned officer who, before retirement exercised the powers of a Magistrate, or by any gazetted officer, or by a retired gazetted officer in respect of these pensioners only who draw pension from the same treasury from which he himself draws his own pension, or by a police officer not below the rank of Sub-Inspector in charge of a Police Station or by a Postmaster, a Departmental Sub-Postmaster, or an Inspector of Post Offices, or by a Class I Officer of the Reserve Bank of India or an Officer of the State Bank of India or a Sub-Accountant appointed as an Agent or as an Accountant at a branch of the State Bank of India, or an Officer of a subsidiary bank of the State Bank of India, or by a Member of the Madhya Pradesh Legislative Assembly or by the Sarpanch of Gram Panchayat 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 agents produces a life certificate signed by a Magistrate, a Notary, a Banker or a diplomatic Representative of India is exempted from personal appearance.

364. 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.

365. A pensioner not resident in India may with the permission of Reserve Bank of India draw his pension in India through a duly authorised agent, possessing a legally valid power of attorney, who must produce a life certificate on each occasion, unless the duly authorised agent has executed an indemnity bond to refund overpayment in which case he has to produce the life certificate at least once a year.

366. 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 overpayments and produce at least once a year a life certificate signed by a person authorising under Rule 363 to sign such certificates.

The life certificates so collected should be forwarded to the Accountant-General every year in April.

367. 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 decease of any such pensioner, and on receipt thereof, shall promptly stop further payments.
WITHDRAWAL OF MONEYS

Note.—A list of agents approved by the State Government who have executed the necessary bond of indemnity is given in Annexure to Subsidiary Rule 238.

368. 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, the Collectors 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.

FORMS OF PENSION BILLS AND CONNECTED CERTIFICATES

369. (1) Save as hereinafter provided in this rule, claims for payment of pensions shall be presented on bills in a form similar to Form M.P.T.C. 40, 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 authorized 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 Subsidiary Rule 376 (a) 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 impression and purdahnashin ladies, quittance by seal mark attested by some well-known and respectable person may be accepted in lieu of signature or thumb/great toe impressions.

Note.—The anticipatory pension of non-gazetted Government servants shall be drawn on a separate establishment pay bill in Form M.P.T.C. 24.

(2) Instead of requiring each individual pensioner to present a separate bill in Form M.P.T.C. 40, 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.P.T.C. 41 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 the purpose, while separate receipts shall be appended to the bill in support of payments, if any, made at the sub-treasury, or on life certificates, note being made in the latter case on the separate receipt 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.

370. In cases (other than those specified in Rules 365 and 366) 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 authorized under these rules to sign such certificates and must be dated not earlier than the last day of the month concerned.
371. 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.

372. Where the determination of a pension cannot be fixed for a precise date, and subject to provisions of S. R. 373, the pensioner's bill must be accompanied by a certificate in Form M. P.T. C. 42 duly signed by a person authorised to sign life certificate under S. R. 363.

373. (1) A declaration in the following form shall be obtained half yearly (in May and November) from all recipient of family pension except widows whose pension is terminable on their re-marriage:

"HALF YEARLY DECLARATION OF PENSIONERS WHOSE PENSIONS ARE TERMINABLE ON THEIR MARRIAGE OR REMARRIAGE".

The certificate is to be attached to the pension bills for May and November.

Pension Payment order No...........................

I hereby declare that I am not married/that I have not been married during past six months.

Place.................................

Date................................. Signature.................................

Name of pensioner.................................

To be signed by a responsible officer or well known person.

I certify to the best of my knowledge and belief that the above declaration is correct.

Place................................. Signature.................................

Dated................................. Designation.................................

(2) In the case of a widow recipient of family pension, the above declaration will not be necessary. Instead an undertaking in the following form will be obtained from the widow at the time of first payment of pension:
"I hereby declare that I have not been remarried and I undertake to report such an event promptly to the pension disbursing office.

Place........................... Signature............................

Dated......................... Name of widow.......................

P. P. O. No................................

I certify to the best of my knowledge and belief that the above declaration is correct.

Place........................... Signature of responsible officer or a well known person.

Dated......................... Name............................

Designation........................

(3) Every pension-disbursing officer shall submit to the Accountant-General, Madhya Pradesh, a statement showing particulars and date of last payment of pensions in respect of the cases of failure to furnish the above declaration (except that furnished by the widow recipient of family pension) in the months of June & December.

373-A (1) Retired class I officers are required to furnish half yearly a declaration in May and November each year in the prescribed form about acceptance/non-acceptance of any commercial employment within two years from the date of their retirement.

(2) Retired Government servants, other than Class IV servants, are required to furnish half yearly a declaration in May & November each year in the prescribed form about acceptance/non-acceptance of employment under any Government outside India.

(3) In cases where employment mentioned in (1) and (2) above has been accepted without obtaining Government's approval, the pension-disbursing officer will seek Government's orders before making further pension payments.

374A. A Treasury Officer will in case of death of a pensioner governed by the Family Pension Scheme for the State Government Employees, 1966, start paying family pension to the widow/widower on receipt of death certificate of the pensioner and the Application in Form M.P.T.C. 42-A 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.P.T.C. 42-B.

RATE OF EXCHANGE FOR CONVERSION OF PENSIONS FIXED IN ANOTHER CURRENCY

375. The payment in rupees of pensions fixed in sterling or in other foreign currency shall be regulated by such general or special instructions as may be issued by the Government in this behalf. In issuing Pension Payment Orders
for such pensions, the Accountant-General will either mention the exact amount
to be paid in rupees, or indicate the rate at which the amount stated in sterling
or in any other currency shall be paid.

CHECKS TO BE APPLIED BY THE DISBURSING OFFICER

376. (a) On appearance of a pensioner claiming payment of a pension,
his personal marks shall be checked by the disbursing officer and the signature
to the receipt compared with the facsimile of the signature pasted on the original
payment order. If a pensioner cannot sign his name, his thumb/great toe
impressions on he receipt shall be compared with the original impression
already taken on the Disburser's half of the Pension Payment Order. In cases
of doubt, the payment may be made on the strength of the resemblance between
the pensioner and his photograph where one is pasted on the Disburser's half of
the Pension Payment Order, pending the final decision of any question which
may arise about identification marks, signature or fingerprint impressions. A
pensioner drawing a pension for the first time shall also 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 and thumb-
impresion received with the Pension Payment Order.

(b) Special risk of fraud exists in the payment of pensions of women
who do not appear in public. Particular care shall, therefore, be taken in the
identification of such cases. The descriptive rolls when originally prepared,
and the periodical certificates of the continued existence of such women should
be attested by two or more persons of respectability in the town, village or
paragana.

377. 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 of 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 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.

RECORD OF PAYMENT

378. 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 is supplied under rule 355, 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 headquarters treasury shall, from the concerned voucher, make
the necessary note on his original of the Order.
379. The payment of pensions may be made by postal money orders at the option of the pensioner. When this mode of payment is adopted the following rules shall be observed:

(1) 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 identify the pensioner as laid down in Subsidiary Rule 376, and make him understand that his pension will be remitted by money order provided his non-employment certificate reaches the treasury before the 10th of each month. After this has been done he should paste the declaration and both copies of the Pension Payment order in a separate file register headed “Pensions-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 at the back of the Pension Payment Order. Such money orders should be addressed to those pensioners only from whom the non-employment certificates and no marriage certificates, when necessary have been received in the treasury before the 10th of a month. The Treasury Officer should sign the money order form and initial the entries on the back of the Pension Payment Orders after comparing the three documents carefully.

(2) 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.

(3) In case of a female pensioner whose pension is terminable on marriage or remarriage, a declaration in the form prescribed in S.R. 373, shall be obtained by the Treasury Officer before remitting the pensions for the months of June and December. In other cases, where determination of pension cannot be fixed for a precise date the Treasury Officer should, before remitting the pensions for the months of June and December, obtain from the pensioner a certificate in form M.P.T.C. 42.

(4) The Collector should arrange with some village official or other suitable subordinate agency, such as the police, for reporting promptly to the Treasury Officer the death of a pensioner whose pension is paid by money order.
(5) It will not be necessary to prepare separate pension bills for such payments. The payment should be shown in a separate schedule which will serve as 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."

Note 1.—In the schedules for January and July each year, an additional certificate on the following form should be added:

"Certified (1) that I have obtained from each pensioner a declaration that he has not received any remuneration for serving in any capacity under Government or under a Local Fund during the past six months, and (2) that in all cases where determination of a pension cannot be fixed for a precise date, I have obtained the certificates in Form M.P.T.C 42 or the declarations in the form prescribed in S.R. 373, as the case may be."

Note 2.—The words 'or the declaration in the form prescribed in S.R. 373 as the case may be', appearing in the certificate No. (2) will be added in the certificate attached to the schedule for January only. vide S.R. 373.

(6) The amount to be remitted should not be paid to the post office in cash but by transfer to the credit of the post office. The money order forms should be sent to the post office with a certificate by the Treasury Officer that the amounts of the money orders and the fees thereon have been credited to the post office in the treasury account by transfer. (See Subsidiary Rule 182.)

(7) In the schedule for the month following the month of payment, the Treasury Officer will furnish the following certificate:

"Certified that I have satisfied myself that all persons 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."

(8) The Treasury Officer is only responsible to supply complete and correct information regarding such pensioners.

(9) The Treasury Officer should arrange to get a sufficient supply of the post-card size non-employment certificate forms from the Controller Stationery and Text Books M. P. Bhopal.

(10) The Treasury Officer should give pensioners all the information necessary to enable them to take advantage of the concession and particularly instruct them as to the manner in which the form referred to in clause (9) above is to be used and the purpose which it is intended to serve.
Note.—The procedure authorised in this rule may be applied mutatis
mutandis to pensions payable at a sub-treasury or any other
-disbursing office.

380. (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 a written declaration signed by
the pensioner and duly verified under his seal by a gazetted officer, a magistrate,
a tahsildar, a naib-tahsildar, a Development Assistant, a police officer not
below the rank of Sub-Inspector in-charge of Police Station or any Government
Officer or 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. [Govt. of
India's correction slip 624 to Central Treasury Rule 361 (1)]

(2) Should the pensioner be physically incapable of signing the declara-
tion, the Treasury 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 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

381. (1) The special rules regulating the payment of political pensions are
contained in the Annexure to this section (See also Subsidiary Rules 344 to 346
and 387).

(2) A Treasury Officer has noting to do with claims to succeed to, or to
participate in, political pensions or allowances, but should direct applicants to
apply to the Collector.

(3) Descriptive Rolls of Political Pensions.—When sanction is applied
for to the payment of a political pension, the Collector should prepare a
descriptive roll of the pensioner in form appended to the Annexure to this
section and forward it with the application.

CONDITIONAL PENSIONS, ETC.

382. In some cases political pensions are granted on condition that certain
required services are duly performed, or, as in the case of temple grants, that
the shrine or temple is maintained etc. In these cases a certificate is required
from the Collector on the receipt for the pensions that the condition (whatever
it is) has been fulfilled.
PAYMENT OF COMMUTATION MONEY

383. (1) 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.

(2) In every order authorising the payment of the commuted value of a portion of a pension, the Accountant-General will specify the date up to which the pension may be paid at the old unreduced rate. The pensioner's title to receive the commuted portion of the pension ceases from that date. No payment of pension for a subsequent day should be made until a revised Pension Payment Order has been received from the Accountant-General. If, however, in any case, the commuted portion of the pension to which the pensioner was not entitled under this article has been paid to him before the receipt of the Accountant-General's order authorising the payment of the commuted value, the commuted portion so paid shall be deducted from the amount payable in commutation. A note will be made on the old Pension Payment Order of the amount deducted, before both halves of the Order are returned to the Accountant-General to enable the latter to issue a revised Pension Payment Order.

GRATUITIES

384. Gratuities including Death-cum-Retirement 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 subsidiary rules 530 and 531 in relation to Provident Funds.

Note 1.—When at the option of the Gratuitant the gratuity is drawn by the head of an office for disbursement, he shall furnish to the Accountant-General, within a month of the date of drawal, a certificate of disbursement.

Note 2.—The gratuity Pay Order and the Payment Authority for commutation of Pension received from the Accountant-General, Madhya Pradesh, must be kept in the personal custody of the Disbursing Officer so that an unauthorised person shall not have access thereto.

Sub-section V.—Periodical Identification of Pensioners

General Rules

385. (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 pensioner whose specimen signatures are attached with the Pension Payment Order, take an impression of the thumb and all the figures 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.
(2) Except persons who have been gazetted Government servants, and persons who have been specially exempted by the Government on the ground that there can be no difficulty in future identification, all pensioners shall be liable to the operation of this rule.

(3) Purdahnashin 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 officer, before the disbursing officer.

386. In all cases referred to in Subsidiary Rules 362, 363 and 368, 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.)

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 sub-section do not apply to cases governed by subsidiary rule 379.

Note 3.—Whenever payment of pension is made on production of life certificate an entry (say “I.C.”) should be made in the case for the month of payment on the reverse of the Pension Payment Order. This will enable the disbursing officer to ascertain later at a glance the period for which the pensioner has not attended in person and to send out a call for his personal attendance which may conveniently be despatched through the messenger sent by him to receive payment of pension in the month previous to that in which his presence is required.

Exception.—In a case where a pension claim submitted by a pensioner is supported by a life certificate granted under the provisions of S.R. 363, 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.
PART II—CHAP. IV] WITHDRAWAL OF MONEYS

SUB-SECTION IV.—UNDRAWN PENSIONS AND ARREARS

GENERAL

387. (1) Unless the Government by general or special orders direct otherwise, a pension remaining undrawn for more than a year 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 make the payment but the arrears can be paid:—

(i) if the amount in arrears does not exceed Rs. 2,500 or with the previous sanction of the Collector of the district in which the pension payment office is located if it exceeds Rs. 2,500 but does not exceed Rs. 5,000 provided that in both cases the arrears are not to be paid for the first time; and

(ii) in all other cases with the sanction of the authority by whom the pension was sanctioned:
Provided that if in any case a pension remains undrawn for 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.—If the suspension of payment is attributed to error or neglect by any Government officer, the Accountant-General may direct payment of the arrears on his own authority.

[Government of India's correction No. 640 to Treasury Rule 369 (1) of the Central Treasury Rules, Vol. I]

(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.

Note 1.—Gratuity payment order remaining undisbursed for over one year, shall be re-validated by the Accountant-General, Madhya Pradesh, without any formal reference to the authority by which such gratuity was sanctioned.

Note 2.—The procedure applicable to service gratuity shall be applicable to the death-cum-retirement gratuity.

DEATH OF PENSIONERS

388. (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 heirs, provided that they apply within one year of his death. They cannot be paid thereafter without the sanction of the authority by whom the pension was sanctioned to be obtained through the Accountant-General:
Provided that if the arrears do not exceed Rs. 500 and the case presents no peculiar features, the Accountant-General may pass the arrears on his own authority.
(c) Subject as provided in the preceding clauses, pension claimed on behalf of a deceased pensioner may be paid without the production of the usual legal authority—

(i) to the extent of Rs. 2,500 under the orders of the Collector after such enquiry into the rights and title of the claimant as may be deemed sufficient—

Note.—The limit of Rs. 2,500 refers to the net and not to the gross amount.

(ii) for the excess over Rs. 2,500 under the orders of the State Government on execution of an indemnity bond, with such sureties as they may require if they are satisfied of the right and title of the claimant and consider that undue delay and hardship would be caused by insisting on the production of letters of administration.

Note 1.—The form of indemnity bond mentioned in this clause, prescribed for use in this State has been standardized and printed as Form M.P.T.C. 18. The sureties accepted for joining in such bond should be of proved financial ability to meet the obligations undertaken. The bond is exempted from stamp duty.

Note 2.—The powers of the State Government under this clause will be exercised by respective Departments of Government.

In the case of doubt, payment should be made only to the person producing legal authority.

(iii) A pensioner may make nomination of one or more than one of the members of his family, during his life time, for payment of the life time arrears of pension to such nominee(s) on the following form, which will be submitted by him, in person, to the pension disbursing officer, who will make a note of it on both halves of P.P.O. under his signature, and disburse the life time arrears of pension, on death of the pensioner, to such nominee after proper identification without production of legal authority.

Form of Nomination for Life Time arrears of Pension:

“I hereby nominate the person/persons mentioned below who is/are member(s) of my family, and confer on him/them the right to receive, to the extent specified below, any arrears of pension that remains unpaid in the event of my death.”

<table>
<thead>
<tr>
<th>Name and addresses of nominee(s)</th>
<th>Relationship with the pensioner</th>
<th>Age</th>
<th>Amount of share of arrears of pension payable to each.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2.</td>
<td>3.</td>
<td>4.</td>
</tr>
</tbody>
</table>
WIDRAWAL OF MONEYS

Dated this..................day of...................198 , at

Signature of the Pensioner

Witnesses to Signature

1. ........................................

2. ........................................

Presented on......................... at ......................

Signature of Pension Disbursing Officer

Date.........................

Designation.........................

Note.—The pensioner shall draw lines across the blank space below the last entry to prevent the insertion of any name after he has signed.

(2) Any person claiming as the heir of a deceased pensioner should be required to produce the Pensioner’s half of the Pension Payment Order, or if no Pension Payment Order has been issued, the copy of the order in which sanction to the pension was communicated to the pensioner or his heir.

(3) After payment of arrears of pension, both portions of the Pension Payment Order shall be returned to the Accountant-General with a report of the date of death of pensioner, except in the case of pensioners governed by the Family Pension Scheme for State Government Employees, 1966, in which case the pensioner’s portion of the Pension Payment Order will be returned to the widow/widower.

REPORTS TO THE ACCOUNTANT-GENERAL

389. Every pension disbursing officer shall submit to the Account-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 pension 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 file of Pension Payment Orders every month.

390. Deleted.
WITHDRAWAL OF MONEYS

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SUB-SECTION VII.—MILITARY PENSIONS

391. Without prejudice to the generality of provisions made in this chapter, and subject to such general or special orders as the Government may issue in this behalf, the procedure to be observed by disbursing officers in making payments to Military pensioners may be prescribed by departmental regulations.

Note.—Detailed instructions for the payment of Military pensions are contained in the book, entitled “Pension Payment Instructions” issued by the Controller of Defence Accounts (Pensions), Allahabad.

392. Special care shall be taken in identifying Military pensioners claiming single payments. The mere production of a letter purporting to have been issued by a Defence Accounts Officer, shall not be considered sufficient for this purpose. Such payments to European pensioners will, as a rule, be made by the Defence Department itself.

ANNEXURE
(See Subsidiary Rule 381)

Special Rules for Political Pensions

PLACE AT WHICH PAID

1. Payments of a political pension exceeding Rs. 100 a month may not be transferred from one treasury to another without the sanction of the State Government.

2. Payments of the following kinds of pensions may not be transferred from the treasury of the district to which the pensions properly appertain:—

(a) Pensions granted in compensation for abolition of a right to collect dues or revenue.

(b) Pensions granted on condition of duties to be performed or service rendered within the district (e.g., temple grants).

TIMES AT WHICH PAID

3. The following are the times fixed for the payment of pensions:—

Annual pensions ... ... The month of December.
Half yearly pensions ... ... The months of June and December.
Quarterly pensions ... ... The months of March, June, September and December.

Payments should be made in each case of the amount of pensions due on account of all months preceding that above-named, provided that any amount payable in any of the above-named months may be paid in any subsequent month, if sufficient reason is given for non-appearance at the proper time.

4. The intervals of payment of a pension may be shortened (i.e., an annual pension may not be made payable half-yearly, etc.) except with the sanction of the State Government given after regular application under section 5 of the Pensions Act (XXIII of 1871).
5. When a single pension is payable to more than one person either jointly or in fixed shares, any of such shareholders may, by a written application, request the Collector to make payment of his share to any other shareholder, and may withdraw such request. The Collector, if he accepts such application, shall make a note of it in his register of Pension Payment Orders and shall make payment accordingly:

Provided that if the pension is dependent as to amount or any other condition upon the existence of the absentee so applying, the absentee must renew his application every year, giving the necessary evidence of his existence.

6. Except as provided in the preceding rule, a pension can be paid only if all the shareholders are present in person or by duly authorized agents. It may not be paid in instalments at different times.

7. A share in a joint pension may not be separated, except with the sanction of the State Government, after regular application under section 5 of the Pensions Act (XXIII of 1871).

8. When a political pensioner is a minor or is for any other reason incapable of managing his own affairs, and has no regularly appointed manager or guardian, the Collector may, on application by the pensioner or by any friend of the pensioner, declare any suitable person to be his guardian for the purpose of receiving on his behalf the pension due to him, and payments of pension shall be made to such guardian in the same way as to the original holder. Such appointment may be revoked or altered at the discretion of the Collector.

9. The State Government may, if any pensioner is of such rank or social position that the fact of his or her existence must be a matter of public notoriety, exempt the pensioner from the rules prescribing presentation of a life certificate and direct that the treasury shall receive as evidence of the pensioner's existence the countersignature, upon the pensioner's receipt, of the Collector or senior Assistant Collector of the district in which the pensioner ordinarily resides.

In the cases in which political pensioners are exempted from personal attendance, the disbursing officer, if he entertains any doubt which he 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.

10. When a pension is payable, not to a particular person by name but to the holder of a specified office (e.g., the manager of a temple), the Collector may declare, for the purpose of payment of the pension, who is the holder of the specified office, and may, if in cases of dispute, he considers it necessary, withhold payment until the dispute is duly determined.

11. Every Collector shall maintain a register of political pensions payable by himself showing—

(1) origin and nature of pension, and on what ground given;
WITHDRAWAL OF MONEYS

(2) the amount and period of payment;
(3) the orders of Government sanctioning its payment;
(4) the names and residences of the holders with specification of shares, if such exist in the Government order;
(5) reference to the Register of Pension Payment Orders;
(6) whether for life only; or it is heritable, the manner and extent to which it will descend, with quotation of orders affecting it;
(7) any conditions as to application of the money or as to rendering service or abstaining from collecting dues, attached to the grant of the pension;
(8) any other matters worthy of note in connection with the pension.

12. Sufficient space should be set apart in the register for each pension. Entries are to be made from time to time under the signature of the Collector.

13. Correspondence, applications, orders and cases affecting each pension in the register, shall, so far as convenient, be kept in separate compilations, so that the history and circumstances of each pension may be readily ascertainable.

14. When a pension is transferred from one district to another the Collector from whose district it is transferred shall send copy of the register entry, together with all correspondence, etc., affecting the pension, to the Collector to whose district it is transferred.

REGARDING CLAIMS RELATING TO PENSIONS

15. When a claim is made under section 5 of the Act relating to any pension or grant, the Collector, if after such examination and enquiry as he thinks proper, considers that the claim should be heard and adjudicated, shall fix a day for the hearing of it and shall give notice thereof to all actual holders of the pension.

16. At the time appointed (or at any other time to which the enquiry may be adjourned), the Collector shall proceed to hear the claim and may call for and examine such witnesses and documents as he may deem necessary.

17. If the Collector considers that the claim should be admitted or partly admitted, he shall draw up a report setting forth—

(1) the origin and nature of the pension;
(2) the amount and period of payment;
(3) the Government order sanctioning it;
(4) conditions of inheritance or otherwise attaching to it;
(5) nature of the present claim;
(6) manner in which Government are affected by it;
(7) persons to whom notice has been issued under rule, distinguishing those who have been present at the enquiry;
(8) opinion on the claim;
(9) recommendation on the case.

The case shall then be sent through the Accountant-General for the orders of the State Government.
18. If at any time during the enquiry the Collector is of opinion that the matter in dispute is one in the decision of which the Government, so far as the pension or grant is concerned, has no interest, actual or contingent, he may give the claimants a certificate, under section 6 of the Act, that the claims may be tried in a civil court.

19. Thereafter, on receiving the copy of the decision and decree of the civil court, certified under its hand, the Collector shall report the case as prescribed in rule 17.

GENERAL

20. The Collector shall report to the Accountant-General the death of any person to whom any pension or grant is payable by him, and if in consequence of the death any steps are necessary to be taken with reference to the terms and conditions of the pension or grant, he shall submit the case for orders as prescribed in rule 17.

21. In every communication sent to the Accountant-General on behalf of a pensioner which requires action in his office, the number of Pension Payment Order invariably be quoted, for tracing the name of the pensioner in the register maintained in the Accountant-General's office.

22. If a Collector be of opinion that the terms and conditions of a pension or grant are not being carried out by the holder or holders, he shall call upon the holder or holders to give such explanation as he may require, and may, if he thinks proper, withhold payment and report the case for orders under rule 17.

23. If a political pension is undrawn for more than six years the Collector shall return the payment order to the Accountant-General. The order may afterwards be reclaimed on reappearance of the pensioner, but payment of arrears may not be made without sanction of the State Government—

This rule is applicable to the case of non-appearance owing to the death as well as that of non-appearance due to other causes.

24. Collectors in all proceedings under these rules are subject to the same control under which they ordinarily act in revenue and treasury matters.

Subsidiary Rule 381 (3)

Descriptive Roll of ........................ son/ ........................ widow ........................ of ........................
whose pension has been sanctioned in the letter No. ........................
dated ........................ from ........................

<table>
<thead>
<tr>
<th>Original No of the Accountant-General's Pension Payment Order (1)</th>
<th>Name of the present Pensioner (2)</th>
<th>Personal marks (3)</th>
<th>Height Feet Inches (4)</th>
<th>Date of birth Year Month Day (6)</th>
</tr>
</thead>
</table>
Section VII.—Payments for Purchase of Stores

INTRODUCTORY

Note.—In this section the term “Stores” is used to indicate all articles and materials required for the public service and coming into a Government servant’s possession for various purposes, and includes stationery, furniture, machinery, tools and plants, etc.

393. Subject to such general or special rules or subsidiary instructions as may be issued by the Government for the guidance of Government servants 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 section; except in so far as they are supplemented or varied by special departmental regulations.

Local purchases of petty articles or consumable stores of office contingent grants are not subject to the rules in this section.

PURCHASES IN INDIA—PURCHASES THROUGH THE INDIAN STORES DEPARTMENT

394. (1) Without prejudice to the generality of the provisions contained in this Chapter with regard to withdrawal of moneys from the Consolidated Fund and the Public Account of the State for disbursement on Government account, the procedure relating to payments for stores purchased through the Indian Stores Department may be regulated by special orders issued by the Government in this behalf.

(2) Subject to the provisions of clause (1) above, payments will in the first instance be made by the Deputy Accountant-General, Industries and Supplies, by means of cheques drawn on any treasury or the Bank and subsequently adjusted to the debit of the State accounts:
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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.

Note.—Bills will be prepared by the supplier and submitted in triplicate. In the case of bills paid by the Deputy Accountant-General, Industries and Supplies, unless there are special instructions to the contrary, the consignee should retain the triplicate copy of the bill for record in his office. The particulars and the amounts of such bills should be noted in the memorandum of expenditure in his contingent bill, which need not be supported by a copy of the bill as is required in the case of other work bills mentioned in Subsidiary Rule 332.

OTHER PURCHASES IN INDIA

395. Subject as hereinafter provided, the provisions of section V shall apply generally to payments for stores purchased in India otherwise than through the Director-General, Industries and Supplies, New Delhi.

396. 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.

397. 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. A reference to the page number of the stock register in which such supplies or stores have been entered, should be given by the drawing officers on the bills of the suppliers, invoices, etc. It should also be certified 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 payment 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. In addition to the above certificates a further certificate that “the rules relating to the purchase of stores prescribed in Appendix 5 of the Madhya Pradesh Financial Rules (Revised) have been strictly observed” should be furnished by the drawing officers in support of every charge on account of purchase of stores.

398. The provisions of Subsidiary Rule 332 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 and the Government servant receiving the supply should comply with them before the invoice is countersigned:
"It is essential for purposes 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 account (Major, Minor, Sub-head and Detailed Head).

(2) Month and year to which the 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.

399. Payment for all purchases ordered through India 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.

400. (1) Payments for articles obtained by placing direct orders on private firms or individuals in the 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 firm’s 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 appropriations in the Indian portion of the budget.

(3) In the case of stores ordered direct from firms 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 described in sub-rule (3) above the payment will be passed on by him to his Accounts Officer in India for further necessary action.

401. Payments for direct purchase made in a foreign country other than the United Kingdom and America may be made direct to the suppliers by the purchasing Government servants, the cash required for such payments being drawn under the rules in section V of this Chapter.

Payments in foreign countries are ordinarily made by Bank drafts which the Accountant-General will obtain from the State Bank of India at Gwalior/Bhopal on the requisition of the Government servant concerned. The cost of such draft is debited to the contingent grant of the Government servant at whose request they are obtained. The rates of exchange charged by the Bank on such occasions are accepted as final.

Note 1.—Requisitions to the Accountant-General for Bank drafts should be accompanied by a detailed bill or by the duplicate copy of the invoice for the goods purchased.

Note 2.—Bank drafts will be sent direct by the Bank to the Government servants requisitioning for them through the Accountant-General. The Bank will advise the requisitioning Government servant direct of the rupee equivalent of the sterling drafts purchased by them. A copy of the requisition for Bank draft sent by the Accountant-General to the Bank will be furnished to the Government servants concerned who should address the Bank direct in case of non-receipt of Bank drafts within a reasonable time.

Section VIII—Works Expenditure

GENERAL

402. The rules in this section 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.
403. (1) Expenditure on petty construction and repairs executed by civil officers, when it does not exceed Rs. 2,500 in amount, is treated as contingent expenditure of the department incurring it, and is subject to the rules in section V of this Chapter. When the amount exceeds that sum and the work is still executed by civil officers, the expenditure is treated as “Works” expenditure of the department vested with the administrative control of the expenditure and shall be classified under the minor head “Works” subordinate to the relevant departmental major head.

(2) In the case of buildings in charge of the Public Works Department, all works of construction and repairs should ordinarily be undertaken by the Public Works Department and the expenditure met from its budget grant. When by mutual agreement or under orders of Government the execution of public works costing more than Rs. 2,500 is undertaken by another department on behalf of the Public Works Department, the expenditure on such works is debitible to the Public Works Department. In such cases the officer of the civil department executing the works is treated as a Public Works Disburser and is placed in funds through the nearest Executive Engineer, so that he may have early assistance in regard to the procedure technical to that department.

Note 1.—This rule does not apply to the Forest Department.

Note 2.—The limit of Rs. 2,500 applies to each individual estimate whether it relates to one building or group of buildings.

Note 3.—Civil officers should not incur any expenditure out of the funds placed at their disposal for “petty construction and repairs”, on buildings borne on the books of the Public Works Department, either residential or non-residential except on account of petty repairs of fixtures and the replacement of broken glass in doors and windows in non-residential buildings required in the intervals between periodical repair done by the Public Works Department.

Note 4.—Expenditure on Civil Works shall be classified in accounts in accordance with the following principles:—

Outlay on buildings and other works shall be treated as expenditure of the Public Works Department if the administrative control of the works is vested in officers of the Public Works Department and as expenditure of the civil department concerned if the administrative control of the works is transferred by a general or special order of Government from the Public Works Department to the department using or requiring them. The term “administrative control” when applied to Civil Works implies inter alia the assumption of full responsibility for construction, upkeep and maintenance of buildings and other works and the provision of funds for the execution of these functions. This responsibility is not diminished if the execution of the work is entrusted to a different agency. Thus works, the administration of which is not transferred from the Public Works Department may be mutual arrangement be executed by any other civil department, but the charges in connection with them shall nevertheless be classified as Public Works expenditure. On
the other hand, a civil department, to which the administration of a building has been transferred may invoke the aid of the Public Works Department for technical advice or execution but the charges relating thereto shall be debited to the department concerned. The function of the civil department in the former case and that of the Public Works Department in the latter is merely that of the contractor, and the administration and the control of the expenditure rests with the Public Works Department in the former case and with the administrative department concerned in the latter. The agency by which the work is executed shall not thus be the deciding factor in determining the question of classification.

MODE OF OBTAINING CASH

404. Save where under the provisions of these rules a disbursing officer is authorized to obtain funds by drawing cheques on the treasury or the Bank or on presentation of a simple receipt, cash required for works expenditure may be drawn on contingent bills on accordance with the procedure prescribed in section V of this Chapter.

405. When contingent bills are drawn for works expenditure, details showing the name of the work, the number and date of the order sanctioning the work and the amount of the sanctioned estimate shall invariably be entered in the bill. A full description of each item of the expenditure, together with details, where necessary, showing the rates and quantities shall be given, and sub-vouchers, together with the actual payees' receipt, shall be furnished under the rules in section V of this Chapter. When it is not possible to give details of the expenditure at the time of drawing the bill, they must be given subsequently in a bill in Form M.P.T.C. 36 headed "not payable at the Treasury", to which the necessary sub-vouchers shall be attached. The transmission to the Accountant-General of the detailed bill and sub-vouchers shall never be delayed for more than a month.

Note.—Payments for labour should be supported by the certificate prescribed in Subsidiary Rule 287.

PAYMENTS BY CHEQUES

406. (1) In cases in which a disbursing officer is authorized to draw cheques on the treasury or the Bank, all payments in respect of works expenditure shall be made by cheques, as far as possible. In drawing such cheques, the disbursing officers shall be guided by the general rules laid down in section I of this Chapter.

(2) Subject as provided in Subsidiary Rule 145 petty sums under ten rupees shall not be paid by cheques and for the disbursement of these and other claims which have to be paid in cash, e.g., wages of labourers and of the establishments charged directly to works, etc., the disbursing officer may draw money from time to time from the treasury or the Bank by cheques to replenish his cash chest.
WITHDRAWAL OF MONEYS

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Save as provided above, no cheque shall be drawn until it is intended to be paid away, and cheques drawn in favour of contractors and others shall be made over to them by the disbursing officer direct, though occasional delivery of a cheque through a subordinate may be permitted at the discretion and responsibility of the disburser.

Note 1.—It is not permissible to draw cheques and deposit them in the departmental cash chests at the end of the year for the purpose of showing the full amount of the grant as utilised. (See Subsidiary Rule 284).

Note 2.—Payments due to contractors may be made to their banks direct in accordance with the provisions of the Note below Subsidiary Rule 171(e).

PAYMENTS TO LABOURERS

407. As a general rule, and subject to such exceptions as may be authorized 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 unauthorized 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 have been prescribed by the Public Works Department. It is the initial record of the labour employed each day on a work and must be written up daily by the subordinate deputed for the purpose.

408. The payment made on muster rolls must be made or witnessed by the Government servant 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.

409. If any items remain unpaid, the details thereof 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 item 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 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 payment.
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PAYMENTS TO WORK-CHARGED ESTABLISHMENT

410. Wages of members of the work-charged establishment should be drawn and paid on Form M.P.T.C. 43: "Pay Bill of Work-charged Establishment", which is a combined pay bill and acquittance roll form.

411. The names and claims of the entire work-charged establishment concerned, including absentees, must be shown in details 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.

412. 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 as to guard against second payment.

PAYMENT TO SUPPLIERS AND CONTRACTORS

413. Unless in any case the Government after consultation with the Accountant-General direct 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 authorized form of bills and vouchers and no payment other than an advance payment may be authorized 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 authorized by departmental regulations.

PAYMENT FOR WORKS DONE THROUGH LOCAL BODIES

414. 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 a 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 servant that the work has been done in accordance with the conditions agreed upon.

ADVANCE TO CONTRACTORS

415. As a general rule, and subject to such exceptions as may be authorized by the Government, no payment can be made to a contractor, except for work actually done or supplies actually received. Subject to such general or special orders as may be issued by the Government in this behalf, advances, if any, made to contractors during the execution of a work shall invariably be recovered from their bills for the value of work done or supplies made before final payment is made, which must in no case be permitted without detailed measurement.

BILLS AND VOUCHERS

416. Without prejudice to the generality of the rules in this section, 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.

Section IX.—Miscellaneous Payments

REFUNDS OF REVENUE

417. Refunds of revenue can be drawn only on the demands and on the receipt of the person entitled to receive them after production of proper authority. In cases where moneys on account of revenues due to Government were receive and credited to Govt. account by 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 amount on its receipt and make payments to the refundees concerned. However, on no account these may be drawn to be lodged in a deposit account pending demand.

Refunds of the value of currency notes credited to Government in accordance with the provisions of Rule 18 of the Reserve Bank of India (Note Refund) Rules, 1935, shall be made by the Currency Officer by debit to Government account and simultaneously the particulars of the original credit together with the receipt of the actual payee, shall be sent by him to the Accountant-General concerned.

417-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 Govt. account by them, should, at the request of refundees, make payment of such claims as are up to Rs. 50/- from out of permanent advances or imprests which they may be permitted to hold under the orders of the competent authority, subject to recoupment on presentation of refund bills.
418. 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.

419. (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.P.T.C.44. 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.

(II) Where under the provisions of S.R. 417 or 417-A, a departmental officer is required to draw the amount for refund of revenue, he will prepare a bill in form M.P.T.C. 44 duly supported by the original chalan with which the money was credited to Govt. 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 chalan 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 chalan by him and present it at the treasury after acknowledging the receipt thereof in the space provided for claimants signature and after scoring out the words “claimants 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.

Note 1.—Refunds of passport fees realized in postage stamps should be drawn in Form M.P.T.C 44. As these fees are not credited into the treasury as such, it is not possible for the Treasury Officer to fill in columns 4, 5 and 6 of that Form. A certificate in the Form given below should, therefore, be recorded on the Form by the officer authorizing the refund on the authority of which the Treasury Officer will make the payment.

"Certified that the passport fee against which this refund is authorized was actually realized in postage stamps on—_______ and included/will be included in the__________ statement for the period——— submitted/to be submitted with ———endorsement No.——— dated ——— on to the Accountant-General."

Note 2.—In the case of forest revenue, the D.F.Os. are authorised to make payment of refund of revenue by cheques in respect of all sums paid into the treasury by a departmental officer or on his account after due verification from C.T.Rs. sent to them by the Treasury Officers as well as from their cash books without referring the refund bill to the Treasury Officer.

(2) Bills for refunds of sums credited or items deposited in one treasury should not be made payable at any other treasury.
Note.—Refund of fines may be made in the district where fine was inflicted though credited in another district after the presiding officer of the Court has certified on the refund voucher to the effect that the intimation of the refund has been sent to the Treasury Officer concerned to record the fact against the credit entry in the treasury accounts.

(3) The sanction necessary for refunds of revenue is regulated by the orders of Government. The sanction may either be given on the voucher itself or quoted in it, a certified copy being attached when such orders are not separately communicated to the audit office.

Exceptions.—Refund of Irrigation Revenue credited into the treasury is sanctioned by the Executive Engineer on a refund statement and paid departmentally, vide Executive Instruction 9 under section 47 of the Madhya Pradesh Irrigation Act, 1931 (III of 1931).

420. If the amount of an examination fee, or any part of it, is to be refunded, a certificate will be endorsed upon the original receipt by the Secretary, 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.

Note.—When a refund has to be made of a part of a lump sum remitted into the treasury on behalf of several candidates in a school, for which a single collective receipt has been issued, the procedure, laid down in Subsidiary Rule 419 (1) should be followed.

421. 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 authorized 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 Subsidiary Rule 182 (1).

(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 acknowledgment as a valid receipt for the full amount of the refund entered therein.

Note 1.—Rules regarding refund of sales tax paid in excess by dealers are contained in part VIII of M.P. Sales Tax Rules, 1947.

Note 2.—Provisions regarding refund of Electoral Deposits are contained in section 158 of the Representation of the People Act, 1951 (XLIII of 1951).

421-A. 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 got revalidated by the sanctioning authority.

REFUND OF FINES

422. (1) When an order for the refund of a fine has been passed on appeal or revision, the court of first instance will, immediately on receipt of the order, cause a notice to be issued to the payee informing him that a refund voucher will be delivered to him on his presenting himself and orally applying for it, and that, when the amount involved does not exceed Rs. 100, if he fails to appear within one month, the amount of the refund will be remitted to him by postal money order at his expense. On the payee's appearance, the necessary voucher, Form M.P.T.C. 44, containing on its back a certified copy of the order for refund shall be prepared without any delay and handed over to the payee. If the payee does not appear within one month, and the amount involved does not exceed Rs. 100, a refund voucher shall be prepared in accordance with the above directions and sent to the Treasury Officer with the intimation that the payee has not appeared though one month has expired from the date of the issue of the notice given to him under the preceding rule. The Treasury Officer will then send a money order as indicated above.

Note.—The procedure in regard to repayment of compensation fine deposited is identical with that prescribed in the above rule, with the exception that the form to be used is that of the repayment voucher with the form of payee's receipt for the voucher attached to it.

(2) No written application for refund is to be required, but if the payee presents one, it need not bear any court-fee stamp.

(3) As a precaution against fraudulent and erroneous refunds of fines, judicial officers should be very careful in passing formal vouchers for payment and in recording the prescribed certificate. Such vouchers become valuable securities the moment they are signed, and after being signed it is practically impossible to challenge them on the ground of absence of authority.
(4) Courts in this State are competent to make refunds out of moneys received by them either as fines realized or as permanent advance. The voucher receipted and paid is sent by the court to the treasury, and payment should be made thereof to the court, to enable it to recoup the amount of the fine or permanent advance as the case may be.

(5) If a chalan of money received is sent by the court at the same time with the voucher, the net receipt will be taken or the net payment made, but both receipt and payment must be entered gross in the treasury cash book or registers.

(6) Rewards paid out of fines realized by judicial officers and credited to “Administration of Justice—Magisterial fines” should not be treated as refunds of criminal fines and charged to “Law and Justice”. Such rewards are drawn on a separate voucher classified as debitable to the department of the officer on whose prosecution the fine was imposed.

STAMP REFUNDS

(7) Refunds of stamps by courts can be made in the same way as refunds of fines. Refunds by district officers are usually regulated by departmental rules.

REFUNDS OR RENEWALS OF THE VALUE OF SPOILED OR MISUSED STAMPS

(8) Allowances for refunds or renewals of spoiled or misused stamps should not be made until the certificate of destruction has been received from the Collector of the district. Across the certificate will be endorsed, in red ink, the words; "Pay Rs...................." (the net amount to be refunded or "Issue non-judicial court-fee stamps of value of....................value of stamps destroyed). This direction will be addressed to the Treasury Officer and will be signed by the Collector of the district and the certificate will thus form a voucher in support of the debit in the list of payments in case of refunds or in the treasury plus and minus memorandum in case of renewals.

(9) The rules prescribed by Government for the refund of the value of spoiled or unused impressed court-fee stamps and of court-fee labels are contained in the Stamp Manual.

REFUNDS OF STAMPS BY ORDER OF A COURT

(10) Refund of stamp duty (i.e., the value of cancelled stamps) is under certain circumstances authorized by the Court-fee Act, VII of 1870. Such refunds under sections 13, 14 and 15 of the Act, are made upon presentation at the treasury of certificates granted by the courts. The Treasury Officer should refund the sum entered in the certificate, taking the receipt of the payee thereon.

REFUNDS OF FEES REALIZED IN EXCESS FOR WATCHING IMMOVABLE PROPERTY

(11) When watchmen are required for watching immovable property, such as standing crops and the like, the cost is realized in court-fee stamps from the attaching creditor under process fees rules. If any sum thus paid in court-fee
stamps is subsequently not required, it should be refunded in cash on a refund voucher debitable to Stamp Refunds.

REFUNDS OF THE VALUE OF IMPRESSED COURT-FEE STAMPS

(12) Refunds of the value of impressed court-fee stamps can be granted in cases in which the plaint for filing a suit has been written on the stamps, but has not been presented to the court, the necessity for doing so having ceased to exist. See rules and executive orders in the Stamp Manual.

REFUNDS OF REGISTRATION FEES

(13) These may be made by order of the officer who received them.

REFUNDS OF THE VALUE OF DEFICIENCY IN THE CASE OF EXCISE MALWA OPIUM

(14) Refunds made on this account to licensed vendors may be paid at the treasury on the form of bill prescribed for revenue refunds, Form M.P.T.C. 44, in which an additional column should be opened after column 7 to show the quantity of wastage. The refund should be made on the sanction of the Collector in each case and charged in the treasury register of refunds.

REFUNDS OF LAPPED DEPOSITS

(15) These are made by order of the Accountant-General on Form M.P. T.C. 45 (See S. R. 564).

REFUND OF EXCESS RECOVERIES OF ADVANCES TO GOVERNMENT SERVANTS

16. In respect of the following classes of advances granted to Government servants, refund of any excess recovery effected from them shall be made only after obtaining an authorisation from the Accountant-General—

1. Objection Book advances—Advances of pay on transfer, Advances of Travelling allowance on transfer.

2. Advances for purchase of Motor cars and other conveyances.

3. House Building Advances.

In other classes of advances where the Departmental Officer maintains individual-wise accounts the drawing officer can claim refund on the Treasury without the Accountant General's authorisation attaching to the bill a certificate of verification signed by the Departmental Officer concerned.

MISCELLANEOUS REFUNDS

17. Save as otherwise provided in these rules, refunds of sums credited through misapprehension or by mistake may be made only after sanction by the Accountant-General. The form of application prescribed for refund of revenue may be used, the application being addressed to the Accountant-General.
423. The term grants-in-aid, contributions, etc., includes such classes of expenditure as grants to local bodies, religious, charitable or educational institutions, stipends, scholarships, contributions to public exhibitions and fairs, expenditure from the discretionary grants placed at the disposal of the Governor and the Ministers, and compensations to Government servants for accidental losses, etc.

424. Grants-in-aid, contributions etc., sanctioned by the Government shall be paid at the treasury on the basis of the Government sanction, a copy of which should be attached to the bill concerned. Similarly when such expenditure is sanctioned by subordinate authorities under the powers delegated to them, the treasury officer shall make the disbursement on the basis of that authority's sanction a copy of which should be attached to the bill concerned.

425. The following bills may be disbursed by the treasury officer on the authority of the countersignature of the officer mentioned against each:

1. Educational scholarships and stipends sanctioned by the State Government
2. Grants-in-aid to educational institutions.
3. All Grant-in-aid and Loan bills relating to Co-operative Societies.
4. Grants to local and private bodies and individuals when countersigned by heads of departments.
5. Grant-in-aid to the N.C.C. Units, provided the bills are countersigned by the Director National Cadet Corps, Madhya Pradesh and the order sanctioning the payments are enclosed in each case.

426. Save as hereinafter provided, bills for grants-in-aid, contributions, etc., shall be presented in Form M.P.T.C. 46 unless some alternative form is authorized by departmental regulations. The orders sanctioning the payment must be quoted in each case. Unless in any case the sanctioning authority direct otherwise, the bills shall be prepared and vouched for by the grantees, and no such bill shall be paid by the Treasury Office unless it bears the signature or countersignature of the sanctioning authority or such other Government official as may be nominated by it in this behalf.

Note.—Save where otherwise specifically provided and subject to any general or special orders of Government, a Bill for grant-in-aid, contribution, etc, payable to Local Body, Religious, Charitable or Educational Institution under Private Management or a private person, if it exceeds 1,000 shall be presented to the treasury through a Banker. However, where there is no banking facility such bill need not be presented through a Banker.
427. In the Public Works Department, grants-in-aid may be included in the same bills as contingent charges, but the abstract of the bill should show the total amounts for each class separately.

428. Bills for educational scholarships, stipends, etc., shall be presented in Form M.P.T.C. 47 or in such other form as may be prescribed in the departmental regulations of the Department concerned. In the case of payments to institutions under private management, such bills shall be prepared and vouched for by the authorities of the institutions concerned and countersigned by such Government official as may be nominated in this behalf by Government. The orders sanctioning the payments 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 1.** The provisions of the first sub-paragraph of this rule are not applicable to the various Scholarship Schemes of the Government of India, Ministry of Education and the Ministry of Scientific Research and Cultural Affairs. The amount of scholarship in respect of students awarded scholarships under these schemes is drawn in advance annually, half-yearly or quarterly as the case may be, by presentation of bills at the New Delhi Treasury and the Government Drafts obtained in favour of the Heads of the Institutions are sent to them for making payment to the students concerned.

**Note 2.**—Save where otherwise specifically provided and subject to any general or special orders of Government, a bill for educational scholarship, stipend etc. payable to a Local Body, Religious, Charitable or Educational Institution under Private Management or a private person, if it exceeds Rs. 1,000, shall be presented to the treasury through a banker. However, where there is no banking facility, such bills need not be presented through a Banker.

**Note 3.**—Bills of scholarships payable to students of Scheduled Castes, Scheduled Tribes and Other Backward classes by Director, Tribal Welfare, M.P., shall be drawn only at Bhopal Treasury on ad-hoc basis on Form M.P.T.C. 76. No other Treasury in M.P. will pay such bills.

429. Compensations to Government servants for accidental losses, etc., due to effects of floods, cyclone, earthquake or otherwise may be drawn in ordinary pay bill form: and subject as provided in Rule 424, bills so drawn may be paid at the treasury on the authority of the sanction noted in the bills.

**INTEREST ON GOVERNMENT DEBT**

430. 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.
431. The procedure to be observed for the payment of compensation for land taken up for public purposes shall be regulated by the special orders reproduced in Appendix 12.

432. The Government may authorize any land acquisition officer to make all or any of his payments by cheques on the treasury, provided no inconvenience is caused to the payees in consequence of the property being situated at a distance from the treasury.

433. When a special officer is employed for the acquisition of land for any department, the expenditure on account of pay, allowances and leave and pensionary contributions for himself and his establishment, contingencies, etc., is chargeable to that department as part of the cost of land. When the land is taken up by a civil officer not specially employed for the work, the pay and allowances of the officer and the charges of his ordinary establishment and contingencies are finally brought to account in the civil department as part of the cost of the collector's establishment but any special charges incurred in connection with the acquisition of the land in question on establishment, contingencies, etc., are borne by the department for which the land is acquired.

434. The capitalized value of the abatement of land revenue is adjusted by raising a debit for the amount as a distinct entry in the body of the cash book and list of payments, and crediting it per contra to the head "Land Revenue". If the Collector is uncertain about the amount, he should refer the question to the Commissioner of Settlements for decision. This rule however, does not apply to land acquired for Railways the value in such cases is treated as an indirect charge in the Railways account.

DISCOUNT ON STAMPS

435. (a) Discount upon stamps is allowed to certain classes of vendors under rule 34 of the Madhya Pradesh Stamp Rules 1942, or rule 12 of the Rules regulating the sale of stamps under the Court Fees Act, 1870, and is given by deduction from the purchase money. The discount is passed on a certificate from the Treasury Officer that the discount has been actually allowed to the parties to whom it was due, according to sanctioned rules.

(b) The receipts of the vendors for discount paid to them should be taken in the last column of the register of stamp sales, etc., in Form M.P.T.C. 48. and in the case of discount paid at sub-treasuries, the receipts should be taken on the sub-treasury schedule of stamps sold. When the vendor is unable to attend personally at the treasury, the discount due on the purchase may be paid to the stamp vendor's agent or servant on production of a receipt signed by the stamp vendor for the amount of commission due. This receipt should ordinarily be endorsed on the chalan sent by the stamp vendor who should be provided with a supply of chalans for the purpose. Receipts for all sums exceeding Rs. 20 whether taken in the register or separately, should be duly stamped.
(c) The schedule of stamps sold and discount paid forwarded to the Accountant-General with the treasury cash account should be prepared in Form M.P.T.C. 49, and should show only the monthly totals of the several columns of the above register.

(d) Before signing the certificate printed at foot of the schedule to accompany the cash accounts, the Treasury Officer should satisfy himself that the discount has been paid in accordance with prescribed rates and that the receipts of the vendors have been taken in the manner indicated in sub-paragraph (b) above.

Note.—Definition of "discount" and "commission"—"Discount" represents allowance made to those licensed vendors who, by payment of ready money purchase stamps for sale to the public, while "commission" represents the allowance to those licensed vendors who act as agents of the Government, selling stamps without making any outlay of their own money.

PAYMENTS TO THE RESERVE BANK

436. Bills for sums payable to the Reserve Bank e.g., bills in connection with floatation of new loans, management of Public Debt, etc., shall be countersigned by an officer of the Finance Department before they are paid.

Note.—The Bank is authorized to debit to Government account in advance of the submission of consolidated bills for expenses incurred in connection with the floatation of a Government loan, payments which it may make to bankers, 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

437. The procedure to be observed by commissions and committees of the Government in drawing moneys for their expenditure shall be governed by the orders issued in each case.

COMMISSION TO PATELS IN CENTRAL PROVINCES AND MERGED TERRITORIES FOR REVENUE COLLECTIONS

438. (a) The rules regarding the calculation and payment of commission to Patels for collection of land revenue have been issued in the Revenue Department's Memorandum No. 1343-6380-VII/N. I, dated the 30th January, 1960, and No. 4350-1422/VII/N-II, dated the 9th August, 1963. The collection of land revenue and payment of Commission to Patels should be recorded separately in the treasury accounts and register. The commission to Patels for collection of land revenue should be paid in accordance with the following slab system on the amount of collections of land revenue and miscellaneous revenue:

6 np. per rupee of first Rs. 1,500/- of land revenue collected.

4 np. per rupee of second Rs. 1,500/- of land revenue collected.
WITHDRAWAL OF MONEYS

PART II—CHAP. IV

3 np. per rupee of third Rs. 1,500/- of land revenue collected.

2 np. per rupee of fourth Rs. 1,500/- of land revenue collected.

1 np. per rupee in respect of land revenue in excess of Rs. 6,000/- collected.

Provided that the minimum commission shall be paid at Rs. 36/- per annum.

(b) The commission shall be paid from the treasury, once a year.

439. (i) The commission shall be paid annually from the treasury during August, and September, on the amount of collection made and credited by the Patel during the preceding period from 1st August to 31st July, next.

(ii) The Tahsil Wasul Bald Navis shall keep the account of the amounts of collections credited by the Patel in a register in Form “A”. He shall make entries in this register simultaneously with the entries made by him in the Kistbandi Khatoni of the amounts credited into the treasury by the Patel during the period from the 1st August to 31st July, next.

(iii) The payment of commission shall be recorded at the tahsil in a bill, in Form B, and the receipt of the Patels taken thereon. These bills will be vouchers in support of the payment made. The payments made shall also be entered in a register in Form C and each entry shall be signed by the Tahsildar or Naib-Tahsildar. The Tahsildar will submit, along with the vouchers, a memorandum showing separately the progressive total of the payments made to Patel for the current year and for each of the previous years. The vouchers (Form B) and the memorandum after they have been dealt with in the treasury branch, will be checked in the Collectorate.

440. The commission due to the patels on account of land revenue and miscellaneous revenue may remain, in some instances, unclaimed for years for some reasons. All such arrears unpaid or unclaimed for 3 years from 31st July of the year in which the emoluments fall due should be treated as having lapsed and a note should be made accordingly in the register in Form C. The amounts which have so lapsed may, however, be paid with the sanction of the Collector, on sufficient reasons being shown for the claims not having been made within 3 years.

441. (a) The procedure for the drawing and payment of the amounts check and transmission of the accounts to the treasury and to the Accountant-General is prescribed as under:

(i) A programme of the disbursement of the amounts of commission to the patels should be prepared and the payment should be made on the fixed dates to the patels called to the tahsil headquarters
For facility of payment, patels of one Revenue Inspector's Circle may be called on one date to the tahsil headquarters for receiving the commission. Where, however, a patel does not come on the appointed date, the amount should be remitted to him by money order, less money order commission.

(ii) On the date fixed for the disbursement of the commission the Tahsildar will prepare in duplicate, bill in Form 'B' in respect of all the patels called on that date. A simple receipt in Form M.P.T.C 76 should be presented by the Tahsildar at the sub-treasury for encashment of the amount required for payment on a particular date. The amount drawn from sub-treasury should first be recorded in the cash book of the tahsil and then the money should be disbursed to the patels in the presence of the Tahsildar or Naib-Tahsildar and their acknowledgments should be obtained in column 8 of the bill in Form 'B', where the patel is not present and the amount is remitted by money order. The money order receipt number and date may be entered in column 8 of Form 'B'. After payment the bill in Form 'B' should be stamped as "Paid and Cancelled" and forwarded to the Collector by the Tahsildar at the close of the month. On receipt of these vouchers from the Tahsildars, a Schedule in the Form M.P.T.C 50, Abstract Bill, shall be prepared by the Collector and sent to the Accountant General so as to reach him not later than the 5th of the month following that in which the expenditure was incurred, for adjusting the amounts already placed under objection for want of detailed schedule.

In case, the money order is returned undelivered before the end of financial year, in which the amounts were drawn, it should be taken as "reduction of expenditure" under the service head to which the amounts were debited in the first instance and a note to that effect made in Form 'C' against the Patel concerned. The Treasury Officer should exhibit with details such amounts of undelivered money orders as "unclassified Items" in the Schedule of Receipts relating to IX Land Revenue.

(b) Samples of Forms A, B and C are given in the annexure and the form of Schedule is given as M.P.T.C. 50 in Volume II.
ANNEXURE

FORM ‘A’

Register showing the amount of land revenue and miscellaneous revenue collected by Patel and the amount of commission payable to him thereon.

Revenue Year ..................................................

Name and Settlement number of the village ......................

Demand of land revenue ......................................

Demand of miscellaneous revenue ............................

Details of revenue collected and credited into the treasury by the Patel:

<table>
<thead>
<tr>
<th>Date of</th>
<th>Amount of land revenue credited into the treasury</th>
<th>Date and</th>
<th>Amount of miscellaneous revenue credited into the treasury</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td></td>
<td>No.</td>
<td></td>
</tr>
<tr>
<td>1</td>
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<tr>
<td>4</td>
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</tr>
</tbody>
</table>

Total ..........................................................

Total amount credited during the year (from 1st August to 31st July) ..........

Amount of commission payable at the rate of—

- 6 nP. per rupee of first Rs. 1,500/- of land revenue collected
- 4 nP. per rupee of second Rs. 1,500/- of land revenue collected.
- 3 nP. per rupee of third Rs. 1,500/- of land revenue collected.
- 2 nP. per rupee of fourth Rs. 1,500/- of land revenue collected.
- 1 nP. per rupee in respect of land revenue in excess of Rs. 6,000/- collected.

Total ..........................................................

Amount of commission payable as shown above or Rs. 36/- whichever is more ..................................................

Date of Payment .............................................
FORM 'B'

Bill of Commission paid to patel on collection of land revenue and miscellaneous revenue.

<table>
<thead>
<tr>
<th>Settlement No.</th>
<th>Name of village</th>
<th>Amount collected and credited into the treasury by Patel</th>
<th>Amount of Commission payable</th>
<th>Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
</tbody>
</table>

Date of Payment | Name of Patel | Signature of Patel | Signature of Tahsildar or Naib-Tahsildar | Remarks |
<table>
<thead>
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<tbody>
<tr>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
</tr>
</tbody>
</table>

FORM 'C'

Register of commission paid to patels on collection of land revenue and miscellaneous revenue.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount of land revenue credited into the treasury</th>
<th>Amount of commission payable</th>
<th>Amount paid</th>
<th>Date of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
</tbody>
</table>

Name of Patel | To whom paid | Date appointment and authority | Initial of Tahsildar or Naib-Tahsildar | Remarks |
<table>
<thead>
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<tbody>
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<td>10</td>
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</table>

442. Deleted.
444. Deleted vide orders on the file.
446. Second column shifted one column to left.
CHAPTER V.-SPECIAL RULES FOR BANK TREASURIES

Section 1.-General

447. The rules in this part are intended primarily for the guidance of Collectors and Treasury Officers, and officers of the Bank in dealing with the receipt and disbursements on account of the State 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, the cash business of the Government is, for the most part, conducted by the Reserve Bank. At other places, where there are branches of the State Bank of India, which act as agents of the Reserve Bank, in accordance with the provisions of the Reserve Bank of India Act (Act II of 1934), the cash business of the treasury is conducted by those branches of the State Bank of India as agents of the Reserve Bank.

448. The Bank will be kept open for the transaction of treasury business on a recognised holiday, if so required by the Collector.

See also paragraph 10 of the agreement with the Reserve Bank of India (Appendix I).

Note.—The Treasury officer should, when he finds it necessary that the Bank should be kept open for the transaction of the treasury business on any particular recognised holiday, report the matter at once to the Collector and Communicate his request to that effect to the Bank authorities in time.

450. All bills, cheques and other documents passed by Treasury Officers in virtue of Accountant-General for payment at the Bank, as well as interest Payment Orders, etc., being non-negotiable instruments, warrant special precautions 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 by an agent (other than a banker) or messenger, the provisions of subsidiary rule 302(2) or 457, as the case may be, should be strictly followed by the Drawing Officer. The Bank will not, however, disburse payment 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 subsidiary rule 302(2) or 457, 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.

450. Payment of cheques including Public Debt Office Interest Warrants, which are governed by the Negotiable Instruments Act, will be made in
SPECIAL RULES FOR BANK TREASURIES

in accordance with the provisions of that Act and any generally recognised practice established among bankers by custom.

Section II.- Payments into the bank

GENERAL RULES

451. (1) Save as here-in-after provided, and subject as provided in Subsidiary Rule 68, any one who desires to pay money into the Bank on Govt. account shall present the money with chalan in requisite number. The Bank shall receive the money and credit it to the proper head of account and subject as provided in subsidiary rule 78 and acknowledgement shall be granted to the payer in the original chalan the remaining copies being retained by the Bank payer in the original challan, the remaining copies being retained by the Bank to be forwarded to the Treasury with daily account.

Note.—The acknowledgement on the chalan, for moneys received, may be signed by the authorized officer 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 acknowledgement in the other copies being merely initialled by him.

(2) In cases in which chalans are presented in triplicate or quadruplicate, the acknowledgement of the Bank will be given on the original chalan, or on such other copy as may be specially marked for this purpose, the other copies being retained by the Bank to be forwarded to the Treasury with the daily account.

Note.—However, in case of chalans of Sales Tax Department presented under subsidiary rule 72(3) in quadruplicate the bank shall return the original and the duplicate copy of the chalan, duly signed, to the tenderer, forward the triplicate copy directly to the Sales Tax Officer concerned and the remaining one copy being retained by the bank to be forwarded to the Treasury with daily account.

(3) Moneys tendered by a dealer on account of payments to Government in respect of Tax, penalty, interest, etc., under the provisions of the (1) M.P. General Sales Tax Act, 1958 (No. 2 of 1959), (2) Central Sales Tax Act, 1956 (No. 74 of 1956), (3) M.P. Sugar Cane (Purchase Tax) Act, 1961 (No. 39 of 1961), and (4) M.P. Vikrava Rashi Tatha Kraya Rashi Par Kar Adhiniyam (No. 8 of 1972), may be made either in cash or by means of a crossed cheque or a draft drawn on any scheduled Bank. Such payments if accompanied by the special chalan prescribed for this purpose under the above Acts, may be received directly by the Bank without the intervention of the Treasury Officer or of the departmental Officer.

452. Deleted.

453. Cheques on local banks will be accepted by the Bank in accordance with Subsidiary Rule 55. There will be a daily clearance of cheques accepted and the transactions will be included in daily account rendered to the treasury after the cheques have been cleared.
454. Moneys 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:

- Forest—Subsidiary Rules 501 to 504.

Chalan forms shall be supplied to the Bank by the treasury.

455. Moneys 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 accounts 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 sent daily for signature.

Note.—Rules 454 and 455 apply only in cases of revenue realised by Departmental Officers. In cases of other receipts such as recoveries on account of objection Book Advance, General Provident Fund, Loans and Advances, Deposits etc. made by the Departmental Officers, the chalan in duplicate with the requisite schedules or the details of Treasury Voucher number and month under which the original amount was drawn, should be presented to the Treasury Officer who will enlace an order to the Bank to receive the money and to return the original to the Departmental Officer duly receipted. In such cases, the Treasury Officer will be responsible to ensure that the classification on the chalan is in order and complete and the chalan is accompanied by relevant schedules and contains other requisite details necessary.

456. 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 Subsidiary Rules 451 and crediting them under their proper designation.

Section III.—Withdrawal from the Consolidated Fund and Public Account at the Bank

CIVIL CHARGES

457. All bills for pay and allowances and contingent expenses of officers of the civil establishments, 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 enlace on the bill an order to pay a specified amount. Such orders shall be recorded in the register of
payment orders issued, which is kept under Subsidiary Rule 477 and shall be numbered, dated and signed. The bill shall then be returned to the persons 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 proper discharge from the drawer of the bill in addition to his signature at the foot of the bill. 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 No. M.P.T.C. 52-A, authorising him to take the payment.

Note.—When payment is desired wholly or partly in Reserve 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.

458. Wherever ordered by the State Government instead of transmitting the passed bills to the Bank for payment as required under S.R. 457, Treasury Officer shall issue a cheque to the drawing officer payee concerned for encashment at the bank as per provisions in the scheme in Appendix 23 of M.P.T.C. Vol. II.

459. Deleted vide orders on the file

460. regarding reprinting of M.P.T.C. Vol. I.

DEPARTMENTAL PAYMENTS

461. (a) Officers of the Public Works Department are authorized to draw funds by bills as well as by cheques while those of the Forest Department draw funds by cheques only.

(b) Bills will be cashed by the Bank only on payment orders endorsed thereon by the Treasury Officer.

(c) In respect of cheques, no letters of credit will be issued by the Accountant-General, but where a divisional officer has intimated any limits on the drawings of sub-divisional officer, the Bank will observe the prescribed limitations. In all other cases cheques will be cashed without any limitations, if otherwise in order.

REFUNDS

462. Refunds of revenue, fines, etc., will be made by the Bank on the bill bearing a payment order signed by the Treasury Officer in accordance with the procedure prescribed in Subsidiary Rule 457.
This rule does not apply to refunds of Income-tax; in the case of such refunds, the Income-Tax Officer is authorised to make out the refund order in the form of a direct order on the Bank and the endorsement of second payment order by the Treasury Officer will be unnecessary.

DISCOUNT ON SALE OF STAMPS

463. When discount on sale of stamps is allowed by deduction from the amount paid in by the purchaser, the net amount will be received and brought to account under rule 451, the receipted chalan being the payer's authority for receipt of the stamps from the treasury.

PUBLIC DEBT—GOVERNMENT PROMISSORY NOTES

464. Government promissory notes, on which interest may be due, will be presented to the Treasury Officer, who having made the necessary examination and record under the rules in the Government Securities Manual, will give the holder an order on the Bank in the following form:

"Pay to ......................... Rupees .............. being interest for .................... half year at ................ percent due on Government Promissory Note No. ................... of ................... for Rupees .............."

BEARER BONDS

465. 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.

STOCK CERTIFICATES

466. 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 Certificates.

467. The provisions of Subsidiary Rules 464 to 466 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 or order contained in the Government Securities Manual regulating the procedure for the payment of interest on, or principal of, any Public Debt.

DEPOSIT PAYMENTS

468. (a) Repayments of deposits standing at credit of individuals in the treasury registers or in the Magistrate's or Judge's accounts will be made on the order of the officer on whose registers they are, and by whom the usual check registers will be kept. 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 for the deposits of each court.

(b) In cases in which personal ledger accounts of Civil or Criminal Court Deposits are kept by the Bank, each court should duly intimate from time to time to the Bank the amount of lapsed deposits to be deducted from the Personal Ledger Pass Book.

469. Unless in any case the Government direct otherwise, cheques for withdrawals 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

470. Payments will be made on cheques drawn by competent drawing officers of the local body concerned. Unless in any cases the Government direct otherwise, such cheques will be issued 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 Subsidiary Rule 457 shall be followed.

REMITTANCES

471. The procedure with regard to remittance of treasure from the Bank and the testing of remittances made to the Bank from treasuries will be regulated by the provisions contained in Chapter X of these rules.

CURRENCY OF PAYMENT ORDERS

472. Payment orders issued on the Bank 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.

Section IV.—Daily Accounts and Returns

473. The accounts and returns to be rendered by the Bank to the Treasury Officer in respect of transactions of the State Government will consist of—

(i) a daily account of receipt and payments in Form M.P.T.C. 53 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.

474. In the daily accounts rendered by the Bank, such payments and receipts will be so classified as may be directed by the Accountant-General, in order that their arrangements 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 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, in order that there may be no possibility of any alteration or abstraction 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.

475. Care should be taken that vouchers sent to the Treasury are conspicuously marked by the agent with the word "paid" inattention to this rule may lead to documents being paid twice, in the event of their falling into unscrupulous hands.

476. 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 4th column. The Treasury Officer shall check receipt and disbursements of the daily account, agree their totals with the figures entered in the register and examine the vouchers, and after initialling in the 5th column of the register in token of his verification, shall return the Register to the Manager or Agent as soon as the vouchers and chalans received are checked and tallied with the Pass Book, but not later than the next working day of the receipt of the Pass Book.

Note.—To allow sufficient time to Treasury/Sub-Treasury Officers to scrutinise daily scrolls received from the Bank and to tally them with the entries recorded by the Bank in Pass Books, alternate Pass Books may be used for alternate days's transactions.

(These amendments take effect from 1.4.1976)

Section V.—Miscellaneous

REGISTER OF ORDERS FOR PAYMENT

477. The Treasury Officer shall maintain a register in suitable form namely a register of orders for payment. A Register of chalans may be worked by department, the chalans of land revenue being passed and registered by the Land Revenue Department of the Collector's Office, those of excise revenue by the Excise Department and so forth.
DAILY POSTING OF ACCOUNTS

478. 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 of them in those registers. 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 registers in the same way as transactions taking place in non-banking treasuries, 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 register is provided with three columns to show (1) the date and (2) the net payments, or (3) the net receipts of the day, and there will be only one entry in column (2) or (3) as the case may be, against each date, when the total receipts exceed the total payments, the difference will be posted in column (2), and when the total payments exceed the total receipts of the difference will be posted in column (3). At the close of the month the difference between the totals of the two money columns of the Register of Reserve Bank Deposits should be carried into the cash account if the total of the column for receipts exceeds the total of the column for payments, or into the list of payments if the total of the column for payment exceeds the total of the column for receipts.

Note.—In this process the vouchers must be numbered and arranged according to the register in which they are entered, as the number of the payment order cannot serve also as the number of the voucher in the actual accounts.

ADVICES AND CERTIFICATES

479. 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

480. All treasury returns, with the exception of those the Bank is instructed to furnish under the rules in this chapter or under express orders of the Accountant-General, should be prepared in the treasury and not in the Bank.
SPECIAL RULES FOR BANK TREASURIES

SUB-TREASURIES BANKING WITH THE BANK

481. The procedure at sub-treasuries, the cash business of which is conducted by the Bank is the same as at sadar treasury similarly situated. The sadar-treasury will post its register of "Reserve Bank Deposits—Provincial" from the sub-treasury daily statements in which the net transactions of each day as worked out from the sub-treasury Register of "Reserve Bank Deposits—Provincial" should be shown.

EMERGENCY ARRANGEMENT

482. (1) 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 transaction of urgent treasury business at the Branch.

(2) The responsibility for performing the functions herein stipulated should, in the first instance, be primarily that of—

(i) the Collectors at the District Headquarters,

(ii) the Sub-Divisional Officers/Tahsildars/Naib-Tahsildars at Sub-Divisional or Tahsil Headquarters, as the case may be.

(3) 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.
(4) When it is impossible for the concerned Government official to take the action mentioned above in person, e.g., on account of absence in camp, he may delegate his function 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.

(5) Neither the Government nor any Government servant will incur any responsibility either to the State Bank of India or to its subsidiaries or to any third party by reason of anything done bonafide 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.

ARRANGEMENT FOR CONDUCT OF GOVERNMENT BUSINESS AT TREASURY PAY OFFICES

482-A (i) The procedure for conduct of Government business at the Treasury Pay Offices, is contained in Annexures I, II, III and IV, reproduced as Appendix 21.

(ii) The liability to be assumed by the State Bank of India for shortages in currency chests at different centres vide para 1 (i) of Annexure (II) should be determined on the following scale :

<table>
<thead>
<tr>
<th>Average deposit to be kept in the currency chest at the commencement of the scheme</th>
<th>Amount of specific liability of the State Bank of India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. 5 lakhs and under</td>
<td>Rs. 5,000/-</td>
</tr>
<tr>
<td>Over Rs. 5 lakhs and upto and including Rs. 10 lakhs</td>
<td>Rs. 10,000/-</td>
</tr>
<tr>
<td>Over Rs. 10 lakhs but under Rs. 20 lakhs</td>
<td>Rs. 15,000/-</td>
</tr>
<tr>
<td>Rs. 20 lakhs and over</td>
<td>Rs. 20,000/-</td>
</tr>
</tbody>
</table>

(iii) The average balance to be maintained in the currency chest vide para 1 (v) of Annexure (II) will be fixed, on the basis of the turnover of Government transactions at the treasury/sub-treasury concerned by the State Bank of India, in consultation with the State Government through the Collector concerned.
CHAPTER VI.—SPECIAL RULES APPLICABLE TO PARTICULAR DEPARTMENTS

Section I.—Public Works Department

INTRODUCTORY

483. The rules in this section 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 Government servants 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 Chapter V of these rules.

484. When a Government servant of another civil department is authorised to incur charges on account of the Public Works Department against the grant for "Public Works", he will do so as a Public Works disburser.

485. Treasury Officers are prohibited from issuing any money for the disbursement of civil officers acting as Public Works disbursers, except in accordance with the rules in this section.

REMITTANCE TO THE TREASURY

486. 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 Treasury Rule 7, 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 installation, 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.

487. No deposit account can be opened in a treasury by Government servants of the Public Works Department; whatever sums are paid into a treasury by a Public Works Department Officer, or on his account, must be carried to the credit of that department in the accounts. This rule applies also to deposits made at the instance of the Public Works Department by municipalities or other local bodies to meet the cost of works to be carried out by the Public Works Department. In this case, the accompanying chalan should state clearly the name of the division to which the amount is creditable and the work for which the deposit relates.
488. A Public Works Department Officer who has frequently to make remittances should keep a book (Form M.P.T.C. 55) in which he will enter all his remittances to the treasury. This book should accompany the remittance and the chalan to be receipted by treasury. At the end of the month a consolidated receipt for the whole of the remittances made during that period should be prepared by him and sent with the remittance book to the Treasury Officer, who, after verifying the entries by comparison with the Schedule of Receipts (Form M.P.T.C. 56), will sign the book and the receipt and return them to that officer.

Note 1.—The consolidated receipt will be signed by the Treasury Officer, however small its amount may be; and, if there is any difference between the amount, shown in the consolidated receipt and the credit in the treasury account, he shall explain the reasons for the difference in detail in the consolidated receipt.

Note 2.—Remittances made to local offices or agencies of the Bank, of cheques paid in as Public Works receipts should be entered in the remittance book, but in the place for the treasury receipt should be entered “By Bank Cheques”, and the book need not be sent with the remittance provided that the cheques are always endorsed “Pay to the Bank” or “Credit account of Government”.

Note 3.—The treasury remittance book of the Public Works Department must be signed in full and not initialled by the Treasurer and Accountant for sums under Rs. 500 and also by the Treasury Officer for sums of Rs. 500 and above.

489. All receipts on account of the Public Works Department must be recorded in a register in Form M.P.T.C. 55, care being taken to show remittances received from departmental officers and the subordinates separate from those received from others on their account. An extract from this register will be made and sent to the Accountant-General with the cash account.

Note.—The amounts of loans/grants sanctioned by the Government for payment to Municipalities in connection with Water Supply Schemes to be executed by the Public Health Engineering Department should be paid to the Collectors/Presidents of the Municipal Councils concerned by transfer credit to the Head “P.W. Remittances-I-Remittances into the Treasury”. Amounts deposited by Municipalities towards their share of the cost of such schemes and other amounts that the Municipalities may desire to pass on to the Public Health (Engineering) Division for other works like survey works, etc., should also be passed on to the Division concerned through the same head of Account. All such amounts should be entered in the register/schedule of receipts in M.P.T.C. 56 in the columns entitled “Payments made into Treasury by Officers of the department”. Notwithstanding the fact that the amounts are not paid into the Treasury by Officers of the department.
490. Funds may be supplied to officers of the Public Works Department in two ways:

(1) directly by Pay and Travelling Allowance Bills in respect of the Gazetted Government servants, and

(2) by means of cheques.

Note.—The drawing officers of the Direction and other Special Officers of the Public Works Department shall, however, draw money for meeting contingent expenditure by presenting bills at the treasury.

BILLS

491. (1) Gazetteed Government servants of the Public Works Department shall draw their personal bills in the same way as gazetted Government servants of other civil departments. Pay and allowances of non-gazetted Government servants of the department, if not charged directly to works, as well as all personal advances sanctioned by competent authority, are also drawn from treasuries on bills.

Note.—The relevant provisions of Chapter IV apply to bills drawn by Public Works Officers as they apply to bills drawn by officers of other civil departments.

(2) Non-gazetted Government servants’ bills and contingent bills presented for encashment may, at the option of the drawing officer by paid wholly in cash, or subject to the provisions of these rules, wholly or partly by cash orders on sub-treasuries, or by Reserve Bank Drafts, as may be required.

CHEQUES

492. 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.—Payment for value of service postage stamps obtained by indent should invariably be made by cheque in accordance with the provisions of Subsidiary Rule, 337.

SUBORDINATE OFFICERS

493. A Divisional Officer authorized 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 head or at a sub-treasury; the Divisional Officer shall give a letter of authority only and the cheques drawn and paid under his authority will be charged off in the same way as if drawn by himself. If a Divisional Officer considers it necessary, for the maintenance of efficient control over the disbursements of his
division to set a monthly limit on the drawings of any of his Sub-Divisional Officers, he may do so, fixing either a standing limit or a fresh limit either every month or whenever necessary. All such limits may be raised or lowered subsequently. Intimation of every limit when fixed or changed should be sent both to the Sub-Divisional Officer and the Treasury Officer concerned. If a Divisional Officer has intimated any limitation to the drawings of a Sub-Divisional Officer for any month, the cheques drawn by the latter during that month should be noted, irrespective of the date of payment, on the reverse of the letter advising the limitation in the manner prescribed in Subsidiary Rule 177.

Note 2.—As the accounts of all Public Work 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 limitation 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 subsequent month.

Note 2.—At the option of the Divisional Officer, the limitation may not be intimated to the Treasury Officer, if the check exercised by the Divisional Accountant over the sub-divisional cash accounts, after the expiry of the month, is considered sufficient for the purposes of the Divisional Officer.

494. 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 a purpose by means of Reserve Bank drafts.

PAYMENT OF SUB-TREASURIES

495. Subject as provided in Subsidiary Rules 134 and 148, funds may be obtained by the Divisional Officer or his Sub-Divisional Officers from sub-treasuries by means of cheques.

PASS BOOK

496. The amount of each cheque paid must be recorded in a Pass-book or list of cheques cashed (Form M.P.T.C. 57), 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, details of cheques paid at the Bank or a sub-treasury being taken from the daily sheets.

Note 1.—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.

Note 2.—Treasury Officers should invariably enter in the pass books the book number as well as the individual cheque number and the distinguishing initial for each cheque cashed.
MONTHLY SETTLEMENT

497. The Treasury Officer shall arrange to have a Monthly settlement very early in the month with 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 subordinates during that month. He shall also furnish the Divisional Officer with a certificate of total issues as follows:—

"I hereby certify that the total issues made from this treasury on cheques drawn against the account of Shri— Officer-in-charge, Division, during 19, amounted to Rs———(in words)".

RETURN OF FORMS SUPPLIED

498. 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

499. Subject to the general provisions of this section, supplementary instruction for the guidance of departmental officers may be laid down by departmental regulations.

SECTION II.—FOREST DEPARTMENT

Introductory

500. The rules in this section are intended primarily for the guidance of Forest Officers in their dealings with treasuries and of Treasury Officers dealing with the transaction 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 Chapter V.

REMITTANCE TO TREASURY

501. Money 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 purchaser of forest produce are credited in the treasury to revenue deposits and not to Remittances. No previous authority of a Forest Officer to receive this money is necessary, but the depositor must state the name of the Forest Officer in whose favour he makes the deposits. Refunds of these deposit will be regulated by Subsidiary Rule 551.
PART VI—SPECIAL RULES APPLICABLE TO PARTICULAR DEPARTMENTS

Note 2.—A register should be maintained in each divisional forest office where particulars of chalans relating to earnest money deposits shall be entered as soon as they are received from the treasury through the forest contractors and also particulars of orders authorising repayment at the treasury. An extract there from showing outstandings of such deposits shall be sent to the Treasury Officer at the end of each quarter, for verification with the treasury registers and return, which will be pasted in the register for ready reference. The agreement with the treasury figures should be reported to the Conservator of Forests alongwith the monthly timber accounts for the last month of each quarter.

302. If a Forest Officer makes use of his cash receipts temporarily for current expenditure under the provisions of sub-rule (2) of Treasury Rule 7, 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.

303. 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 Subsidiary Rule 73; or

(iii) when Treasury Officer is specially authorized 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.

504. Forest revenue collected at outlying stations may be remitted to treasuries by means of money order. In such cases, the remittances may be credited to the Forest Department without any chalan. The acknowledgment 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.—At places Where there are head post offices authorised to issue cheques as well as branches of the State Bank of India (or its Subsidiary) dealing with the cash business of the Government, money orders are paid by the post offices by means of crossed cheques. The procedure for the payment of postal money orders by cheques is laid down in Rule 272-A in the Posts and Telegraph Manual. Volume VI. Part I. The cheques received from the post offices under these provisions should be deposited in the Bank with appropriate chalans in the manner laid down in S. Rs. 66 and 68. The receipt of the cheques and their subsequent deposit in the Bank should be recorded as distinct transactions in the cash book, if maintained by the Treasury Officer under S.R. 53 to record the transactions of his own establishment. If he does not
maintain such a cash book, he should maintain a simple cash book in form M.P.T.C. 5 for recording the receipt of such cheques and their subsequent deposit in the Bank.

505. A consolidated receipt in Form M.P.T.C. 58 for the Forest remittances received and credited during the month shall be furnished by the Treasury Officer on the fifth day of the ensuing month to each of the Forest Officers dealing with the treasury. As soon as the consolidated receipt is received from the treasury, it shall be compared with the posting in the cash book and the Divisional Forest Officer shall satisfy himself that the amounts remitted have been actually credited into the treasury or the Bank.

Note.—Under the direction 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.

DRAWINGS FROM TREASURY

506. Officers in charge of forest divisions are authorized 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 to credit will be issued, specifying the limit up to which such cheques may be drawn. In order to see that the annual budget appropriation is not exceeded, the Divisional Forest Officers should open, on receipt of the distribution statement of the annual budget appropriation a register showing the appropriation and watch the expenditure against each item.

Note 1.—The amount of each cheque paid must be recorded in a pass book or list of cheques cashed (Form M.P.T.C. 57), 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. The total issues shown by the Treasury Officer in their pass book will be reconciled by the Divisional Officer with those shown by him in the monthly accounts sent to Accountant General at the earliest but not later than 15th of the following month. He should bring discrepancies to the notice of the Treasury Officer and the Accountant-General shall pursue them till the discrepancies are settled.

A Divisional Officer having banking account with more than one treasury will have a separate pass book for each treasury.

Note 2.—A Divisional Officer at the Headquarters Station should send his pass book to be written up every week and that of a Divisional Officer at distance may be forwarded at longer intervals but the dates should be fixed.

Note 3.—Treasury Officer should invariably enter in the Pass Books the book number as well as the individual cheque number and the distinguishing initial for each cheque cashed.
507. When Government servants of other civil departments are authorized to incur charges on account of the Forest Department, they will do so as Forest disbursers. They can, therefore, obtain funds from the treasury for such expenditure only under the rules applicable to the officers of the Forest Department.

508. The Treasury Officer may cash, against the drawing account of a Divisional Officer, a cheque drawn by an officer holding charge of a forest subdivision 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.

509. Cash may, if required be obtained by officers of the Forest Department by cheques drawn on the sub-treasuries subordinate to the district treasuries on which they have drawing accounts. The departmental officer should, in such cases, advise the district Treasury Officer, from time to time, of the probable amount of his drawings on each sub-treasury in order that funds may, if possible, be duly provided.

FOREST OFFICERS ON LEAVE

510. 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 civil departments, but such bills shall be treated in the treasury accounts in the same way as cheques of the Forest Department.

FOREST DEPARTMENT ESTABLISHMENT

511. The general rules regarding the preparation of pay and travelling allowances bills of the civil departments apply to this department, with the difference that Divisional Officers discharge the functions of the Treasury Officers and pay the charges by cheques, or out of cash obtained from the treasury by cheques.

512. Pay and travelling allowance due to a Government servant on his transfer to another circle or division, and not paid on his departure, should be paid from and charged against the appropriation of the division to which he has been transferred.

513. Subject to the general provisions of this section supplementary instructions for the guidance of departmental officers may be laid down by departmental regulations.

Section III.—Military Secretary to the Governor

514. Funds required at Bhopal, Jabalpur and Pachamarhi for disbursements on account of expenditure from contract allowance, tour expenses of the Governor and other contingent expenditure under the sub-head "Staff and Household" are obtained by the Military Secretary to the Governor by cheques.
drawn on the treasuries at Bhopal and Jabalpur and the sub-treasury at Pachmarhi with which he is placed in account. The Military Secretary sends a schedule of monthly settlement with treasuries together with certificates of issues of cheques and consolidated treasury receipts, any difference being explained by him. The Accountant-General examines the schedule of monthly settlement with the treasuries with the cash account and the certificates of issues and the consolidated treasury receipts.
CHAPTER VII—PUBLIC DEBT

Section I.—Permanent and Temporary LOANS

515. 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 Consolidated Fund of the State 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.

516. 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.—Forest Department

TREASURY BILLS

517. Unless the Government direct otherwise, Treasury Bills will be issued from and repaid at the offices of the Reserve Bank of India.

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.

518. 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 same way as other paid vouchers.

WAYS AND MEANS ADVANCES

519. 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 Governor. 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.

520. 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 is a part payment. The note on final cancellation will be returned to the Government through the Accountant-General.

521. Interest on the advance will be debited by the Bank at the time of repayment.
Section III.—Other Obligations

PROVIDENT AND OTHER FUNDS—RECOVERY OF SUBSCRIPTIONS, ETC.,

522. Subscriptions to a service or Provident Fund of the Government can be received from such Government servants as are either required or permitted by the rules of the Fund to subscribe to it, the recoveries being made ordinarily by deduction from pay bills of the Government servants concerned.

The subscriber himself is responsible for seeing that proper deduction is made from his bills, though for his convenience, it has been provided in Subsidiary Rule 211 that the responsibility for making the necessary deductions regularly and correctly devolves upon the drawers of the bills.

523. 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 subscriptions shall, in no circumstances, be received at the treasury, payment in cash being permissible at Post Offices only.

Subscribers to the Post Office Insurance Fund, who have retired from the service and whose pensions are to be paid in India, may be allowed the option of deducting their premia or subscription from pension bills. The Accountant-General issuing the Pension Payment Order or other authority for payment of pension will in such cases note the amount of the monthly deduction on the Pension Payment Order or other authority, as the case may be. The insured person, however, shall be personally responsible for entering the correct amount to be deducted in the pension bill; and if he fails to do this on any occasion, it will be open to him to pay the amount into the Post Office.

524. 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.

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.

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

Bengal Uncovenanted Service Family Pension Fund.
Bombay Family Pension Fund of Government Servants.
Bengal and Madras Service Family Pension Fund.
General Family Pension Fund.
Hindu Family Annuity Fund.
Bengal Christian Family Pension Fund.
(2) In the case of subscribers drawing their pay or pension from the Government, the subscriptions are recoverable by deduction from their pay or pension bills, except that in the case of the General Family Pension Fund, the Hindu Family Annuity Fund and Bengal Christian Family Pension Fund, such subscriptions may, at the option of the subscriber, be paid in cash either direct to the authorities of the Fund concerned or at a treasury.

Note.—Subscriptions to the Bengal and Madras Service Family Pension Fund may be received in cash at treasuries only when permitted by the Accountant-General, West Bengal.

526. 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 Forms M.P.T.C. 59, 60, 61 or 62, as may suit the requirements 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 payments, in the separate document of particulars.

Note 1.—In cases in which the subscription is a percentage on the rate of pay, the subscriber, if he is on foreign service, should subscribe on the pay drawn by him in foreign service.

Note 2.—Drawing officers should indicate at the top of the Postal Life Insurance Schedules the department “CIVIL” or “DEFENCE” according as the Schedules relate to “Civil” or “Defence Service” personnel.

527. When a subscriber to any Fund whose subscriptions are realised by deduction from 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 also be given to the Accountant-General of the new audit circle and to the Director, Postal Life Insurance, Calcutta, through the Accountant-General, Madhya Pradesh.

528. A detailed list of the subscription realized in cash on behalf of each fund showing the date and amount of each receipt and the name of the person on whose behalf it is paid in, will be submitted by the Treasury Officer with the cash account. This list will be a copy of a register maintained in the treasury.

Note.—Except in the case of the “Bengal Uncovenanted Service Family Pension Fund”, “Bombay Family Pension Fund of Government Servants”, an important difference with regard to interest is made between subscriptions paid by deduction from pay bills and subscriptions paid in
cash, no interest being allowed for the month of payment on cash subscriptions received after the 4th of the month whereas subscriptions deducted from a bill bear interest as though they have been received on the 1st of the month.

WITHDRAWALS—PROVIDENT FUNDS

[529. (1) Advances and subject to the provisions of sub-rule (2) of this rule and rule 530 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 M.P.T.C. 63, 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 156 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 M.P.T.C. 63 that the advance or withdrawal is covered by the balance at the credit of the Government servant concerned.

(Government of India’s C.S. No. 642 to Rule 606 (1) of the Central Treasury Rules, Vol. 1).

(2) 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. The first of such withdrawals will, however, be made only after due authorisation from the Accountant-General; and second/subsequent withdrawals should be made only after the receipt of a permanent authority from the Accountant-General which will be issued by him on receipt of the policy duly assigned to the Governor of Madhya Pradesh. 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.

(3) Save as provided in this rule, no payment on account of any provident fund whether as a refund of 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.

530. (1) 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 may 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.P.T.C. 63, as prescribed in Subsidiary Rule 529 (1) 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 purposes of identification a copy of his specimen signature sent to the Accountant-General along with the requisite application for withdrawal of Provident Fund balance shall be forwarded by the Accountant-General to the treasury officer concerned.

(2) 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 either by resignation, dismissal or death.

Note.—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 530-A.

530. (A) When the final payment of the balance at the credit of a subscriber other than a Class IV Government servant to 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 .................

Date .................

Please pay by Bank Draft.

Signature .................

Address .................
531. 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. Payment may, however, be made to an authorised banker, if so desired by the subscriber, in the manner laid down in S.R. 235 (2) (a). 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.

POST OFFICE INSURANCE FUND

532. Payments in respect of the Post Office Insurance Fund shall be made strictly in accordance with the procedure prescribed in the rules of the fund.
CHAPTER VIII.—DEPOSITS

Section I.—Introductory

533. Moneys received at the treasury for deposit in the Public Account are classified according to the department through which they are received, the usual classes being (1) Revenue Deposits, (2) Civil Court Deposits, and (3) Criminal Court Deposits.

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 in consultation with the Accountant-General.

Note 1.—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.

Note 2.—In this State all deposits of revenue and criminal courts are taken to the head "Revenue Deposits" and shown in one register for the whole district.

534. Unless there be anything repugnant in the subject or context, relevant provisions of this chapter shall apply to deposit transactions of the Public Works and Forest Departments whose initial accounts are kept in departmental offices, except in so far as they may be varied or supplemented by departmental regulations.

535. At places where the cash business of the treasury is conducted by the Bank, moneys tendered as deposits will be received and repayment of such deposits will be made by the Bank in accordance with the procedure laid down in Subsidiary Rules 454, 455 and 468 to 470.

Section II.—General Rules and Limitations

536. 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 or 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 representations to the Court or authority ordering its acceptance or in whose favour the deposit was received.

537. The treatment of the following items as deposits is prohibited:

(a) No pay, pension or other allowance should be placed in deposit on the ground of the absence of the payee or 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.

(b) No fines should be placed in deposit on the ground that appeal is pending, they should be credited at once to 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 Government should be kept in deposit both in appealable and non-appealable cases, till they lapse under the ordinary rule.

(c) As provided in Subsidiary Rule 417, no refunds, whether of stamps or of other receipts, can be drawn to be lodged in deposit pending demand by the payee.

538. 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.

539. 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.

540. 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, should be credited to the proper account.

541. The sale-proceeds of unclaimed property are not to be placed in deposit at all; under 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 taken to credit of the appropriate receipt head concerned. Exception must, however, be made in the case of property left by persons dying intestate and without heirs which civil courts will secure and hold for certain periods in accordance with the local law.

Note 1.—If unclaimed property is 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 Rs. 10, its proceeds should be held for six months in deposit, but the circumstances should be clearly stated 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 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.
542. The following provisions apply to money 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) Funds of quasi-public institutions even though like certain dispensaries, they may be aided by the Government, may not be accepted as personal deposits at a treasury without the special permission of the Government for the 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 deposit accounts are properly maintained and are and subject to audit.

Exception—The scholarship money under the Schemes of National and National Loan Scholarships received by the non-Government Institutions from the Education Department may be credited into the treasuries in Personal Deposit Accounts by the non-Government Institutions, subject to the conditions prescribed under the rule.

543. 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 Subsidiary Rules 553 to 567 apply mutatis mutandis to personal deposits and all other classes of deposits dealt with in this Chapter.

The balances in the Personal Deposits Accounts do not lapse to Government under S.R. 562, if outstanding for more than three complete Account years. In cases, however, in which the Personal Deposit Accounts are created by debit to the Consolidated Fund, the same should be closed at the end of the financial year by minus debt of the balance to the relevant service heads in the Consolidated Fund, the Personal Deposit Accounts being opened next year again, if necessary, in the usual manner. If a Personal Deposit Account has remained un-operated upon for a continuous period of three years, the Treasury Officer shall address the Administrator of the Account in writing requiring him to show cause within one month why the balance in the account should not be credited to Revenue Deposits. If the Administrator cannot be located or being available, fails to respond to the notice within one month or fails to justify the continuance of the Personal Deposit Account as such to the satisfaction of the Treasury officer, the Treasury Officer, shall have the balance in the account credited to Revenue Deposits by sending a requisition to the Accountant-General after verification and agreement of the balances with the books of the Accountant General. Thereafter, it shall be dealt with as a normal item of revenue deposits and lapsed and credited to Government under the provision of S.R. 562, if not repaid earlier.

SECTION III.—REVENUE DEPOSITS

Receipts

544. All deposits must be separately paid into the treasury with chalans or other documents setting forth all the particulars necessary for the entries to be made in the register of deposit receipts.
Note 1.—Each item of receipt must be recorded in the Register of Receipts to be maintained in Form M.P.T.C. 64 and numbered; there will be a separate series of numbers for each class of deposits, beginning a new each year. Each entry must be checked and initialled by the Treasury Officer in accordance with the directions contained in this behalf in the Account Code Volume II. Every item must be recorded in the name of the person from whom not that of the Government official through whom it is received; it must be passed through the accounts even though repaid on the date of receipt, and be kept distinct, however small it be, till finally disposed of, never being consolidated with other item. Central and State items of deposits should be kept entirely separate in the treasury accounts and in the accounts and returns rendered to the Accountant-General.

Note 2.—Revenue collected by Revenue Officers during tours may be credited into the treasury in the name of the Revenue Officer concerned for a period not exceeding 15 days where after such amounts should be withdrawn and credited to final head of account in the appropriate manner. Part withdrawals will not be allowed; the entire amount must be withdrawn and credited to final head of account within 15 days of deposit.

545. In respect of earnest money deposits made by intending tenderers which are creditable as Revenue Deposits, no previous authority of the departmental Officer is necessary, but the depositor must state the designation of the Government servant in whose favour he makes the deposit and that 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.

Note.—In the case of the P.W.D. where the earnest money deposit does not exceed Rs. 200 it is permissible to deposit the money in cash with the departmental officer along with the tender. Where the amount of earnest money to be deposited is more than Rs. 200 and the contractor proposes to pay it in cash, the amount should be deposited into the treasury and the chalan should be enclosed with the tender. If, however, the contractor wishes to deposit the earnest money in any of the following forms he may do so and enclose with the tender the security duly hypothecated to the Executive Engineer or Sub-Divisional Officer:

(a) Treasury receipt.

(b) National Savings Certificates.

(c) Treasury Bonds.

(d) Approved Interest bearing securities.

546. The following should be treated as revenue deposits:

(a) Deposits of rent under section 9 of the Central Provinces Tenancy Act, IX of 1883.
(b) Earnest money deposits of the Military Department.

(c) Mukaddam's fees.

(d) Earnest money deposit of the Civil Department.

(e) Money recovered under the authority of certificates issued by the Registrar, Co-operative Societies.

(f) Deposits received under section 13-B (1) of the Debt Conciliation Act or section 12 (1) of the Relief of Indebtedness Act.

(g) Amounts of defaulted instalments recovered in cases under the Debt Conciliation and Relief of Indebtedness Act lying undistributed for want of proper addresses of the creditors.

(h) The fees deposited under section 23 (i) of the Central Provinces and Berar Sales Tax Act, or under section 44 (j) of the General Sales Tax Act, 1958.

(i) The excess amounts of advances for copying and unexpended advances thereof.

(j) Amounts received under Rule 3 of Rules made under Sub-section (1) and Clause (XLVIII) of Sub-section (2) of Section 258 read with Section 190 (5) of the Madhya Pradesh Land Revenue Code, 1959.

(k) Any other amount or class of payments permitted by Finance Department to be kept as Revenue Deposit.

Note: The procedure regarding receipts, refunds and accounting of these transactions, pertaining to copying fees, shall be forwarded in the treasury office, as laid down in the Madhya Pradesh Revenue Records Rules, 1959.


REPAYMENTS

548. (1) Refunds of deposits can be made only on the receipt of the person entitled to them after production of due authority. However in cases where moneys on account of revenue deposits, were received and credited to Government account by departmental officer or where these were credited at 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 his receipt from the treasury and make payment to the person concerned. The Treasury Officer will, before making the repayment to the departmental officer, verify the availability of the credit in the manner as stated in S.R. 548 (2).

(2) Save as provided in Subsidiary Rule 551, 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 in the register
of repayments maintained in Form M.P.T.C 65 and also 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.—When, in the case of a bank treasury, a deposit is repaid by an order on
the Bank the entry in the Register of Receipts should be made when the
order is issued and that in the Register of Repayments when the repayment
is reported in the daily account of the Bank. If in any case repayment is not made on the date of the order on the Bank, the actual
date of repayment should also be noted in the Register of Receipts just below the entry of the date of the order.

549. The provisions of Subsidiary Rule 421 apply to refunds of deposits as
they apply to refunds of revenue, when the amount involved does not exceed
Rs. 100.

REPAYMENT ORDER AND VOUCHER

550. Form M.P.T.C. 66 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 S.R. 548 (1), a departmental officer is
required to draw the amount for repayment of a deposit, he will prepare a bill
in Form M.P.T.C. 44 duly supported by the original chalan 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, and the number and date of the chalan 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 chalan 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 availability of the credit.”

551. Except as provided in S.R. 548 (1) earnest money deposit 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.

Note.—In cases, however, where the original deposit receipt (chalan) has been
lost, a refund order issued on the certificate of credit under S.R. 62 may
be accepted.
552. 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.

When a deposit is adjusted by transfer to some head of account, the head of account to which it is transferred and the item in which it is included in the treasury account, should be noted both in the Register of Receipts and in the Register of repayments, and it should be separately credited in the cash book or the subsidiary register concerned. The voucher submitted with the list of repayments will state these facts under the signature of the Treasury Officer.

553. Unless it be otherwise provided by any law or rule or order issued by 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

554. (1) Deposits made at a sub-treasury must be brought, item by item through the daily sheet upon the district registers and must be numbered in the general series. It will, however, be sufficient to enter merely the daily totals in the district registers in the case of transactions relating to personal deposits such as ward's estates dispensaries, municipalities, etc., which take place at sub-treasury unless the Accountant-General directs otherwise in any case.

(2) When a Government servant 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. A register of such deposits should be kept at the sub-treasury in addition to that at the district treasury. In making repayments he should clearly indicate the sub-treasury account in which the credit originally appeared, so that it will be easy to trace the item and to charge off payment correctly in the district account.

(3) If any class of deposits is payable at sub-treasury, it must not, except with the special permission of the Collector, be payable at the district treasury also.

555. Deleted.

MONTHLY RETURNS

556. In some cases where many deposits are received for very short periods, permission has been given to detail in the returns submitted to the Accountant-General only those items not repaid in the month of receipt; the permission should not be extended without clear proof of its necessity. In this case the returns for submission could not be written up till after the close of the month, and there would be breaks in the series of numbers representing the deposits received during the month which had been wholly repaid before its close.

557. Deleted.
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PLUS AND MINUS MEMORANDUM

558. Together with the monthly deposit returns must be submitted a *plus* and *minus* memorandum in Form M.P.T.C. 69 showing the opening balance, receipt, repayment and closing balance, under each head of deposit, including personal deposits. As this balance should always equal the aggregate of repayable deposit balances upon the deposit registers, it has to be reduced in the April return by the amount reported for lapse under Subsidiary Rule 562.

QUARTERLY CERTIFICATE

559. At the end of every quarter a *certificate* must be recorded on the Register of receipt of Revenue Deposit maintained in form M.P.T.C. 64 by the Collector or by a gazetted officer of the district staff (not being the Treasury Officer) selected by the district Officer for the purpose, that he has personally carefully examined the register, and that the entries are made with the utmost care and regularity.

*Note.*—This examination is not intended to be mechanical, and to secure only that all necessary entries are made and initialled without fail at the time of the transaction, but also that no moneys are unnecessarily placed in deposit, or allowed to remain there without good cause.

CLEARANCE REGISTER

560. In April each year Treasury Officer should examine the receipt register of the second preceding year, and transfer to a Clearance Register in Form M.P.T.C. 70, all the outstanding balances which are not reported for lapse under Subsidiary Rule 562. To this Clearance Register should also be transferred any items in the last preceding clearance register but one, that are for special reasons not allowed to lapse to Government under Subsidiary Rule 562, while the bulk of the outstanding in it so lapse.

Old items thus transferred from one clearance register to a second one should be carefully watched by the Collector and must in the ordinary course lapse at the end of the two years for which the latter is current. They can not be allowed to be carried forward to a third Clearance Register without the special sanction of the Accountant-General. In the district offices the repayment of items entered in a Clearance Register submitted to the Accountant-General should continue to be recorded in the original receipt registers. It is not intended that Clearance Registers should be used in district offices.

561. A certificate from the administrator of every personal ledger account (to the effect that the balance claimed by him is of a named amount and detailing his outstanding cheques in order to explain the difference between his balance and that admitted by the treasury officer in his *plus* and *minus* memorandum) should be transmitted along with the Clearance Registers for other classes of deposits.

LAPSED DEPOSITS

562. 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 by means of transfer entries in the Accountant-General's Office. Of deposits and balances thus lapsing the Treasury Officer must submit to the Accountant-General immediately after 31st March a list in Form M.P.T.C. 71.

Note 1.—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 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.

Note 2.—In the case of sub-treasuries the lapsed statement referred to above should be sent to the Sadar Treasury immediately after the 31st March in each year.

Note 3.—Early in March the registers of deposits should be taken up, and an extract made on ruled paper of those of each class which would, in ordinary course, whether from age or pettiness lapse at the end of the month. This list should then be reviewed by the Collector, and any item, which in his opinion should not be so dealt with should be struck out and at the same time (if it be an item lapping from age) entered in the first page of the clearance register in Form M.P.T.C. 70 for that class, full detail of the reasons why it is not to lapse being given in a covering memorandum. Similarly, if any item is repaid in the course of the month, it should be struck out of this list at the same time, as the payment is entered in the registers of receipts and repayments. On the 31st March each of these lists should be again checked with the register of receipts, wherein its items should be marked off as having lapsed and been credited on the 31st March and the total of the list should be deducted in the plus and minus memorandum from the balance shown at credit of the particular class of deposits, and the list itself signed by the Collector, being forwarded to the Accountant-General. This duty may be delegated by the Collector to a gazetted officer of the district staff not being the Treasury Officer.

Note 4.—In preparing the lapsed statement the items should be entered in chronological order, and separate totals should be given for deposits relating to different years.

Note 5.—With regard to items of advances for copies and returning diet money care should be taken that the financial year of deposit from which the amounts have been transferred to credit of Government is correctly stated in the list of lapses sufficient space being left after the entry of each year for noting subsequent refunds.

563. The Government may, in relation to any particular class of deposits, issue orders varying or relaxing any of the conditions or limitations specified in the last preceding rule.
564. (1) Deposits, the detailed accounts of which are not kept at the treasury and which are credited to the Government under subsidiary Rule 562, 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 S.R. 565 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 S.R. 565.

(2) Deposits, the detailed accounts of which are kept at the treasuries and which are credited to the Government under S.R. 562, 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 S.R. 565.

Note 1.—The amount of a lapsed deposit refunded will, however, be charged in the cash book as a refund and not debited to deposits. The repayment of the deposit should be recorded in the district register of receipts, so as to guard against a second payment. Every application for refund should first be submitted to the Treasury Officer who should certify in the application that the amount claimed has not already been refunded.

Note 2.—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 revalidated.

565. The application for sanction shall be made in Form M.P.T.C. 45. 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 the Government under S.R. 562 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.P.T.C. 45. The Treasury Officer will make the payment or obtain the sanction of the Accountant-General and make the payment to the departmental officer.

566. If the repayment 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 on Form M.P.T.C. 45 quoted in the preceding rule.

567. Lapsed deposit refund orders if not paid within three months from the date of sanction should be returned to the Accountant-General for cancellation. A fresh order may be obtained if the amount is subsequently reclaimed.

Section IV.—Civil Courts Deposits

RECEIPTS AND REPAYMENTS

568. Subject as hereinafter provided in this section and also subject to the detailed rules in this respect contained in the Rules and Orders (Civil and Criminal) issued by the High Court of Judicature at Jabalpur, the provisions of section III of this Chapter relating to receipt and repayment of revenue deposits shall apply in relation to civil courts' deposits with such adaptation and modification as may be authorized by the High Court after consultation with the Accountant-General.

569. Subject to such general or special orders as may be issued by the State 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 authorized 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 in (i) above is simply to relieve the Treasury Officer of responsibility for the details of the deposit transactions, not to abolish detailed record but to confine it to the departmental office in which registers of receipts and payments 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 is 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. The Personal Deposit account in such cases shall be kept by the Treasury Officers separate from other Personal Deposit accounts proper and they will be designated as Civil Court Deposits.

Note 2.—In cases in which the first method referred to in this rule is followed, each Civil Court should incorporate in its own accounts deposit items of its subordinate Courts as a treasury does those of sub-treasuries unless any subordinate Court is authorized 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 Small Cause Courts.
Note 3.—In the case of refund of lapsed Civil Courts' Deposit, the requirement of the penultimate sentence of the first sub-paragraph to S.R. 564 will be considered to have been met if a note regarding the handing over of the sanctioned application to the claimant, with date, is recorded against the particular entry in the Register of Deposits Receipts, the date of actual payment being recorded similarly after ascertaining it from the treasury. For this purpose a list of all sanctioned applications handed over to the claimants should be sent by the Civil Court to the officer in charge of the treasury once a month for recording therein the dates of payment by the latter against the relevant entries. A subordinate court the accounts of which are incorporated in those of a District Court should submit a refund application to the Accountant-General through the District Court in order that latter may record a certificate on the application to the effect that the amount claimed has not already been refunded.

570. Each transaction of receipt or payment of a Civil Court deposit must be initialled by the Judge or Magistrate, or by some duly authorized gazetted officer of the Court.

Note.—The plus and minus memorandum of the balance of deposits should be stated by the Judge or Magistrate upon the register of receipts transmitted to the Accountant-General.

571. In Civil Court 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—

(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 receipt of the ordinary form, labelled "Sheriff's petty accounts" and repayment should be recorded in the similar separate register of repayments, 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 from which a daily balance should be struck; monthly totals of receipts and of payments on Sheriff's petty accounts should be noted on the extracts from the general registers submitted to the Accountant-General, and lapses periodically reported.

(2) The detailed procedure for the record of petty deposits may be prescribed whenever the system is permitted by the High Court after consultation with the Accountant-General.

(3) Petty sums received by civil courts on account of advances for copies and returned diet money and the repayments made therefrom should not be entered at all in the court registers of deposits and repayments. These advances, as well as those received on account of advances for copies in criminal cases, should be dealt with under the procedure prescribed by the High Court.
572. (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 shall report only completed transactions. A Civil Court does not usually receive money but gives the intending depositor an order to the Treasury Officer to accept it and so, though recording the issue of this order in a court register with sufficient detail, it should not bring the item on he deposit registers 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 details at foot of its extract register of repayments sent to the Accountant-General, the cheques which are unpaid, deducting their total from the total of the extract.

(2) The Treasury Officer will furnish the court with a daily advice list of the sum received and paid or advice the receipts and payments in pass book as may be laid down by the Accountant-General.

573. (1) When it is inconvenient for a depositor to proceed to the treasury with the courts 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 or sub-treasury shall make the 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.

(2) 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 will 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.

(3) No permanent advance may be given and held apart specially for the repayment of deposits, the office permanent advance may be augmented sufficiently.

574. When the list of lapses under Subsidiary Rule 555 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.

575. The account of civil court deposits in the treasury in this State is only a record, without particulars and without details, of the money received from and paid to, or to the order of each civil court which banks with the treasury. The transactions are shown in the treasury in the form of register
of personal deposits (Form M.P.T.C. 72) and the daily totals of the register are carried into the register of daily receipt and repayments of personal deposits (Form M.P.T.C. 73) in columns headed “Civil Court Deposits”, and “Cantonment Small Cause Court Deposits.”

**EXTRACT REGISTERS OF DEPOSITS**

576. The transactions on account of Court of Wards and attached estates should be entered in sequence in the register of personal deposits (Form M.P.T.C. 75) and separately totalled in red ink. Those of civil courts and other deposits should be posted separately.

The details required are—

(a) Civil courts deposits of the district (including subordinate courts).

(b) High Court.

The numbers and amounts of vouchers (not of cheques) of each personal deposit account should be entered in detail in the extract register of personal deposits and the totals must agree with those shown in that register for each deposit account.

**PRIMARY RECORD (CIVIL COURT DEPOSITS).**

577. Each item of deposit received will be recorded under a separate number in columns (1) to (5) of the register of deposit receipts to be kept up by each civil court (Form M.P.T.C. 64).

All payments made from these deposits will be entered by the court in a separate register of repayment of deposits in Form M.P.T.C. 65 and in the appropriate column of the register of receipts (Form M.P.T.C. 64).

**REPAYMENTS**

578. Where a claim is made for the repayment of a deposit, a statement of the claim should be signed by the claimant on a voucher in the form prescribed by the High Court which will be passed for payment by the court which ordered the acceptance of the deposit after it has been found by reference to the register of receipts of deposits that the amount claimed remains unpaid. If the voucher for repayment of a deposit is not presented for payment within 15 days from the date of its issue, payment should not be made unless it is specially renewed.

*Note 1.*—The note regarding the item of credit to be made on vouchers paid by transfer refers to the daily item in the accountant’s register and not to the item in the monthly cash accounts.

*Note 2.*—In cases in which joint interests are concerned, a deposit repayment voucher for a sum exceeding Rs. 20 is held to be sufficiently stamped if a single receipt stamp is affixed to it, even though it may be receipted by more than one person.
579. Payments may be made in each court to the claimants out of the current deposits receipts.

Note.—Vouchers paid by the nazir of a civil court should be stamped “paid” by that official.

580. On each working day before the treasury is closed the nazir will forward to the treasury a remittance list showing in a lump sum the amount of civil court deposits received and repaid during the day with a remittance in cash or a demand for the excess of repayments over receipts. These remittance lists are retained at the treasury and the gross amounts of receipts and payments are shown in the account of personal deposits furnished to the Accountant-General.

Note 2.—These remittance lists may be signed by a nazir or a naib-nazir “for” the Judge when the receipts are in excess of the payment. The list should, however, be signed by the presiding Judge himself when there is a demand for drawal from the treasury.

Note 2.—The above rule applies to the deposit transactions of a court situated at places where there is a treasury or a sub-treasury. In the case of other courts, these transactions will be regulated in accordance with such general or special orders as the High Court may issue.

581. Recoveries of overpayments of deposits should be shown in distinct entries in the body of the cash account in which should be quoted the number and date of the Accountant-General’s letters under which the recoveries were ordered. In the Extract Register of Deposit Receipts, such recoveries should not be entered in the body but added in the plus and minus memorandum as distinct items.

582. The extract register of receipts and repayments together with the repayment vouchers, should be sent to the Accountant-General through the officer in charge of the treasury, who will certify to the agreement of the total receipts and repayments with the treasury figures before forwarding the registers to the Accountant-General. The treasury Officer will also certify to the agreement of the balance shown at foot of his extract register of personal deposits (Form M.P.T.C. 75) with that shown in the nazir’s extract register of civil court deposits receipts. If there be any discrepancy, the registers should be returned by the treasury officer for correction. In order to secure the above agreement it is necessary that all entries of civil deposits should bear the date on which the money is paid into or drawn from the treasury or sub-treasury. This can be easily arranged in personal communication with the treasury.

POLICE REMOUNT FUND

583. The account of the Police Remount Fund is treated as a deposit account. This fund is formed by subscriptions realised from the mounted police. The subscriptions are to be taken only by deduction noted in the pay abstracts and are adjusted to credit of the fund by the Accountant-General, who sends a monthly statement of the receipts and payments of the fund to the Inspector-General of Police. The other sources of income are sale-proceeds of card horses, hire of sowar’s horses lent to officers of Government and cost of Assami deposited by sowars. They should be credited into the treasury in cash.
The payments are for purchase of remounts, refund of cost of Assami and miscellaneous charges, such as special medicines, expenses in regard to remounts, contribution for the upkeep of the Veterinary dispensary at Pachmarhi, etc. They are to be drawn on contingent bills in the usual form with the previous sanction of the Inspector-General of Police. The fund is constituted for the whole State and the balances in the district treasuries are not separately accounted for. An account of the fund is maintained in the office of the Inspector-General of Police, Madhya Pradesh.

Section V.—Personal Deposits

RECEIPTS AND REPAYMENTS

584. Subject as provided in Subsidiary Rule, 535, moneys tendered as Personal Deposits may be received at the treasury from the administrators of the deposit account's without specification of detailed items.

585. Unless in any case the Government direct 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.

586. Receipts and payments on Personal Deposit accounts should be recorded in personal ledger in Form M.P.T.C. 72.

Every personal account will have its own ledger page, the form of which provides, in addition to columns for date of transaction and number of cheques, one column for receipts, one for payments and a third to show the balance after each transaction, with space for the Treasury Officer's initials. Herein the disbursements made not from any one particular item, but from the aggregate balance in hand, are entered as they are made without further remark. From the ledgers the daily totals of receipts and payments will be carried into the aggregate daily total only will be carried to the Cash Book.

587. Deleted.

MONTHLY RETURN

588. For Personal Deposits, a special form of monthly return (Form M.P.T.C. 75) is provided, as in it the totals only of receipts and repayments on each personal ledger have to be entered; the totals of the two columns, receipts of the month and payments of the month, alone, will be traceable in the cash accounts and list of payments. The monthly totals brought out on this form should be the same as those brought out by the summation of the daily total columns of Form M.P.T.C. 73.

589. The charges exhibited in Form M.P.T.C. 75 will be supported by the original paid cheques which should not be given up after payment.

590. Annual certificate from the administrator of every personal ledger account to the effect that the balance claimed by him is of a named amount
should be submitted to the Accountant-General. The difference if any between his balance and that shown in the plus and minus memorandum for the month of March should be explained.

Section VI.—Deposits for works done for public bodies or individuals

591. Payments made to the Government by Janapada Sabhas, 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 paragraph 23 of Appendix 12.

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.

592. A separate account of the deposit of each body should be maintained in register showing the receipts, payments out of them and the balances and the monthly transactions should be shown in the plus and minus memoranda in the same way as personal deposits under a group called "Deposits for work done for public bodies or individuals, etc." with details of the Janapada Sabhas or Municipalities making the deposits.

593. 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.—When under departmental regulations the Local Body or the party concerned is authorized to pay the deposit direct into the treasury the accompanying chalan should state clearly the name of the departments to which the amount is creditable, and the division and the work to which the deposit relates.

594. When the Public Works Department is authorized to undertake a work the cost of which is to be met from a district fund, the necessary funds will be supplied under the rules of the Public Works Department and the actual expenditure incurred will be debited in the Accountant-General’s books under the head “Deposits of Local Funds” and adjusted month by month by reduction of the balance of the district fund concerned.

595. Adjustments made under the above rule will be communicated by the Accountant-General to the Collector to enable him to make the necessary deductions from the balance in the treasury at credit of the district fund. The number and date of Accountant-General’s advice of adjustment should always be quoted as authority for the reduction in the balance shown in the treasury plus and minus memorandum of local funds submitted with the treasury accounts.

Section VII.—Miscellaneous

DEPOSITS BY KEEPERS OF PRINTING PRESSES AND PUBLISHERS OF NEWSPAPERS UNDER THE INDIAN PRESS ACT, 1910.

596. Deposits may be received either in money or the equivalent in securities of the Government of India at the option of the depositor. The
DEPOSITS

597. Cash deposits should be treated as criminal court deposits. Should such deposits have lapsed under the provisions of Subsidiary Rule 562, the sanction of the Accountant-General will be required for the repayments should repayment become necessary.

598. Deposits made in the form of Government securities need not be endorsed to the Accountant-General; but the securities may be kept with the Accountant-General for the safe custody if retained for over twelve months and interest thereon paid to the depositor in the manner laid down in the Government Securities Manual.

Section VIII.—Deposits of fees

599. Fee 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 the fee, he should collect it himself and the Government account 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 distribution of shares between the Government and the Government servant are known beforehand, 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 be collected by the Government servant himself. The Government share should be paid into the treasury as far as possible by the body or person paying the fee;

(b) if the amount of the fees or the shares are known only approximately 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, authorize 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 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 under “Allowances Honoraria, etc.”

Section IX.—Special Rules for deposits of Local Funds

EXPLANATION

600. The expression “Local Fund” denotes—

(i) revenue administered by bodies which by 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 or 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 State Government as such.

The transactions of the Local Funds are not included in the accounts of revenue and expenditure of the State.

601. The Local Funds in this State are—

(1) Janapada Funds,
(2) Municipal Funds,
(3) Dispensary Funds,
(4) Museum Funds,
(5) Cotton and Grain Market Funds,
(6) Town Funds (Notified Areas).

RECEIPTS AND PAYMENTS

602. Save where it is otherwise provided by any law or rule or order having the force of law, local bodies are ordinarily required to place their funds in the treasury or in the Bank at places where the cash business of the treasury is conducted by an office branch or agency of the Bank.
PAYMENTS OF CHEQUES DIRECT BY THE BANK

603. The Janapada Fund cheques may also be paid direct by the Bank when the bank transacts the ordinary treasury business of Government without the order of the Treasury Officer; provided—

(a) the Local Authority intimates to the Treasury Officer at the end of each month the limit to which the District Fund will draw cheques in the following month, and

(b) the Treasury Officer, after checking the figure with reference to the balance in the treasury register, authorizes the Bank to honour cheques up to that limit.

If at any time during a month it is anticipated that a larger sum than that already intimated will be drawn, a supplementary intimation should be sent to the Treasury Officer in time for him to check and transmit it to the Bank.

604. The accounts of local funds at a treasury shall be kept as a pure banking account, moneys being paid into and drawn out of the treasury without specification of the nature of receipt or expenditure. The Treasury Officer need only see that the voucher for payment is in the proper form and signed by the proper officer and that the amount does not exceed the amount at credit of the banking account. 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 in accordance with the rules of the funds.

Receipts creditable to local funds may be paid into the treasury in cash accompanied by a chalan.

Note.—When a payment has to be made from any local fund to Government or to any other local fund, or from Government to any local fund, and when both the funds are lodged in the treasury, it is not necessary that the money should be actually drawn in cash from the treasury and again repaid into it. In the cheque or the voucher used, it should be clearly specified that the amount is to be paid by transfer credit.

605. 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 the relevant provisions of Chapter V. The gross amounts of bills shall be debited by the Treasury Officer against the local fund concerned, the deduction on account of income-tax, fund subscription, etc., being credited by transfer in distinct entries.

CONTRIBUTIONS

606. All contributions from State revenues to Janapada funds should be paid by transfer credit. When sanctioned by the State Government such contributions should be paid on simple receipts which should give the number and date of the sanction and particulars of the grants. All such transactions
will appear in the treasury lists of payments and as Janapada fund receipts in the cash accounts and plus and minus memorandum.

607. 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.

608. The transactions of all local funds should be recorded in the form used for personal deposits, but must be kept quite distinct, and must pass into the cash account as deposits of local funds and not as personal deposits.

609. The transactions of each fund should be entered in a separate column in the treasury register which allows one column for every such fund in the district. Unless the funds are very few in number; it is most convenient to have registers and totals for Municipal and Janapada funds separate from other funds.

PLUS AND MINUS MEMORANDUM

610. A plus and minus memorandum in Form M.P.T.C. 69 should be appended to the monthly accounts showing for each local fund the balance at the beginning of the month, the amounts received and credited during the month, and those paid out during the month and the balance at the end of the month.

VERIFICATION OF BALANCES

611. The balances at credit of each fund are verified at the end of the year by the Treasury Officer on the one hand, and the officer or committee administering the fund on the other. The balance on treasury’s books is acknowledged by the Government and the officer or committee is required to follow it after reconciling the figures, if there be any difference.

Note.—The Treasury Officer should obtain by the 30th April each year, from the administrators of all local funds, statements of balances at the credit of the fund at the end of the financial year just closed. The statement should contain information on the following points:—

(i) Balance of the fund as per cash book on 31st March of the year under report.

(ii) Amount of uncashed cheques at the end of the year under report.

(iii) Credit entered in the cash book in the year under report but actually paid into the Treasury during the following year.

PASS BOOK

612. The pass book of the local body, as well as the usual chalan, must accompany each remittance paid into the treasury or sub-treasury to be credited to the local fund. The receipt of each sum will be acknowledged in the pass book under the initials of the Treasury Officer, or Sub-Treasury Officer, and on each occasion of the pass book being sent to the treasury or sub-trea-
sury with money paid in, the payments made up to date on cheques will be entered in it from the register of local fund payments (Form M.P.T.C. 73).

613. On the last working day of each month the pass book will be sent to the treasury to be written up and formally closed; that is, the entries of the payments on cheques will be completed and the figures on each side will be totalled and the balance struck under the initials of the Treasury Officer. A statement will be inserted and signed in full by the Treasury Officer, showing total credits and debits to the fund during the month as recorded in the treasury registers and also the balance actually at credit of the fund according to the receipts and payments as brought to account in the treasury. The balance thus shown is the mere arithmetical outcome of credits and debits in the treasury accounts to date it is not to be regarded as the final balance of the fund on the date specified, as the amount is liable to correction by the Accountant-General on account of adjustment made under rules.

Under no circumstances should any entries be made in the pass book except by the treasury clerk. Each entry on the receipt and expenditure sides and the entry of the closing balance will be initialled by the Treasury Officer.

PAYMENT BY A LOCAL FUND OF THE AMOUNT OF CHARGES TO BE INCURRED OR COST OF SERVICE TO BE RENDERED BY GOVERNMENT ON ACCOUNT OF THE FUND

614. Unless any of the following arrangements has been authorized by the Government, a local fund is required to pay in advance the estimated amount of charges to be incurred or cost of services to be rendered by Government on account of the fund:

(a) Payments as made by Government may be charged to the balances of the deposits of the local fund in Government books.

(b) Recovery from the local fund may be postponed till the time when Government has to make payment for the charges.

(c) Payments may be made as advances from Government funds in the first instance, pending recovery from the local fund.

In cases where a local fund has to pay for medicines supplied, but the liability cannot be accurately known within the year owing to the account of supplies not being available from the supplying department by the 31st March, the local fund concerned should be required to pay during March a sum roughly estimated as the value of the medicines, any short or excess recovery being readjusted in the following year (see also paragraph 434 of the Medical Manual).

Section X.—Other Deposits Accounts

615. Money 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.
CHAPTER IX.—LOANS AND ADVANCES

Section 1.—General

INTRODUCTORY

616. The rules in this Chapter shall apply to loans and advances of different classes, which are granted out of funds provided by the Government under the heads “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

617. A bill on which a loan or advance is drawn must quote the authority sanctioning such a loan or advance. Subject to the provisions of Section II of this Chapter, a Treasury Officer may authorize payment of any loan or advance only if the bill has been signed or countersigned by the authority competent to sanction such loan or advance, or if the sanction has been specially communicated to him.

618. Except as otherwise provided in Section II of this Chapter, loans and advances and other miscellaneous payments may be drawn on a simple receipt from (Form M.P.T.C. 76) with necessary changes. In the case of payment to a non-gazetted Officer, the formal receipt of the actual payee shall, in every case, be taken by the head of the office in an acquittance Roll and not on the bill.

619. In repaying a loan 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.

Section II.—Special Rules Applicable to Different Classes of Loans and Advances

LOANS TO MUNICIPALITIES, ETC.

620. Unless in any case the Government direct otherwise, the issue of Loan money shall be governed by the following rules:—

(i) Every loan granted to a municipality, or any other quasipublic body or person will be recorded in the books of the Accountant-General and shall be disbursed by the Treasury Officer on the basis of the Government sanction, a copy of which shall be attached to each such bill:

(ii) No department or Government servant may incur any expenditure or any liability against a sanctioned loan, unless a statement in writing is first obtained from the Accountant-General that the
amount is available out of such a loan and has been placed by him in a separate account so as to be available for the proposed expenditure:

(iii) The Accountant-General, before furnishing the statement mentioned in the preceding clause, will ascertain that the municipality or other party responsible for the loan has assented to the arrangement, or that it is distinctly stated by the Government among the terms of the loan.

Section III.—Revenue Advances

621. The following special procedure is prescribed for the drawing of Revenue Advances which include taccavi advances as given below, and any other advances which Revenue Officers are allowed or directed to make under the provisions of any law, or under the special orders of the Governor:

NON-PLAN

(i) Loans to cultivators by departmental agency—

(a) Land Improvement Loans Act.
(b) Agriculturists' Loans Act.

(ii) Loans to State Co-operative Banks for distribution of taccavi through Co-operative—

(a) Land Improvement Loans Act.
(b) Agriculturists' Loans Act.

(iii) Advances to ploughmen.

(iv) Loans under the scheme of colonisation for the settlement of landless labourers.

PLAN.

(i) Loans to cultivators by departmental agency—

(a) Land Improvement Loans Act.
(b) Agriculturists' Loans Act.

(ii) Loans to State Co-operative Banks for distribution of taccavi through Co-operative—

(a) Land Improvement Loans Act.
(b) Agriculturists' Loans Act.

(iii) Loans under the scheme of colonisation for settlement of landless persons.
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PART II—CHAP. IX] LOANS AND ADVANCES

Note 1.—Taccavi works advances in the form of expenditure on taccavi works in the Public Works Department are regulated by departmental rules. Save where the estimated cost of such works is recovered in the Public Works Department, recoveries of such advances will be made by the Collectors in the same way as arrears of land revenue.

Note 2.—The transactions pertaining to the loans granted under Community Development Programme should not be mixed up with the transactions pertaining to the Revenue Advances, but should be exhibited separately under the heads shown below in the treasury accounts and separate plus minus memoranda submitted for those loans. These heads are to be operated only in respect of sanctions accorded by the Planning and Development Department and recoveries shown against the same:

1. Loan under Community Development Programme—

(a) Loans for Financing Community Development Projects through departmental agencies.

(b) Advances to Co-operative banks for distribution of taccavi through Co-operative.

PLAN

1. Loans under Community Development Programme—

(a) Loans for Financing Community Development Projects through Departmental agencies.

(b) Advances to Co-operative Banks for distribution of taccavi through Co-operative.

(c) Loans under National Extension Service.

622. At the beginning of the financial year, an allotment is sanctioned by the Government for each district and the distribution is communicated to the Accountant-General. Within the allotment for each district, advances may be issued from the treasury upon orders signed or countersigned by the Collector or other duly authorized 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 in Form M.P.T.C. 69 for each officer who authorizes the advances in accordance with the directions contained in this behalf in the Account Code, Volume II. For all further accounts and supervision, the department authorities will be responsible.

623. (a) Advances may be made either direct to the parties concerned and on their receipts (stamped when necessary) or in lump sums on abstract bills in Form M.P.T.C. 35 to Government servants disbursing the advances.

In the former case the charges should be supported by actual payee’s receipts. The vouchers in support of the advances should, however, be can-
celled and returned to the disbursing officers for being filed in the misl. The Treasury Officer should forward the following certificate to the Accountant General in support of the payments appearing in the Treasury Accounts—

"Certified that the Revenue advances have been made to the proper persons and upon orders signed or countersigned by the disbursing officers of the district or other officer authorised to exercise the powers of a Collector and that the receipts of the payees are duly stamped "Paid" and returned to the disbursing officers for being filed in the misl."

In the latter case the Abstract Contingent Bills should be supported by a certificate of the Collector, prescribed in clause (iii) of this rule and forwarded to the Accountant General in support of the debit appearing in the treasury accounts, and the following safeguards should 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, and 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) The disbursing officers should take the receipts of the payees on the spot as soon as the advances have been made.

(iii) Payees receipts need not be sent with the detailed bill and their names need not be shown in it. But the drawing officers should certify at the foot of the Detailed Contingent Bills that the advances were duly sanctioned by the competent authority and paid in their presence to the proper parties and their stamped receipts duly taken and filed in the Revenue Office. The Detailed Contingent Bills in support of the abstract contingent bills drawn by the Collector/subordinate officers should be signed/counter signed by the Collectors themselves and the detailed contingent bills sent to the Accountant General's office direct (and not through the Treasury Officer) on or before the last day of each month in support of the drawings during the previous month and a certificate attached to that effect to the first abstract contingent bill sent to the treasury for payment during the next month. The treasury should make payments only on receipt of such certificate from the Collectors.

(iv) The Collector or the head of 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.

(b) Transactions on account of Revenue Advances made under S. R. 621 are recorded in separate columns in the treasury register of advances (Form M. P. T. C. 77). The recoveries of interest on these advances are also recorded in a separate register (Form M. P. T. C. 78). In the Cash Account and lists of payments, the monthly totals of these two registers are entered.
624. In every treasury whence revenue advances are made, one or more plus and minus memoranda in Form M.P.T.C. 69 shall be kept in which the advances made should be debited and all recoveries effected should be credited. The plus and minus memoranda shall be submitted with the monthly treasury accounts to the Accountant-General whose care it will be to see that they accurately represent the credits, debits and balances that pass upon his accounts in respect of revenue advances of the district or Government servant concerned.

625. No. Government servant authorized 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 erroneousness and causing him to correct it. Every officer shall see that the debts and credits made to his accounts 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.

626. With every return of revenue advances made to revenue authorities a memorandum should be submitted setting forth the figures of the treasury plus and minus account and agreeing them with the figures of the return.

627. The Accountant-General will, at the close of every half-year's accounts, send to the Collector a return showing the figures that pass upon his books in respect of revenue advances. The object of the statement is to enable the Collector to check the reconciliation prescribed in Subsidiary Rule 626.

628. 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.

629. 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 parties or other parties, the duty of maintaining detailed accounts of the advances, of watching their recoveries and of supervision, 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, Volume II.

The provisions of Subsidiary Rule 625 apply also to advances of this class of which the detailed accounts are kept departmentally.

**ADVANCES TO GOVERNMENT SERVANTS ON PERSONAL ACCOUNT**

630. These advances may be drawn on Form M.P.T.C. 76-A in the case of Gazetted and on Form M.P.T.C. 76-B in the case of non-gazetted Government servants.

(This amendment comes into effect from 1-4-1974).

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 cases in which repayment is made in cash, remittance of the amount into the particular treasury or office from which the advance was drawn is not necessary.

In both the cases of recoveries from pay bills or cash recoveries, a schedule in Form M.P.T.C. 78-B or 78-C should be attached to the pay bill or travelling allowance bill or the chalan, as the case may be. In the latter case, the treasury officer will forward to the Accountant-General the recovery schedules along with the concerning receipt schedule.

**OTHER LOANS AND ADVANCES**

631. Subject to the general provisions contained in Section I of this Chapter, 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.
CHAPTER X.—TRANSFERS OF MONEYS STANDING IN THE CONSOLIDATED FUND AND PUBLIC ACCOUNT

Section 1.—Introductory

GENERAL

632. The Subsidiary Rules in this Chapter are issued after consultation with the Reserve Bank of India.

KINDS OF TRANSFERS

633. Transfers and remittances of moneys standing in the Consolidated Fund and Public 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 1.—Currency chests are maintained at treasuries and sub-treasuries on behalf of the Issue Department of the Reserve Bank in accordance with the arrangement described in Section III, Chapter XII.

Note 2.—Remittances between the treasuries and sub-treasuries in the State of Madhya Pradesh on the one hand, and the Reserve Bank of India Office, Nagpur on the other are, owing to the non-existence of a currency office in the jurisdiction of the State, treated as operations against the balance of the Central Government.

(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.

(ii) Remittances between treasuries, that is, remittances from the treasury balance at one treasury to the treasury balance at another treasury.

This method of remittance 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 uncurreent 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, or a treasury or to the Bank conducting the cash business of any such treasury, or vice versa.
Note.—Remittances from or to a small coin depot to or from a treasury are governed by instructions issued by the Central Government vide Treasury Rule 30. All remittances from one small coin depot to another are purely Central transactions.

In regard to these remittances the procedure prescribed in the Treasury Rules of the Central Government should be followed.

(iv) Mint remittances, that is, remittances to the mint of uncurrent coin or coin withdrawn from circulation from a treasury or from the bank conducting the cash business of any such treasury.

Note.—Remittance of uncurrent coin from a sub-treasury to a district treasury of the State will be treated as a local remittance affecting the balance of the State Government.

APPLICATION OF RULES

634. The rules of procedure prescribed in Section II of this Chapter apply to transfers between the treasury and currency chest balances within the 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.

635. Unless in any case the Government after consultation with the Reserve Bank direct otherwise, and except as provided in Subsidiary Rule 634, all remittances mentioned in clause (b) of Subsidiary Rule 633 shall be governed by the provisions of Section III of this Chapter.

Section II.—Transfers through Currency Bank Treasuries

636. 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.

637. Subject to any special direction contained in Chapter XII, all transfers from and to currency shall be of whole rupees and notes.

638. 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 required amount from the currency chest to his treasury balance and report the fact forthwith to the Currency Officer concerned direct 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 headquarters, 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 through the Treasury Officer.

639. At sub-treasuries where there is no currency chest, transfer of funds will be made by the actual remittance of notes or coin from the Bank to the sub-treasury or vice versa, in accordance with the procedure prescribed in Section III of this Chapter. The Bank will provide the funds for remittance to sub-treasuries at the request of the Treasury Officer.

NON-BANK TREASURIES

640. Transfer of funds or to the treasury balance shall be made in accordance with the following procedure:

(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 balance 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 M.P.T.C. 86, unless a corresponding transfer is made at a sub-treasury.
641. 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 Sub-treasury Officer of the chest slip in Form M.P.T.C. 86 reporting the transfer, the Treasury Officer should make the corresponding transfer from the currency chest to the treasury balance at the district treasury.

It is the duty of the Treasury Officer to see that Sub-treasury Officers 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 the treasury balance to the currency chest at the district treasury and order the corresponding transfer from the currency chest to the treasury balance at the sub-treasury.

Note 1.—The instructions laid down in Note 1 below Subsidiary Rule 638 (1) apply equally to payments of drafts and telegraphic transfers from non-Bank sub-treasuries.

Note 2.—The Currency Officer may, on the recommendations of the Treasury Officer, permit a Sub-treasury Officer to transfer to 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.

642. Transfer of funds to and from sub-treasuries where there is no currency chest shall be made by the actual remittance of notes or coin in accordance with the procedure prescribed in Section III of the Chapter. Such remittances shall not be made except under the instructions of the Treasury Officer.

Section III.—Remittances of Coin and Notes

GENERAL

643. The provisions of Subsidiary Rules 644 to 687 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 Subsidiary Rules 688 and 689 and such other instructions as may be issued by the Reserve Bank.
644. (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 should 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, however, be dealt with in accordance with the provisions of Subsidiary Rule 651 and 652, respectively.

(2) Remittances within the district i.e. 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 who is entirely responsible for such remittances need not obtain the sanction of any higher authority before ordering them.

645. (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 Subsidiary Rule 685).

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 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 scale laid down by the State Government. 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 M.P.T.C. 79 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 authorized holiday.

(5) The attention of the escort officer shall be specially drawn to paragraph 3 of the instructions in Form M.P.T.C. 83.

(6) As soon as remittance is despatched it should be entered in the cash book if it is a treasury remittance, or in the currency chest register if it is a currency remittance to a place within the same currency circle. If it is a currency remittance to a place outside the circle, the amount should be shown as in the currency chest register and charged off the account on receipt of advice of arrival at the receiving office.
646. 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.

REMITTANCES OF COIN

647. Coin shall be packed for remittance in stout bags, tied and sealed after a slip in Form M.P.T.C. 9 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. Where a potdar accompanies a remittance, he also should watch the packing of boxes after counting the number of bags in each box.

Note 1.—For remittances of withdrawn and uncurrenent 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.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Withdrawn</th>
<th>Uncurrent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value per bag</td>
<td>Tale per bag</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>One Rupee</td>
<td>Rs. 2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>50 paise</td>
<td>Rs. 2,000</td>
<td>4,000</td>
</tr>
<tr>
<td>25 paise</td>
<td>Rs. 500</td>
<td>2,000</td>
</tr>
<tr>
<td>20 paise</td>
<td>Rs. 400</td>
<td>2,000</td>
</tr>
<tr>
<td>10 paise</td>
<td>Rs. 200</td>
<td>2,000</td>
</tr>
<tr>
<td>5 paise</td>
<td>Rs. 100</td>
<td>2,000</td>
</tr>
<tr>
<td>3 paise</td>
<td>Rs. 75</td>
<td>2,500</td>
</tr>
<tr>
<td>2 paise</td>
<td>Rs. 50</td>
<td>2,500</td>
</tr>
<tr>
<td>1 paise</td>
<td>Rs. 20</td>
<td>2,000</td>
</tr>
<tr>
<td>(Bronze and Nickel Brass)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 paise</td>
<td>Rs. 50</td>
<td>5,000</td>
</tr>
<tr>
<td>(Aluminium Magnesium)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Half Rupee</td>
<td>Rs. 2,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Quarter Rupee</td>
<td>Rs. 500</td>
<td>2,000</td>
</tr>
<tr>
<td>2 Annas</td>
<td>Rs. 500</td>
<td>4,000</td>
</tr>
<tr>
<td>1 Annas</td>
<td>Rs. 250</td>
<td>4,000</td>
</tr>
<tr>
<td>1½ Annas</td>
<td>Rs. 100</td>
<td>3,200</td>
</tr>
<tr>
<td>Single pice</td>
<td>Rs. 50</td>
<td>3,200</td>
</tr>
</tbody>
</table>

(Government of India C. S. No. 673 to Central Treasury Rule 687)
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 label.

(b) A slip should invariably be placed inside each box, giving the name 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 form prescribed in the succeeding Subsidiary Rules 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 red ink.

648. For journeys by road the bags may be packed in treasure tumbrils, or in large chests place 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 should be riveted or nailed together where they cross. Every box must bear the name of the despatching treasury cut into, or printed on it with a number.

Note.—Remittances of coin from Currency Offices are usually sent in patent remittance boxes. Special instructions regarding the method of dealing with such boxes will be given by the remitting officer.

649. To each box, designed for river conveyance or to cross any unfordable stream by a ferry, shall be fastened a buoy, found of a piece of unsplit bamboo or other floating material; the rope of the buoy shall be at least ten yards long, and 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.

Note.—The above precautions are not necessary in cases of remittances covered by insurance.

650. Invoices shall be prepared in triplicate in Form M.P.T.C. 80; one copy shall be retained, another 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 uncurrenct (1) Silver, (2) Nickel, and (3) Copper or Bronze coins, giving separate totals for each group of coins.

Uncurrent Coin

651. 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 M.P.T.C. 81. Treasury Officers 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 the tale found by the Mint Master must be made good by the treasurer, and any excess therein 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

652. 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.

653. New notes or notes fit for re-issue 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.

654. The following instructions shall be observed for packing parcels of notes:

(1) Notes of each denomination must be 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.P.T.C 10 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.

(2) 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 M.P.T.C. 80.

Note.—Fresh notes of the denominations of Rs. 2, Rs. 5 and Rs. 10 and Government of India Re. 1 notes are remitted from the currency offices to the Currency chests in the original bundles received from the Security Printing Press.

655. In the case of remittance sent in charge of a police guard an invoice in Form M.P.T.C. 80 should 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

656. The escort officer 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.

657. 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.

658. 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. ___ bags" or said to contain more 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

659. (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 10 lakhs, and

(ii) one potdar for every additional 10 lakhs or a fraction of it up to a maximum of 3 in all.

*Note.*—The Currency Officer may sanction the deputation of a second potdar for journeys occupying such 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 journeys 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 authorize 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.

660. (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 coin, or to watch the examination of such coin at the receiving treasury, Mint or 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 of having been tampered with, it should be opened and its contents examined in his presence.

(2) Potdars accompanying remittances of withdrawn silver, Quaternary alloy and pure nickel coins and remittances for special examination to the Mints, shall be released by the Mint authorities as soon as the numbers 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 Banks of India the accompanying potdars shall be released 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 of India or the State Bank of India as the case may be. On no account shall they be detained to watch the examinations, and taling of any remittance at the Mints.

661. Potdars or clerks accompanying remittances shall be furnished by the remitting Treasury Officer with a certificate in Form M.P.T.C. 82 with columns (1) to (8) filled in. The officer receiving the remittances 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 certificate 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 ten 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 ten 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) Remittances within the State to/from currency chests from/to sub-treasuries having no currency chests.

(ii) Remittances within the State between sub-treasuries without currency chests at both ends.

(iii) When not sent separately, remittances within the State of uncurren coins between treasuries and sub-treasuries without currency chests at both ends.

(iv) Remittances within the State 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 the 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 uncurren 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.

662. 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 destination, save in case of a break-down, 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 shall be entrusted to the escort officer in a sealed cover which he shall not open except when absolutely necessary in the case of a break-down on the road.
Receipt of Remittances

663. (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.

664. 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 show signs of having been tampered with, it shall similarly be opened and its contents examined before the escort is released.

665. 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.

666. (1) New nickel or bronze coin received either directly from the Mint or from any other treasury 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 accompanies, 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 of 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 the amount of the remittance does not exceed five lakhs of rupees, and when the procedure will not cause practical inconvenience, to weigh the entire contents of each bag by emptying them in to the scales before depositing the remittance in the strong-room. This weigh-ment 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 five lakhs of rupees, 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 Tarpoilins, the notes being secured in a chest or chests or replaced in the original boxes with the lids securely fastened.
667. The detailed examination of the remittance shall be conducted in the presence of the potdar from the receiving 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 if the potdar has been discharged in terms of Rule 660 (1) 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 interests of the remitting treasury are adequately safeguarded.

668. Every facility must be given to the potdar of the remitting treasury to watch the examination. Any complaints 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.

669. 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.

670. 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 contained the alleged number. In the case of remittances of fresh notes from the Currency Office sent in bundles 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 of current coin shall be separated and dealt with under the instructions contained in Section IV of Chapter XII, while deficiencies whether in tale or due to bad or counterfeit notes or coin shall be dealt with in the manner prescribed in Subsidiary Rule 675.

671. As the examination of each bundle or bag is completed the relative slips in Form M.P.T.C. 9 or Form M.P.T.C. 10, as the case may be, contained therein should 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 should be attached to the report to be made to the remitting treasury under Subsidiary Rule 675.

Note.—In the case of remittances of coin from a Currency Office, all the slips must be returned to the Currency Office after the remittances have been examined.

672. 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 examination all malpractices 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.
673. All contingent charges incurred at the receiving station, such as mazdoor, cart or boat hire, should be paid by the receiving officer and charged finally in his accounts. The remitting treasury should refuse to pay such charges.

The travelling allowances, which the men in charge of a remittance are likely to incur in respect of a journey, should be advanced to them by the remitting treasury. If, in any case, the amount proves insufficient, the receiving treasury should on application, pay them such further advance as may be necessary. This should not be paid out of the Collector's permanent advance but should be drawn from the treasury and charged in the cash book. The amount advanced by the receiving treasury should be reported to the remitting treasury where it should be recovered in full on submission of the officers' travelling allowance bills.

674. 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 Government. The expenditure on this account will be borne by 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:

<table>
<thead>
<tr>
<th>Coin</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>New rupees</td>
<td>2,00,000</td>
</tr>
<tr>
<td>Old rupees</td>
<td>8,000</td>
</tr>
<tr>
<td>New 1/2 rupees of the value of</td>
<td>50,000</td>
</tr>
<tr>
<td>Old 1/2 rupees of the value of</td>
<td>4,000</td>
</tr>
<tr>
<td>New 1/4 rupees of the value of</td>
<td>24,000</td>
</tr>
<tr>
<td>Old 1/4 rupees of the value of</td>
<td>2,000</td>
</tr>
<tr>
<td>Old 1/8 rupees of the value of</td>
<td>1,000</td>
</tr>
<tr>
<td>New 4-anna nickel of the value of</td>
<td>18,000</td>
</tr>
<tr>
<td>Old 4-anna nickel of the value of</td>
<td>2,500</td>
</tr>
<tr>
<td>New 2-anna nickel of the value of</td>
<td>7,000</td>
</tr>
<tr>
<td>Old 1/4 anna nickel of the value of</td>
<td>2,000</td>
</tr>
<tr>
<td>New 1-anna nickel of the value of</td>
<td>3,500</td>
</tr>
<tr>
<td>Old 1-anna nickel of the value of</td>
<td>1,000</td>
</tr>
<tr>
<td>New 1/2-anna nickel brass of the value of</td>
<td>1,750</td>
</tr>
<tr>
<td>Old 1/2-anna nickel brass of the value of</td>
<td>500</td>
</tr>
<tr>
<td>New single pice of the value of</td>
<td>750</td>
</tr>
<tr>
<td>Old single pice of the value of</td>
<td>400</td>
</tr>
<tr>
<td>New 1/2 pice of the value of</td>
<td>500</td>
</tr>
<tr>
<td>Old 1/2 pice of the value of</td>
<td>250</td>
</tr>
<tr>
<td>New pie-pieces of the value of</td>
<td>200</td>
</tr>
<tr>
<td>Old pie-pieces of value of</td>
<td>150</td>
</tr>
</tbody>
</table>

Notes

<table>
<thead>
<tr>
<th>Pieces</th>
</tr>
</thead>
<tbody>
<tr>
<td>New notes of all denominations</td>
</tr>
<tr>
<td>Old Re. 1 and Rs. 2 notes</td>
</tr>
<tr>
<td>Old notes of higher denominitions</td>
</tr>
</tbody>
</table>
PART II—CHAP. X] TRANSFERS OF MONEYS

Deficiency or Excess found in Remittances

675. (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 accounts. 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 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 the 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 slips 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 purposes, 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.

676. All excesses found in a remittance should 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.

677. 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 should 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

678. 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.
679. 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.

Note 1.—Small remittances need not be forwarded by wagon, but can be sent in the same compartment in which the guard in charge travels.

Note 2.—It is the duty of the Remitting Treasury Officer to supply the padlocks and there should be a sufficient stock in a treasury when frequent remittances are sent by rail. The Treasury Officer shall take the receipt of the 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 potdar.

680. 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 to the Police Officers Memorandum of Instructions in Form M.P.T.C. 83 and as many blank receipts as there will be reliefs. The Treasury Officer shall take a receipt for these documents.

Escort

681. The escort accompanying the treasure to the station, and protecting the loading, shall be of the strength which may be fixed by the 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 the 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.

682. As the instructions for the guidance of the guard (see Form M.P.-T.C. 83) 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 should be laid down by local orders.

683. 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

684. (1) The railway fare and freight may be paid in cash or by warrant 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 arranging the remittance will ascertain the nature and extent of accommodation required for the purposes without unnecessarily 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 rupees loaded for and contained in wagon."

(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 reliefs for the guard at specified stations.

685. Remittance of nickel, bronze or copper coin should 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 S.R. 645 (1).

686. 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 should be reserved on the terms usually charged.

Transport of Treasure at the Destination

687. 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.

Special Rules for Remittance to and from the Bank

688. (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 the Link Branch will communicate with the Currency Officer and orders for the remittance will be issued simultaneously by the Local Head Office 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 situated in another district, if so desired by the Currency Officer.

(3) The procedure prescribed in Subsidiary Rules 644 to 662 with regard to packing and despatch of remittances will be observed by the Bank, but in the absence of any special arrangement to the contrary made with the Agent, the Treasury Officer shall arrange for the actual conveyance and where necessary, escorting of the remittance. The provisions of sub-rule (4) of Subsidiary Rule 659 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 chest from/to sub-treasuries having no currency chest;
(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 chest 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 treasure are competent to place requisitions for Police escorts direct on police authorities.

689. 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 delivering over 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. Potdar 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 Treasure'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 or examining 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 that 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 the remittance, or such portion of it as 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 Bank's 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. 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 uncurreent 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 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 are immediately to report the same to the Bank's agent.
CHAPTER XI—OTHER REMITTANCES THROUGH GOVERNMENT

RESERVE BANK OF INDIA REMITTANCES

Section I.—Introductory

690. The rules in this Chapter are designed primarily for the guidance of Treasury Officers in dealing with the payments into and withdrawals from 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.

691. 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 Government account. At places where the Reserve Bank is not so represented, all treasuries and sub-treasuries 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 balance of the Government owning the treasury or the 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 of India with the approval of the President.

Note.—At places where the cash business of the treasury is conducted by sub-offices of the State Bank of India 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 on the orders of the Treasury or the Sub-treasury Officers, 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.

692. (1) 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—

(a) Reserve Bank Government Drafts (Form R.B.R. 1) are used for remittances on Government Account and for intra-State par remittances on account of specified Local Funds between offices of the Bank, Agencies and Treasury Agencies, except when such drawings are made from one office of the State Bank on another office of that Bank. These Drafts are not transferable. The only endorsement on such drafts shall be the receipt of the payee or that of his lawful agent.
(b) **Reserve Bank “Bank” Drafts** (Form R.B.R. 2) are used for remittances, other than those on Government Account and intra-State par remittances, on account of specified Local Funds, between offices of the Bank, Agencies and Treasury Agencies, except when such drawings are made from one office of the State Bank on another office of that Bank. These Drafts are transferable, the payee named in the instrument being entitled to transfer his right by endorsement.

(c) **State Bank “Government” Drafts** are issued by offices of the State Bank conducting Government business on their other offices, whether or not conducting Government business but which are Agencies of the Bank, for remittances on Government Account and for intra-State par remittances on account of specified Local Funds. Like Reserve Bank “Government” Drafts, these are non-transferable and the only endorsement on them shall be the receipt of the payee or that of his lawful agent.

(d) **State Bank ‘Bank’ Drafts** are used for remittances, other than those on Government Account and intra-State par remittances on account of specified Local Funds, between offices of the State Bank acting as Agencies of the Bank.

(e) **Telegraphic Transfers** are orders issued for the transfer of funds telegraphically between offices of the Bank, Agencies and Treasury Agencies.

(2) The rates at which and the conditions and limitations under 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 of India.

Note 1.—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).

Note 2.—‘Government Drafts’ 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 within the State on behalf of Government and for other quasi-public purposes set forth in Appendix 13. Extra-State transfers will be subject to exchange rates prescribed by the Reserve Bank (vide Appendix F to the Reserve Bank of India Remittance Facilities Scheme 1953 Edition). The premium paid on extra-State Government drafts should be met from the contingent grant of the office concerned in the same way as money-order commissions are met.

Note 3.—Remittances on Government account are ordinarily effected by means of ‘Government’ Drafts but, if so desired by the applicant, offices of the Bank, Agencies and Treasury Agencies conducting Government business may arrange for remittances by Telegraphic Transfer at par or premium according as the remittance is intra-State or extra-State, the cost of the telegram and its acknowledgement being recovered from the applicant.
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 Officers.

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 method 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 of India.

Section II. — Telegraphic Transfers — Issue and Encashment

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 from prescribed by the Reserve Bank (Form R. B. R. 5), 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 (Subsidiary Rule 721) and grant the remitter a receipt in Form M.P.T.C. 6.

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 authorized by the Reserve Bank;

(ii) a post copy of the telegram and an advice in Form R. B. R. 6-C should be despatched to the paying office at the same time as the telegram is issued; and

(iii) the Treasury Officer should personally ensure that the relative telegraphic message is authenticated by a check signal appended to it. Instructions regarding the manner in which the check signal should be framed are given in the Reserve Bank of India "Treasury Agencies" Private Check Signal Book.

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 indentification 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 (R. B. R. 10-A) 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 telegram authorizing 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 the confirmation of the telegram; and
(vi) the Treasury Officer should see that the telegraphic message is in code approved by the Bank and has been authenticated by a check signal. In case of any discrepancy in the check signal, a reference should immediately be made to the drawer.

Note.—A scheduled Bank applying for payment of the amount of a telegraphic transfer may not produce the telegram 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.

698. The provisions of Subsidiary Rule 718 apply mutatis mutandis to Payment of telegraphic transfers as they apply to payment of drafts.

Section III.—Drafts—Drawings and Encashments

Explanation

699. 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 persons or party to whom it is payable is the payee.

700. 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. 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 endorsers, and the person in rightful possession of a draft is the holder.

Form of Drafts, etc.

701. Drafts shall be issued in special forms to be obtained from the Currency Officer under Subsidiary Rule 732.

702. Immediately on receipt of a parcel of forms of drafts, they must be carefully examined by the Treasury Officer and proper acknowledgment sent to the Currency Officer. The acknowledgment must certify that the forms have been counted and found correct.
703. The forms of drafts and of advices (Subsidiary Rule 708) 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 later 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 agree with the total number listed in the schedule of Reserve Bank of India Remittances—Drawn, for the day (Subsidiary Rule 721).

Spoilt forms shall be destroyed by the Treasury Officer after noting in the remarks column of the "Register of Reserve Bank of India Remittance—Drawn" (Subsidiary Rule 721) under his signature, the printed numbers of the forms destroyed and certifying that the forms have been cancelled and destroyed.

704. If a Draft form is lost, the Treasury Officer should promptly advise its printed number, category (whether 'Government' or 'Bank') and the date of loss to the Currensy Officer who shall immediately report the matter to the Central Office of the Bank to enable them to warn the offices of the Bank, Agencies and Treasury Agencies against the possibility of a fraudulent use being made of the lost form. If the exact date of loss cannot be ascertained, the date of receipt of the relative consignment or Draft forms should be taken as the date of the loss. The issue of the caution advice will not, however, absolve the office concerned of the responsibility for the loss, if any, caused to the Bank.

The Treasury Officer shall also submit to the Currency Officer a detailed report on the circumstances attending the loss of the Draft form as early as possible after the incident. The report should be submitted through the Collector of the district.

**Issue of Drafts**

705. A person requiring a draft shall tender with the money a formal application in prescribed form (Form R. B. R. 3 in the case of “Government” Drafts and Form R.B.R. 4 in the case of “Bank” Drafts), 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.

706. 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 have been issued. Each draft must be signed legibly with the full signature of the Treasury Officer.
707. At the time of signature of a draft, the Register of Reserve Bank of India Remittance—Drawn (Form T.A. 25 of the Comptroller and Auditor-General's Account Code, Volume II) together with the application for the draft, the advice (Subsidiary Rule 708) 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 fractions of a rupee in words or figures, the words are written continuously without lifting the pen and when the amount consists of rupees only and does not contain fractions of a rupee, the words end with the word "only"; and

(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 typeperforated by a special cheque-writing machine.

Advice of Drafts drawn

708. An advice of all drafts affected 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 (Form R. B. R. 6) prescribed by the Reserve Bank. The advice must be completed, signed and despatched by the Treasury Officer before the treasury closes on the date of issue. The covers containing the advices of drafts should be prominently marked with the words "Remittance Advice", so that such covers may, at the receiving office, be separated from other correspondence and dealt with in the manner prescribed in Subsidiary Rule 712. Advices of drafts drawn on the Bank shall be sent direct to the Manager or Agent, as the case may be, of the Bank.

709. 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 larger 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 by these rules.
Regularity of Signature

710. 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.

711. When any change of Treasury Officer occurs, a specimen of 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 that he has on this day been relieved of the executive charge of the treasury at , by a specimen of whose signature is annexed.

Relieved Officer.

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.—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 or other offices.

Encashment of Drafts

712. The advices received from the issuing treasuries or the Bank 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 drawer's 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.
713. 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 a second time of a particular serial number, and suggest suspicion even of the advice where a higher number follows a low one.

Necessary notes of references touching irregularities, of cancellation, issue of certificates of non-payments, advices of seconds or thirds, and of any other points of importance shall be made on the advice.

714. (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 payee’s receipt or that of his lawful agent.

Note.—The implication of the provisions of clause (2) above is that when the payee of a “Government” Draft desires to receive payment through his banker, he should endorse the Draft in favour of the banker and the banker should in turn discharge the Draft with the words “Payee’s Account Credited”. The banker’s certificate is not in lieu of but in addition to the payee’s endorsement. If the payee’s bankers have no collection facilities of their own, there is no objection to their employing another agency for the purpose and the ultimate collecting banker should then guarantee the disbursement of the amount.

(b) In all other cases where payment is not made on an endorsement in favour of a recognized 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 draft is the agent or messenger of the legal holder, duly authorized 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 in writing from the legal holder, authorizing the presenter to receive payment on his behalf. Similarly, in cases where payment is made on an endorsement to a recognized bank, the Treasury Officer must assure himself that the presenter of the draft is the authorized agent or messenger of the Bank.
715. 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 Subsidiary Rule 729, 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.

716. (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 its 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.

Doubtful Drawings

717. 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, or 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.

Form of Receipt

718.—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 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 or 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 corporate body may be paid on the receipt of the official authorized, generally or specially, by its regulations or by power of attorney to receive moneys payable to such company or body. In the case of drafts payable to an unincorporated body, payment may be made to a person holding authority to receive moneys payable to 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 facilities fraudulent appropriation of the money.

Section IV.—Record of drawings and encashments

719. A record of telegraphic transfers issued and drafts drawn by the treasury will be kept in the “Register or Reserve Bank of India Remittance—Drawn” (Form T.A. 25 of the Account Code, Volume II) in accordance with the directions contained in this behalf in the Comptroller and Auditor-General’s Account Code, Volume II.

720. 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 direction contained in the Comptroller and Auditor-General’s 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.

721. At the close of each day separate schedules for drawing and encashments during the day will be prepared in special forms prescribed by the Reserve Bank (Forms R. B. R. 7 and 11) for submission to the Accountant-General in accordance with the directions contained in the Comptroller and Auditor-General’s 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.
722. 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 checks 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 or the several advices for the day must also agree with the total of the column "Amount" in the schedule of drawing, and this agreement shall be at times checked by the Treasury Officer himself.

Section V.—Other Rules

Issue of Duplicates

723. 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 (Subsidiary Rule 731), 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 last 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.

724. 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 endorse must apply for a 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 the person who signed the original draft.

Note 1.—In the case of a lost Government draft, a duplicate draft may be issued under the provisions Subsidiary Rule 723. 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, on their providing satisfactory evidence that the original draft has been either lost or mislaid. If the original draft has 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 2.—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 ap-
PART II—CHAP. XI] OTHER REMITTENCES THROUGH GOVERNMENT

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 3.—In the case of an 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 case justifies it; the cost of the telegram in such a case should be recovered from the applicant.

Note 4.—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. The same procedure shall be followed mutatis mutandis in case of applications for issue of triplicates of drafts when both originals and duplicates are lost.

Note 5.—If the original of a Reserve Bank "Bank" or "Government" Draft 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 duplicate of a lost "Bank" Draft.

IMPRESSION 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 19th, favouring for Rs. (in words ), I/we, the undersigned 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 ...day of 19

Signature(s)

(N.B.—To be stamped as an Agreement in accordance with the Stamp Act.)

This document will not be attested.

725. No duplicate or triplicate older than six months shall be paid without previous reference to the Currency Officer.

Cancellation and Refund

726. (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 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, after the Treasury Officer has satisfied himself about the identity of the payee. If in the latter case the receipt of the payee can not be obtained, the remitter's application for cancellation with explanation of the reasons for his request, and of the difficulty in the way if 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. No exchange which has been levied can be refunded.

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 in the Central Accounts Section of the Bank to enable them to correct all relevant documents.

727. 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 Comptroller and Auditor-General’s Account Code, Volume II.

728. A Telegraphic Transfer may be cancelled and amount refunded at the written request of the remitter. On receipt of such a request, the drawee office 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 letter, the signature of the signing official should be verified before taking action. On receipt of the confirmation from the drawee office 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.

Exchange of Drafts

729. 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 the holder has been removed to the neighbourhood of another treasury or of an office of 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 on...........".

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 draft presented for encashment and the amount again credited as received for the issue of a new draft. As however, the cancellation of the original draft and the issue of a new one represent one and the same transaction, no commission shall be levied against the new draft issued.

Unpaid Drafts

730. Drafts which are outstanding for more than six months can be paid only after obtaining necessary confirmation from the drawing officer.

Lapse of Drafts

731. Drafts which are not paid before the end of the third account year (the Bank's account year if 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 instrument 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.

Supply of Forms

732. 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, Bombay. 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 month's supply.

Section IV.—Special Rules for Remittance of Sepoys and Policemen

733. In the case of sepoys' and policemen's remittances, Commanding Officer will forward the draft to the payees direct. Descriptive roll of the payees duly filled in and signed will at the same time be sent to the Treasury Officers concerned.
Note.—The Commanding Officer, in the case of a policeman, 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 as to his identity.

734. 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.

735. 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 Adjustment of the regiment.

736. 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 for in Subsidiary Rule 726.
CHAPTER XII.—EXECUTIVE INSTRUCTIONS

Section I.—Introductory

General

737. The orders and instructions reproduced in Section II and III of this Chapter are designed primarily for the guidance of Government servants 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.

738. The Central Government being the authority concerned with all matters relating to coinage, their orders and instructions on the subject will be binding on all treasuries and sub-treasuries. Similarly, the instructions of the Central Government relating to currency and other notes will be binding on State treasuries and sub-treasuries. These instructions have been incorporated in Sections IV and V of this Chapter as executive instructions subject to alteration by the Central Government. Detailed instructions regarding the safe custody and use of Cypher Code and the Treasury Agencies Private Check Signal Book of the Reserve Bank, have been incorporated in Section VI of this Chapter.

739. 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.

Custody of Stamps and Opium

740. The custody, supply and sale of non-postal stamps which form a source of the State revenue and the maintenance of connected accounts are regulated by rules in the Madhya Pradesh Stamp Manual.

741. The custody, supply and sale of opium and the maintenance of connected accounts are regulated by the rules in the Madhya Pradesh Excise Manual.

Section II.—Provisions of Funds at Treasuries and Sub-treasuries

Cash Balance of the Government

742. The cash balance of the Government is made up of the balance in its account with the Reserve Bank and the balance at treasuries and sub-treasuries. The cash business of which is not conducted by the Bank. Balances in Small Coin depots, rupee coin balances in Mint and Cash balances held by Post Offices or other departmental offices are not reckoned as part of the general cash balance of the Government.

(Correction No. 621 to Para 1 of Part XIV—Executive Instruction in the Central Treasury Rules, Vol. I).
PART II—CHAP. XII] EXECUTIVE INSTRUCTIONS

Distribution of Funds

743. The Currency Officers are responsible for the distribution of funds within their jurisdiction. 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 treasuries in their jurisdiction 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

744. At the 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 provisions 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.

745. 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

746. At places where the cash business of the treasuries 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 disbursement and at the same time for maintaining the balances as low as possible in order that money may not be locked up unnecessarily. The Currency Officer will watch and ask for an explanation, if such balances rise above the normal figures prescribed by the Government under Subsidiary Rule 748 below, and will arrange for the transfer of funds where necessary, but he will not be held responsible if an excess is not immediately brought to notice and rectified.

747. 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 transfers 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 Chapter X.

Normal Balance

748. In January of each year, the Treasury Officer will be informed by the Government under advice to the Accountant-General and the Currency Officer concerned, 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.

749. 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.

750. On the 7th, 14th and 21st of each month, the Treasury Officer should report to the Accountant-General in Form M.P.T.C. 84 the treasury balance of the district without any details as to the denomination of notes or kind of coin. If the balance shown in these reports or in the cash balance report prescribed by Subsidiary Rule 103 exceeds by any appreciable amount the normal balance fixed for the district, the reasons for the excess should be stated.

Section III.—Currency Chests

Explanation

751. 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 asset 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 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 remittances of coin or notes by transferring money from the treasury balance to the currency chest at A and transferring the same amount from the currency chest to the treasury balance at B. A currency chest thus 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 remittance.
Location of Currency Chests

752. Unless in any case the Government after consultation with the Reserve Bank, direct 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 moneys or the frequency of remittances of coin and notes. At sub-treasuries where a permanent currency chest is not maintained, temporary chests for periods not exceeding six months 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 requirement of the revenue-collecting season may also be opened at sub-treasuries for periods 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.—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

753. 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

754. 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 Subsidiary Rule 96 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 Subsidiary Rule 755 below.

755. 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 except in the case mentioned in clause (8) of Subsidiary Rule 765 below.
(ii) A currency chest book in Form M.P.T.C. 85 should be kept in the chest and the balance proved and signed at every transaction by the officers in the 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 minimum 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 the month. If important exchanges take place during the last three days of the month, the transactions should be telegraphed to the Currency Officer.

(v) On each day on which a chest is opened a slip in Form M.P.T.C. 86 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 14.

**Verification of Balances**

756. The following instructions shall govern the periodical verification of currency chest balances:

(i) In the case of chests 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 Subsidiary Rule 6, 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 a 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 Additional Collector, he should himself report separately to the District Officer the currency chest balance in the form M.P.T.C. 87. 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 District Officer without the intervention of the sub-treasury staff. On receipt on the report the District Officer will compare the sum shown in the verifying officer's report with that included in the report submitted by his district to the Currency 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 coin sent to the Currency Officer through the Collector.

(v) The balances in the chests 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 chests 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 M.P.T.C. 88.

Note 1.—The verification certificate 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 person concerned.

757. 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 affixed 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 Subsidiary Rule 100 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 returned to the chest, which should be double locked.

(iv) At the close of the verification of currency chest balances:

(a) the verifying officer will fill in with his own hand the fair copy of the verification report of the currency chest balance in Currency Chest Slip Form M.P.T.C. 86, see that it is placed in a sealed envelope in his presence addressed to the Currency Officer, Bombay, and that it is duly posted by some officer other than officer connected with the treasury staff; and

(b) in the case of a monthly verification see that adequate arrangements are made for putting up the office copy of the verification to the officer responsible for signing the cash balance report in Form M.P.T.C. 12.

Remittances to and from Currency Chests

758. 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 Chapter X.

Subject to any general or special instructions that may be issued in this behalf by the Currency Officer, the provisions of Section III of Chapter X will apply also to remittances of notes or coins from a currency chest to another currency chest or Currency Office and vice versa. A remittance of this kind does not affect the treasury balance and involves no locking up of Government funds. Notes or rupees should, therefore, as far as possible, be sent as currency remittances.

Note.—Remittances of whole rupees sent to Mints 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. Remittance of rupees notes are adjusted through the surplus stock account of such notes.

Accounts of Currency Chests

759. Detailed instructions for the guidance of Treasury Officers in maintaining the accounts of currency chests are contained in appendix XIV.

SECTION IV.—COIN

Kinds of Coin and Legal Tender

760. 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 of 180 grains troy, eleventh-twelfth 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) Act (Act VI) of 1940, respectively, are one-half fine.

Note.—Under Act IV of 1918, Silver eighth rupees are no longer coined and issued. Coins previously issued continue to be legal tender under the conditions specified in this chapter.

(ii) Pure Nickel Rupees issued under the Indian Coinage (Amendment Act, 1947) and half-rupees and quarter-rupees since 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) Copper and Bronze.—Single piece or quarter anna, half-piece or one-eighth of an anna and the pie or one-twelfth of an anna. The types and weight of the above coins are detailed below:—

<table>
<thead>
<tr>
<th>Coin Type</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single pice (Copper)</td>
<td>100 grains</td>
</tr>
<tr>
<td>Single pice (Bronze King’s Head)</td>
<td>75 grains</td>
</tr>
<tr>
<td>Single pice (Bronze Washer Type)</td>
<td>30 grains</td>
</tr>
<tr>
<td>Single pice (Bronze Ashoka Pillar)</td>
<td>60 grains</td>
</tr>
<tr>
<td>Single pice (Bronze Ashoka Pillar 1951 and latter issues)</td>
<td>45 grains</td>
</tr>
<tr>
<td>Half pice (Copper)</td>
<td>50 grains</td>
</tr>
<tr>
<td>Half pice (Bronze)</td>
<td>35.5 grains</td>
</tr>
<tr>
<td>Pie pieces (Copper)</td>
<td>33.333 grains</td>
</tr>
<tr>
<td>Pie pieces (Bronze)</td>
<td>25 grains</td>
</tr>
</tbody>
</table>

761. Subject as provided in subsidiary rule 762 below, the rupee coins are legal tender to any amount, half-rupee for any sum not exceeding ten rupees and all other coins for any sum not exceeding one rupee, provided they satisfy the requirements of subsidiary rule 769 below. Cupro-Nickel eight-anna pieces are now legal tender only at Issue Department of Reserve Bank of India.

762. Silver coins coined and issued from time to time under the India Coinage Act. 1906 prior to the 10th day of March 1940, (i.e., those coins bearing the year of issue 1835 to 1839 (inclusive) and the head of the then reigning sovereign) have ceased to be legal tender provided that if the holder of any such coin satisfies the Reserve Bank that due to circumstances beyond his/her 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, fine bearing the year of issue 1940 and after) continue to be legal tender in payment or on account, for the amounts stated in subsidiary rule 761, provided they satisfy the conditions of currency laid down in subsidiary rule 769.
763. Double pice coined and issued under the Coinage Act of 1835 and subsequent Acts are legal tender for any sum not exceeding one rupee.

Receipt of Coin at Treasuries and Sub-treasuries

764. 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 subsidiary rule 762 above half-rupees and small coins of all denominations should be received in payments to the Government 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 inspections 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 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

766. 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.

767. (1) Rupees and notes 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.
768. If the instructions in the preceding rule 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 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**

769. The statutory rules issued under the Indian Coinage Act are printed as Appendix 15. 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 trades of Government mintage.

**Cutting or Breaking of Counterfeit and Diminished Coin.**

770. (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 authorized to act under that section and such person has reason to believe that the coin—

- 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
- has been defaced, he shall, by himself or another, cut or break the coin.

A loss of 6½ per cent below standard weight in the case of the rupee and of 12½ percent, in the case of the half, quarter 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 authorized to act under that section and such person has reason to believe that the coin is counterfeit, he shall, by himself or another, cut or break the coin.

771. A list of the persons authorized to act under sections 16 and 20 of the Indian Coinage Act by the Central Government is given in Appendix 16. A memorandum giving certain hints for the detection of counterfeit coins is given in Appendix 17.
Acceptance and Disposal of Counterfeit, Diminished, Defaced, Shroff Marked and Soldered Coin.

772. The rules in Appendix 15 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. These rules should be strictly observed in dealing with such coins. A memorandum indicating the special characteristics which ordinarily distinguish fraudulently defaced coins is given in Appendix 18.

773. Any person authorized to cut or break counterfeit 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.

773 A. 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 Alipur, 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/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 subsidiary rule 758.

774. Any authorized 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 Alipur, (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 traced in correspondence.

775. Judicial Officers may send counterfeit coins to treasuries and sub-treasuries for remittance to the Mint. 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 the Treasury Officers, etc., which have to be remitted in accordance with the instructions contained in Subsidiary Rule 651. 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 direct, the Treasury Officer should send the counterfeit coins to the Mint, through the Inspector-General of Police or other officer nominated by the Government.

776. Counterfeit silver coin found in a remittance should be broken and sent to the Mint in accordance with subsidiary Rule 760 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 Subsidiary Rule 774 above. In the case of
remittances to the Mint in accompanied 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 representative 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.

777. At places where there is neither an Issue Department of Reserve
Bank of India nor a branch, sub-branch or Treasury pay Office of the State
Bank of India, or a branch of any other bank acting as an agency of the Re-
serve Bank, Treasury and Sub-treasury Officers are authorised to accept for
disposal in the usual manner, suspected coins tendered by the Posts and Tele-
graphs offices.

**Diminished and Defaced Coin**

778. 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 Appen-
dix 15.

779. 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.

780. 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 who
shall bear the loss caused by such cutting or breaking. If the defacement is
not fraudulent, the coin shall be received at the rates prescribed in Appendix
15 for coins diminished in weight but it shall not be re-issued.

781. 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) encour-
gaging the return of defaced coin by the public, with a view to maintain the
standard of the coins in circulation:

(i) A coin which bears on its surface radial striae shall 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,
cliping, scooping or punching and coins other than soldered coins
which have been remilled, should be rejected as fraudulently de-
faced. Soldered coins having only a section of the milling un-
evenly 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 fraudu-
lently defaced.

782. Soldered coins should be accepted, provided that:

(i) they are in one piece.

(ii) they retain sufficient impression to admit of identification a
genuine Indian coin, if unidentifiable, they should be returned
uncut as unaccepteable 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.
783. Defaced nickel, bronze and copper coins are legal tender and should be accepted at treasuries. But if they are soldered, or otherwise unfit for re-issue, they should not be issued to the public but should be dealt with like other uncurent coin.

Acceptance of Burnt Coin

784. (1) Burnt silver coins may be received at treasuries if they are identifiable as genuine Indian 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 15. All burnt coins accepted at treasuries will be set apart for remittance to the Mints as uncurent coins. Burnt coins which are not identifiable as genuine Indian 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 Indian coins. Such coins if unidentifiable will not be accepted at treasuries or at the Mints.

785. 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 cashed within the stipulated periods and lapsed to Government should be returned to the respective Mint, under prompt intimation to the Accountant-General concerned.

Supply of Weights and Scales

786. (1) For—testing silver coin, minimum weights of 15/16, 7/8, 13/16, 3/4, 7/16, 3/8 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 eighth-rupee is fit for re-issue 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 Master free of charge to all treasuries and to the Bank 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 the 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.
(3) Weights other than minimum weights and scales of various sizes including minimum weight scales are supplied by the mints 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.

**Weighment of Coin against Minimum Weights**

787. (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 weighment is false. At the beginning of 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**

788. Uncut rupees and half-rupees found in remittances from Treasuries, Currency Offices and the Bank, which have lost more than 6\(\frac{1}{2}\) per cent and 12\(\frac{1}{4}\) 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\(\frac{1}{2}\) per cent in weight through reasonable wear in the case of the rupee and 12\(\frac{1}{4}\) 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 case may be, of the Reserve Bank or the head office of the agency bank 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 agency bank for taking such disciplinary action as may be considered necessary to improve the quality of shroffing.

**Withdrawal of Coin from Circulation**

789. (1) The above instructions provided 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) Silver rupees, half-rupees and quarter-rupees which are one-half fine (issued in 1940 and after).
(ii) Cupro nickel four anna coins.

(iii) Nickel-brass coins of all denominations.

(iv) Copper double pice coins.

(v) All single pice coins except those bearing the Ashoka Emblem.

(vi) Pure nickel, cupro-nickel and bronze coins which are so worn that the denominations and date are not easily decipherable.

(vii) Copper coins which are defaced or badly worn or which for any other reason are considered to be unfit for circulation.

(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.

790. 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 instructions 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.

791. All coin 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 Alipore (Calcutta) or Bombay 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 "uncurrent 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 rate prescribed by the Government, any loss incurred in re-coinage, being adjusted in the Mint accounts.

792. Coin received by a person other than a Government servant 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.

793. The procedure for the remittance in the Mint of coins withdrawn from circulation is laid down in Subsidiary Rule 651.

Returns of Coins cut or broken or withdrawn from Circulation

794. Uncurrent silver coin received at treasuries under Subsidiary Rules 764, 778, 779, 788 and 789 should be entered in a separate register in Form M.P.T.C. 90 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 M.P.T.C. 91 to assist in the preparation of the annual return in Form M.P.T.C. 92 of uncurrent silver coins cut.
795. 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 treasury should be shown separately in the monthly cash balance report.

796. A return in Form M.P.T.C. 93 should be submitted to the Currency Officer with the cash balance report showing the details and balances of all silver coins withdrawn from circulation.

797. Treasury Officers should, on the 20th April each year submit to the Currency Officer a return in Form M.P.T.C. 92 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 M.P.T.C. 94 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. A copy of this return should be sent to the Inspector General of Police, Madhya Pradesh, for his information.

**Supply of Coin**

798. (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 the sub-treasuries from thereby 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 agency Bank, the Agents will submit their indents of supply of coin to the head office or link branch, which will arrange with the Currency Officer for the necessary remittances.

**Foreign Coin**

799. Save as hereinafter provided, foreign coin or notes should not be received in treasuries except under some general or special orders of the Government.
800. 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.

801. Foreign coins may, in special circumstances, be paid in to a treasury as part of a deposit, eventually to be made over to a third party for purposes of account, the market rate, the assay rate, or a purely arbitrary for purposes of account, the market rate, the assay rate, or a purely arbitrary value is assigned to such currency.

Bank Treasuries

802. The instructions contained in this Section 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 returns mentioned in Subsidiary Rules 794 to 797.

SECTION V.—CURRENCY AND BANK NOTES

Denominations of Notes.

803. 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 the 1st April, 1935 and the Central Government have ceased to issue currency notes. The Reserve Bank has taken over the liability for the currency notes issued by the Central Government which were in circulation on that date.

804. Currency notes of the denominational values of one rupee, two and a half rupees, five rupees, ten rupees, twenty rupees, fifty 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 tender throughout India. The issue of currency notes of the denominational values of one rupee, two and a half rupees and twenty rupees 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.

805. Bank note 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 Ashoka Pillar design have been issued with effect from 1st April, 1954 and are legal tender.
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806. One rupee notes issued by the Central Government are unlimited legal tender, and, although these notes are treated as rupee coin for all purposes of the Reserve Bank of India Act, the instructions contained in the following rules will, save where the contrary intention appears, apply to these notes as they apply to currency and Bank notes.

Receipt and Issue of Notes

807. Deleted vide correction slip No. 24 dated 31-10-56.

808. No restrictions are imposed on the issue of notes at treasuries in exchange for coin or for notes of other denominations.

809. 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 limitations which the Reserve Bank or the Government may find it necessary to impose from time to time.

810. 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 the regional language 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.

811. 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.

812. The ordinary exchanges with the public mentioned in Subsidiary Rules 808 to 810 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.

813. It is desirable from the point of view of the popularity of the note issue 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-issues, 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.
814. Subject to the remarks in the preceding rule, 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 the treasury named by the Currency Officer).

815. 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.

816. Notes unfit for issue should be kept separately in the currency chest balance pending remittance to an issue department of Reserve Bank in accordance with Subsidiary Rule 652.

Forged, Defective and Lost Notes

817. (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 note 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 the 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 inquiry.

(2) Notes disfigured 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 managers of some joint stocks banks and exchange banks have instructions to send forged notes presented to them to the nearest treasury for impounding. When a Treasury Officer receives a forged note from a Bank, he should take action in accordance with clause (1) above.

(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 Bank 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 agency Bank, Treasury and Sub-Treasury Officers are authorised to accept for disposal in the usual manner, suspected notes tendered by the Posts and Telegraphs offices.
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(6) When suspected notes sent to treasuries by post offices or managers of joint stock banks for adjudication are adjudged by the Treasury Officer 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.

These instructions apply mutatis mutandis to suspected coins sent by post offices to Treasury Officers under Subsidiary Rule 777.

818. 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 19.

819. Half, mutilated, mismatched or altered notes and notes desfigured by oil or other substances in such manner as to render 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 matter in accordance with the rules in Appendix 19 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 indentification or suggest fraud, may be received at the treasury and dealt with under Subsidiary Rule 652. The features necessary for the identification of a note are, besides the number which must, including the serial letters, be all in tact, 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”, as the case may be, or such words should be written in red ink in large letters before they are returned to the presenter.

820. The value of lost, stolen or wholly destroyed notes of the denomination of Rs. 10 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. 10 should be referred to any office of issue for instructions regarding the procedure under which the value of such notes can in some cases be refunded.

821. Provisions of Subsidiary Rules 808 to 820 above apply mutatis mutandis to Bank treasuries.

Indents for Notes

822. 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 for 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.

823. 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 demand from the Treasury Officer for supply of 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 office or link branch which will arrange with the Currency Officer for the necessary remittances.

SECTION VI.—CYPHER CODE AND "TREASURY AGENCIES"

Private Check Signal Book of the Reserve Bank of India

824. The Currency Officer of the Reserve Bank of India, Bombay, supplies Cypher Code and Treasury Agencies Private Check Signal Book of the Reserve Bank of India to each Treasury Officer and to the Sub-treasury Officer of each sub-treasury which has a currency chest. 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 telegrams relating to telegraphic transfers.

Safe Custody of Code and Check Signal Books

825. 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 Officers-in-Charge of the treasury or sub-treasury or of any other Government servant duly authorized 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 servant 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 connection with the distribution and acknowledgment of amendment slips

826. Amendments to the Code and Check Signal Book will be distributed by the Currency Officer, Bombay, in the form of confidential circular letter.
with acknowledgment forms appended to them. The covers will be despatched by Registered Post—Acknowledgment Due direct to all holders immediately on receipt of the confidential circular, the acknowledgment 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

827. Immediately on receipt of an amendment slip, the reference number and date appearing thereon shall be serially recorded on the fly-leaf at 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 note 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, cutout and pasted at the appropriate place in the books, a suitable note of the 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 books 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 slip shall be carefully retained on the separate file referred to above. 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 in the fly-leaf when the amendment slip was received.

Where files are used for recording amendment slips or the covering letters, or both the above instructions for 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 or in the strong room.

Procedure to be followed in the event of the Cypher Code, Check Signal Book or Amendment thereto being lost or falling into unauthorized hands.

828. Should the Cypher Code or the Check Signal Book get lost or fall into unauthorized hands at any time, the fact shall immediately be reported by telegram, to the Chief Accountant of the Reserve Bank of India at Bombay (Telegraphic Address "RESERVEBANK", Bombay) for necessary action. The telegraphic message shall also be repeated to the Currency Officer 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 as soon as possible thereafter. In the event of amendment slips being lost or falling into unauthorized 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

829. When a Government servant who holds copies of the Code and Check 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 up to date. The last amendment slip received is No.______, dated the______. 19_______for the Code."

"I also certify that I have received and hold 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 up to date. The last amendment slip received is No.______ ______. dated the______. 19_______, for the Check Signal Book."

Annual Possession Certificates

830. On the 1st day of April each year all holders of the Code and Check Signal Book shall send direct to the Currency Officer 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 up to date. The last amendment slip received is No.______. dated the______. 19_______, 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 up to date. The last amendment slip received is No.______. dated the______. 19_______, for the Check Signal Book."

Signature

Designation

Dated______. 19______

Place

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.

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