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***Main Rules***

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**GOVERNMENT OF MEGHALAYA**  
**FINANCE (REVISION OF RULES AND MANUALS**  
**DEPARTMENT**  
Shillong, the 2<sup>nd</sup> March 1985\*

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**No.FIN (RR) 6/82** - In exercise of the powers conferred by clause (2) of Article 283 of the Constitution of India and all other powers enabling him in this behalf and in supersession of rules and orders relating to the matters covered by these rules, the Governor of Meghalaya is pleased to make the following rules, namely :-

**THE MEGHALAYA TREASURY RULES, 1985**  
**PART I**

**1. Short title and commencement –**

- (1) These rules may be called the Meghalaya Treasury Rules, 1985
- (2) They shall come into force with effect from the date of publication.

**GENERAL PRINCIPLES AND RULES**

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

**Definitions**

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

- (a) “Accountant General” means the head of an office of accounts and audit subordinate to the Comptroller and Auditor-General of India. When used in relation to a treasury, this expression refers to the authority to whom the accounts of the treasury are rendered.

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- (b) “Accounts Officer” means the head of an office of accounts set up under the scheme of departmentalization of Government Accounts.
- (c) “Audit” Officer” means any Officer subordinate to or under the superintendence of the Comptroller and Auditor-General, who exercises audit functions.
- (d) “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 in accordance with the provisions of the Reserve Bank of India Act, 1934 ( 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 authorized to transact Government business as agent of the state Bank of India or any other agency appointed by the Reserve Bank of India
- “Reserve Bank” means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934 ( 2 of 1934)
- (e) “Collector” means the head of a district and includes any other officer for the time being authorized the duties of the Collector for the purpose of these rules.
- (f) “Competent Authority” means the Government or any other authority to whom the relevant powers may be delegated by the Government.
- (g) “Comptroller and Auditor General” means the Comptroller and Auditor-General of India.
- (h) “Constitution” means the Constitution of India.
- (i) “District” includes any area whether described as a district or by any other name which is served by a treasury placed in direct relation with an Accountant-General and the term ‘District Treasury’ shall be construed accordingly.
- (j) “The Government” means the State Government.

- (k) “Government Account” means the account relating to the Consolidated Fund, the Contingency Fund or the Public account.

“Consolidated Fund” means the Consolidated Fund of the State Government as referred to in clause (i) of Article 266 of the Constitution. “Public Account” means the Public Account of State referred to in clause (2) of Article 266 of the Constitution. ‘Contingency Fund’ means the Contingency Fund of the State established under the Assam Contingency Fund Act, 1950 as adapted by the government of Meghalaya

- (l) “State” means any State specified in the first Schedule to the Constitution.
- (m) “Treasury” includes a sub-treasury.

“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.

## **Location of moneys credited to Government Account**

4. Unless otherwise prescribed, moneys credited to government Account shall be held either in a State Treasury or in the Bank.

The deposit of such moneys in the Bank shall be governed by the terms of the agreement made with the Bank under section 21 of the Reserve Bank of India Act, 1934 ( 2 of 1934).

## **General System of Control over State Treasury**

### *District Treasuries*

5. (1) There shall be a State treasury at such places as the Government may direct after consultation with the Comptroller and Auditor-General. If moneys standing in the Government Account are, in any district so specified, not deposited in the Bank, the treasury of that district shall be divided in two

departments; a department of accounts under the charge of an Accountant, and a department of case, stamps and opium under the charge of a Treasurer.

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

(2) The Treasury shall be under the general charge of the Collector who may entrust the immediate executive control to a Treasury Officer subordinate to him by 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 the punctual submission of all returns required for the treasury by the Government, the Comptroller and Auditor-General, the Accountant General and the Bank.

(3) The duty of verifying and certifying monthly case balance, if any, in a State Treasury and of submitting the monthly accounts of such balance, in such form and after such verification as the Comptroller and Auditor-General may require, shall be undertaken by the Collector or by such other officer as may be authorized by or under these rules to act in this behalf. It must be performed by the Collector in person at least once in every period of six months.

The procedure to be observed for the verification of cash balances, if any, in a State Treasury shall be regulated by the provisions contained in this behalf in Part-IV

(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 Accountant General the amount of the Cash balance and stamp and opium stores, if any, which he has taken over. The certificate shall be submitted after the method of verification specified in a part IV has been applied.

(5) No portion of the responsibility for the proper management and working 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*

6. In the even of establishment of one or more sub-treasuries under district treasury, the arrangement for the administration thereof and for proper conduct of business therein

shall be such as may be prescribed by the Government after consultation with the Accountant General. Where a sub treasury renders accounts to a district treasury under the control of a State Government, the arrangements for administration thereof and for the proper conduct of business therein shall be such as may be settled by the State Government after consultation with Accountant General.

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

## **Payment of Revenue of the Government into the Government Account**

7. (1) Subject to Sub-rule (2) below, all moneys received by or tendered to Government shall, without undue delay, be paid in full into a treasury and shall be included in the accounts of the State Government. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure, nor otherwise kept apart from the accounts of the Government.

*Note :* If a Government servant received in his official capacity moneys which do not relate to or form part of the revenues of the State and the deposit of which in the custody of Government has not been authorized by Government, he must open an account with a bank for their deposit. Account under this rule may be opened with an office of the Reserved Bank of India, with a Branch of the State Bank of India, with a Post Office Saving Bank or, subject to the approval of Government, with any other bank. The Government servant will be personally responsible that the money are expended in strict conformity with the rules and regulations governing the fund to which the moneys appertain, and that a precise record of all the transaction of the fund is kept in a form complying with the regulations of the fund.

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

- (1) In the case of moneys received on account of the service of summons, diet money of witnesses and similar purposes, in Civil, Revenue and Criminal cases.
- (2) In the case of deposits received at a Civil Court and utilized by the Court to meet claims for the refund of such deposit.

- (3) In the case of fees received by Government servants appointed Notaries Public under the Negotiable Instrument Act, 1881 ( 26 of 1881) and utilized to defray legal expenses incurred by them in the discharge of their duties as such Notaries Public.
- (4) In the case of Public works, and other similar departments for utilization under departmental regulation of cash receipts temporarily for current work expenditure, or in very exceptional cases for disbursements of pay and travelling allowances charges wherever this course has been authorized by the Accountant General to prevent any abnormal delay in payment.
- (5) 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.
- (6) In the case of the State Library, or any other Government Library, to permit the replacement of books belonging to the Library which are not returned by borrowers, out of their deposit money;
- (7) In the case of the Shillong Town Dairy Milk Supply Scheme to permit refunds on account of the cost of milk not drawn by the customers out of their monthly quota for which they have made advance deposit.
- (8) In the of Poultry Farms, to permit refunds to private poultry farmers of amounts paid in advance by them in excess of the cost of chicks, etc., supplied to them including incidental charges connected therewith.
- (9) In the case of Pasteur Institute, Shillong to utilize the cost received on account of sale of sera and vaccine produced at the Institute, for refund to the indentors of the excess amount received from them.

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

(3) In Special cases authorized by the Government, moneys received or tendered on account of the revenues of the State Government may be deposited with a bank other than the Reserve Bank or its agent for the purpose of Government transactions. The conditions under which such deposits may be made and the manner in which the balances of such deposits shall be included in the Government account will be decided by the Government in each case after consultation with the Comptroller and Auditor – General

8. A Government officer may not, except with the special permission of the Government deposit in a bank , other than the State Bank or its agent for the purpose of Government transactions moneys withdrawn from the Government Accounts under the provisions of Rules 11 to 23.

9. The procedure to be adopted by Government officers and other authorized collecting agencies in receiving moneys on account of the State Government revenues, granting receipts for such moneys and bringing them in the Government Account, and by the treasury and the Bank in receiving such money and granting receipts for them shall be regulated by the provisions contained in Part III.

### **Custody of money relating to or standing in the Government Account**

10. (1) The procedure for the safe custody of moneys in the hand of Government officers or held in a State Treasury, shall be regulated by the provisions contained in Part IV.

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

### **Withdrawal of Moneys from the Government Account**

11. In Rules 12 to 23 the term ‘withdrawal’ with its cognate expressions refers to the withdrawal of funds from the Government Account for disbursements of or on behalf of the Government.

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



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

**14.** (1) Subject at hereinafter provided , a Treasury Officer may permit withdrawal for all or any of the following purpose, namely –

- (i) To pay sums due from the Government to the drawing officer;
- (ii) To provided the drawing officer with funds to meet claims likely to be presented against the Government in the immediate future by other Government servants or by private parties;
- (iii) To enable the drawing officer to supply funds to another Government officer from which to meet similar claims;
- (iv) To pay direct from Treasury or from the Bank sum due by the Government to a private party;
- (v) In case of a Government officer or authority empowered to make investments of moneys, standing in the Government Account, for the purpose of such investments;
- (vi) To pay sums to the drawing officer on account of permanent advance sanctioned to this office;
- (vii) To pay sums on account of loans and advances;
- (viii) Grant – in- aid to Local Bodies, religious, charitable or educational Institutions, Stipends, Scholarships, Contribution to public exhibitions and fairs, expenditure from discretionary grants placed at the disposal of the head of local administration, Commissioners, etc., compensation to government servants for accidental losses, payment of principal and /or interest for the loans obtained from the Financial Institution like Life Insurance Corporation, General Insurance Corporation, National Co-operation, Development Corporation, National Bank for Agriculture and Rural Development etc., can be disbursed at the Treasury without authorization form Accountant General. A copy of every Government

- (ix) Sanction under the rule shall be forwarded to the Treasury/Sub-Treasury Officer who will not make payment without receiving the sanctioning order. Bills for payment of the aforesaid grants-in – aid to private individuals, non-government institutions, body corporate, etc., shall be accompanied by an attested copy of the sanction and shall be countersigned by the competent authority where necessary.

*Note 1 :* Advice list in respect of the grants-in-aid bills presented to the treasury should be sent to the treasury Officer concerned by the Countersigning authority of the bills in order to enable the Treasury Officer to check the bills with reference to the Advice List.

*Note 2 :* Repayment of principal and payment of interest of the loan should be distinctly and separately drawn in Miscellaneous Bill form through Bank Draft by the department concerned who is responsible for timely repayment of the loan as per terms and conditions of the Agreement.

*Note 3 :* The term grants-in-aid, contributions, etc., includes such classes of expenditure as grants to local bodies, religious, charitable or educational institutions, contributions to public exhibitions and fairs expenditure from the discretionary grants and compensations to Government servants, both gazette and non gazette for accidental losses, etc.,

- (2) Unless expressly authorized by an Accountant General, A Treasury Officer shall not permit withdrawal for any purpose not specified in sub-rule (I) of this rule.

**15.** Except as provided in Rule 22 and 23 a Treasury Officer shall not permit withdrawal for any purpose unless the claim for withdrawal complies with the provisions contained in Part V as to the person by whom and the form in which the claim shall be preferred and the checks to which the claim shall be submitted by the Treasury Officer before directing payment thereof.

**16.** 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 payment authorized by or under these rules. If a demand of any kind is presented at

a Treasury for a payment which is not authorised by or under these rules, or is not covered by 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 the Government sanctioning a payment unless the order is an express order to him to make the payment; and even such special orders should, in the absence of urgency, be sent through the accountant General.

**17.** 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.

**18.** Except as otherwise provided in Section 1 of Part V, a Payment shall only be made in the district in which the claim arises.

**19.** No withdrawal shall be permitted on a claim for the first of any series of payment 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 the prescribed form. 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 Government servant 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.

**20.** The Treasury Officer, other than the cash payment made in the bank 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.

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

**22.** The Treasury Officer may correct an arithmetical inaccuracy or obvious mistake in any bill presented to his for payment, but shall intimate to the drawing officer any correction which he made.

**23.** A Collector may, in circumstances of urgency, by an order in writing authorize 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. flood earthquake and the like and withdrawal of money under this rule should, so far as possible, exclude all personal claims of Government Servants.

## **TRANSFER OF MONEYS STANDING IN THE GOVERNMENT ACCOUNT**

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

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

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

### **Responsibility for Moneys withdrawn**

**24.** If a Treasury Officer receives intimation from the Accountant General that moneys have been incorrectly withdrawn and the a certain sum should be recovered from a drawing officer, he shall effect the recover 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.

26. (1) Subject as hereinafter provided in this rule the procedure to be observed by a Government officer in regard to moneys withdrawn from the Government Account for expenditure shall be regulated by the provisions made in this behalf in Part V.
- (2) A Government officer supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the Accountant General concerned. He shall also be responsible for seeing that payments are made to persons entitled to receive them.
- (3) If any doubt arises as to the identity of the Government officer by whom an account of such funds shall be rendered, it shall be decided by the Government.

### **Inter – Government Transactions**

27. (1) Save as provided hereafter in Rule 29 no such transaction of the state Government with Central Government shall be adjusted against the balance of the State Government except in accordance with the direction as may be given by the Comptroller and Auditor – General with the approval of the Government to regulate the procedure for the accounting of such transactions.
- (2) All adjustments against the balance of the state Government by debit or credit to the Account of a Central Government shall be made through the Central Accounts Section of the Reserve Bank.
28. Receipts and disbursements by other State Government including Central Government on behalf of the state Government shall be adjusted, as far as practicable, directly against the balance of the State Government held by the Bank, but where such transactions are temporarily taken into Accounts against the balance of other State Governments including Central Government, the Accountant General of the state will on receipt of intimation from the treasury, made the requisite adjustment in respect of the aforesaid transactions through the Central Accountants Section of the reserve Bank against the balance of the state Government held by the Bank.

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

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

## **Supplemental**

**30.** Nothing in these rules shall have effect so as to impede or prejudice the exercise by the Comptroller and Auditor-General of the powers vested in him by or under the Comptroller and Auditor, General's ( Duties, Powers and Conditions of Service) Act, 1971 to give directions regulating the submission to the Indian Audit and account Department of the accounts kept in treasuries or in departmental offices, accompanied by such vouchers in support thereof as the Comptroller and Auditor-General may require for purposes of audit or for the purpose of keeping the account of which he is responsible.

**31.** Nothing contained in, or in the application of, these rules shall have effect so as to impose upon the Bank in connection with the business of the government any responsibility not imposed upon the Bank by the terms of the agreement referred to in Rule 4.

**32.** (1) Where, under the provisions of these rules, the detailed procedure with respect to any matter is required to be prescribed or regulated by departmental regulation, such regulations, to be observed by particular departmental shall be made by the Government, or with the approval of the Government by such departmental authorities as may be authorized by the Government to act in this behalf.

(2) Nothing contained in this rule affects the validity of any order, instruction or direction contained in any authorized departmental regulation except in so far as such order, instruction or direction is inconsistent with or repugnant to any distinct provision contained in these rules.

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