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PART VI

SPECIAL RULES FOR BANK TREASURIES

313. 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 receipts and disbursements on account of the State Government at places in which the cash business of the treasury is conducted by Bank. They include information on most points likely to arise; but in cases of doubt, as a general rule, the Collector shall refer the matter to the Accountant General.

Note: Transactions taking place at authorised public sector banks under the scheme of departmentalisation of accounts are governed by special orders of the Government.

314. The Bank will be kept open for the transaction of treasury business on a recognised holiday, if so required by the Collector.

315. All bills, cheques and other documents pass by Treasury Officers and Pay and Accounts Officers for payment at the Bank, as well as Interest Payment Orders, etc., being non-negotiable instruments, warrant special precaution on the part of the Bank in the matter of identification of the payee. All such claims have normally to be presented by the payee personally, but where payment is desired to be made to an endorsee (other than a banker) or a messenger, the provisions of Rules 227 (2) or 321 as the case may be, should be strictly followed by the drawing officer. The Bank will not, however, disburse payments of such claims unless the Bank is satisfied about the identity of the person receiving payment as attested by the drawing officer in accordance with Rule 227 (2) or 321, 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/Pay and Accounts Officer.

Note: An endorsement on a contingent bill by a drawing offices in favour of suppliers, etc., made under the same circumstances as are stated in sub-rule (1) of Rule 227 is not an endorsement for the purpose of this rule.

316. Payment of cheques including public Debt Office Interest Warrants which are governed by the Negotiable Instruments Act will be made in accordance with the provisions of that Act and any generally recognised practice established among bankers by custom.

Payment into the Bank

General Rules

317. (1) Save as hereinafter provided, and subject as provided in Rule 77 any person who desires to pay money into the Bank on Government Account shall first present at the treasury a challan (Form T. R. 4) in duplicate (which, if necessary, will be prepared in the treasury or the department concerned as the case may be). The Accountant or other official entrusted with the duty of examining the challans shall, after examination, write on both original and duplicate the word “correct”; he shall satisfy himself about the entry relating to the head of account and then affix his initials to the challan with the date, and if the amount is not less than Rs. 2,500 submit the challan to the Treasury Officer who, if it is in order in all respects, shall enface it with an order to the Bank to receive the money and to grant a receipt.

Both the original and the duplicate copies of the challan thus enfaced shall then be returned to the payer, who will present them to the Bank. There the money will be received and credited to the proper head of account, and subject as provided In Rule 84 and acknowledgement will be granted to the payer on the original challan, the duplicate being retained by the Bank to be forwarded to the treasury with the daily account.

Note-1: Challans for sums of Rs 2,500 or above must be enfaced by the Treasury Officer but those for sum less Rs. 500 may be enfaced by the Treasury Accountant Challans for sums not less than Rs. 500 presented at a sub-treasury must invariably be enfaced by the sub-treasury Officer while those for sums below this limit may be enfaced by the Accountant or other official maintaining the Account in the sub- treasury.

Note-2: The acknowledgement on the challan, for moneys received, may be signed by the authorised officer of the Bank under his full signature only in the original and such other copies as are required to be returned to the tender, the acknowledgement in the other copies being merely initialed by him.

(2) In cases in which challans are presented in triplicate or quadruplicate the acknowledgement of the Bank will be given on the original challan or on such other copy as may be specially marked for the purpose, the other copies being retained by the Bank to be forwarded to the treasury with the daily account.

318. Challans shall be valid only for such time not exceeding 14 days as may fixed by the Collector; if they are presented after the allotted time, the money will not be received by the Bank until they are revalidated by the Treasury Officer or by the departmental officer, as the case may be. If however, a date has been given by at departmental officer on a challan it will remain valid till that date; if it is presented after that date, money will not be received by the Bank until it is revalidated by the departmental Officer.

Remittance of Departmental Officer

319. 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 challan in duplicate describing the several items and the heads under which they should appear in the accounts, a separate challan being used as far as possible for each Major Head of Account. The duplicate copy of the challan 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 officer.

The original challan maybe in the form of books sent daily for signature.

Deposit and Local Fund Receipts

320. The detailed account of Local Funds and register of deposit will be kept in the treasury or in the Magistrate's and Judge's offices, the Bank only receiving the amounts tendered in accordance with Rule 317 and crediting them under their proper designation.

Withdrawal from the Government Account at the Bank

Civil Charges

321. Subject as hereinafter provided, all bills for pay and allowances and contingent expense of officers of the civil establishments, which are ordinarily drawn upon treasury shall be presented to the Treasury Officer in the first instance for examination. Treasury Officer if he passes the claim shall enface on the bill an order to pay specified amount. Such orders shall be recorded in the register of payment orders issued which is kept under Rule 340 and shall be numbered, dated and signed. The bill shall then be sent under lock and key by the Treasury Officer to the Bank 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 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 T.R.53 authorising him to take the payment.

Note – 1: When payment is desired wholly or partly by Bank draft and a formal application for a draft accompanies the bill, the Treasury Officer, if he satisfied that the grant of the draft is permissible, will forward the application to the Bank, specifying clearly in the pay order the manner to which payment should be made.

Note – 2: Bills, presented at the treasuries where cheque system of payments in vogue, shall be paid by cheques drawn upon the Bank issued by the Treasury Officer except where the payment is desired by means of a demand draft in which case the procedure prescribed in Note 1 will be followed.

322. Without prejudice to the generality of provisions made in these Rules with regard to withdrawal of moneys from the Government Account, the procedure to be followed in the payment of claims presented for pre-audit at the office of the Accountant General may be governed by such instructions as may be issued in this behalf by the Comptroller and Auditor General.

Pensions

323. Subject as provided in Rule 243 and save where any other procedure has been duly authorised, pension bills will be cashed by the bank upon pay orders issued by Treasury Officer concerned.

Departmental Payment

324. (a) Officers of the Public Works Department are authorised to draw funds by cheques.

(b) No letters of credit will be issued by the Accountant General, but where a Divisional Officer, has intimated any limits on the drawings of a Sub-Divisional Officer, the Bank will observe prescribed limitation. In all other cases, cheques will be cashed without limitation if otherwise in order.

325. Unless there be any special rule or order of the Government to the contrary, cheques or any departmental officer authorised to draw funds by cheques may be cashed by the Bank direct without the intervention of Treasury Officer.

Refunds

326. Refunds of revenue, etc., will be made by the Bank on bills bearing payment order signed by the Treasury Officer in accordance with the procedure prescribed in Rule 321.

This rule does not apply to refunds of Income tax, Estate duty, Wealth Tax, Expenditure Tax, or Gift Tax in the case of such refunds, the Income Tax Officer, Controller of Estate Duty, wealth Tax Officer, Expenditure Tax Officer or Gift tax Officer, as the case may be, is authorised to make out the refund order in the form of a direct order on the Bank and the endorsement of a second payment order by the Treasury Officer will be unnecessary.

Discount on Sale of Stamps

327. 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 317, the receipt challan being the payer's authority for receipt of the stamps from the treasury.

Public Debt

Government promissory Notes

328. Government promissory Notes, on which may be due, shall be presented to the Treasury who having made the necessary examination and shall give the holder an order on the Bank following form.

“Pay to.....Rupees being interest for half year at percent, due on Government promissory Note No Of for Rupees”

329. Interest on Stock Certificates will be paid by the Bank on Interest Warrants issued by the Public Debt Officer concerned without the intervention of the Treasury Officer. The Bank will arrange to pay the interest due on the warrant to the proprietor of the Stock Certificate.

330. Subject to rules and orders contained in the Government Securities Manual regulating the procedure for the payment of interest on or principal of any Public Debt, the provisions of Rules 328 and 329 shall apply mutatis mutandis for repayment of principal of any Government security mentioned therein which may be notified for discharge.

Deposit Payment

331. (1) Repayments of deposits standing at credit of individuals in the treasury register or in the Magistrates, or judge’s accounts will be made on the order of the officer on whose register they are. Persons claiming repayments such of 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 Treasury Officer for Counter signature before being presented at the Bank unless the Bank keeps a personal ledger account of deposits of such Court.

(2) In cases in which personal ledger accounts of Civil or criminal Court Deposits are kept by the Bank, each Court will duly intimate from time to time to the Bank the amount of lapsed deposits to be deducted from the personal ledger passbook.

332. Unless in any case the Government direct otherwise the cheques for withdrawal from a personal deposit account or a personal ledger account may be paid by the Bank direct without the intervention of the Treasury Officer, subject to availability of balance in the said account.

Local Funds

333. Payments will be made on cheques drawn by competent drawing officers of the local Body concerned. Unless in any case the Government direct otherwise, such cheques will be drawn on the treasury and cashed by the Bank on pay orders issued by the Treasury Officer.

Where under any special order a Local Body draws money from the treasury by presentation of detailed bills, the procedures prescribed in Rule 324 shall be followed.

Remittance

334. The procedure with regard to remittance of treasure from the Bank and the testing of remittance made to the Bank from treasuries will be regulated by the provisions contained in part XI.

Currency of Payment Orders

335. Payments orders (other than cheques) issued on the Bank shall be valid only for a period not exceeding 14 days. If presented after the allotted time, they will be refused payment by the Bank until revalidated by the Treasury Officer.

Daily Account and Returns

336. The accounts and returns to be rendered by the Bank to the Treasury Officer in respect of transactions of State Government will consist of;

- (i) a daily account of receipts and payments in Form T.R. 36 together with connected challans and vouchers;
- (ii) a pass book or register of receipts and payments *j* to be daily forwarded to and returned by the Treasury officer;
- (iii) where the receipts and payments take place at an office or agency of the Bank connected with the Treasury of a State, a copy of the daily schedule of receipts and payments on account of the State Government, which is forwarded by such office or agency of the Bank to its head office.

337. In the daily accounts rendered by the Bank, such payments and receipts will be classified as may be directed by the Accountant General, in order that their arrangement may fit in with the forms prescribed or accounts kept at the treasury. The daily account will be prepared every day and the Manager or Agent, as the case may - be, after satisfying himself as to its accuracy, will docket and forward it to the Treasury Officer with the register of daily receipts and payments and with all the appertaining challans and vouchers at the close of the day.

The net amounts of payments only are to be entered, that IS, when a deduction is made from the amount of a bill, the daily account will show only the amount paid after deduction and not the gross amount of demand.

***Note-1:** It is of importance that these documents be secured in a locked box when sent by the Bank to the Treasury Officer in order that there may be no possibility of any alteration or obstruction of any paper before' they reach the hands of the Treasury Officer.*

***Note-2:** With the concurrence of the Accountant General the daily account mar be submitted in the morning following the date to which they refer instead of at the close of the same day.*

338. Care shall be taken that vouchers sent to the treasury are conspicuously marked by the Bank with the word 'paid' Non-attention to this rule may lead to documents being paid twice in the event of their falling into unscrupulous hands.

339. The register of daily receipts and payments will contain five columns for (1) date (2) total receipts for the day (3) total payments for the day (4) initials of the Manager or Agent, as the case may be; and (5) initials of the Treasury Officer. It will be written up and forwarded with the daily account to the treasury, the entries being certified by the initials of the Manager or Agent in the 4th column. The Treasury Officer shall check the receipts and disbursements columns of the daily account, agree their totals with the figures entered in the register and examine the vouchers, and after initialing in the 5th column of the register in token of his verification, shall return the register to the Manager or Agent, as the case may be, the same day or as soon as possible, on the following day

Miscellaneous

Register of Order for payment

340. The Treasury Officer shall maintain a register of orders of payment.

Dairy lasting of Accounts

341. When the daily account with the challans and vouchers is received from the Bank, it shall first be examined against the challans and vouchers which support it. Then the vouchers which have already been 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 such vouchers in the Register of Orders for Payment. Each item of receipt or payment will then be posted from the daily account into the Cash Book either direct or through some subsidiary register and the net difference between the total receipts and the total payments posted in the Register of Reserve Bank Deposits in accordance with the directions contained in this behalf in the Account Code, Vol. II, the daily postings in this Register must be checked and agreed, where necessary, with the daily schedules received under clause (iii) of Rule 336.

Advices and certificates

342. Advices of receipts of payments which, according to any rule or order have to be sent to Government Officers or departments, and consolidated receipts or certificates of receipts or payments required by any rule or order to be given to any Government 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 account.

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

343. All treasury returns, with the exception of those the Bank is instructed to furnish under the rules in this part or under express orders of the Accountant General, shall be prepared in the treasury and not in the Bank.

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