GOVERNMENT OF HARYANA
FINANCE DEPARTMENT

FINANCIAL HANDBOOK NO. 2

The Punjab Financial Rules

VOLUME I

(As applicable to Haryana State)

(Fourth Edition)

(Amendments incorporated upto 31-12-1995)

CHANDIGARH

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PREFACE

This Handbook is a companion volume to the Financial Handbook No. 1, "Punjab Treasury Rules and the Subsidiary Treasury Rules issued thereunder." For facility of handling, this book has been printed in two volumes, the first containing the main rules and the second appendices, forms, etc.

2. This handbook contains the financial regulations issued by the Finance Department for the guidance of various offices and departments and has been entitled "The Punjab Financial Rules." The rules contained in this handbook deal with the transactions affecting the revenues of Punjab Government only, and include chiefly those which are of general application. Financial Rules relating to the Public Works and Forest Department have been issued in a separate publication entitled "Departmental Financial Rules" (Financial Handbook No. 3). Detailed rules in respect of other department will be found in their respective departmental manuals or codes.

3. The rules in this handbook are based mainly on the existing rules and orders contained in Punjab Financial Rules, Volume I and Volume II (First Edition), 1940, modified in the background of changes resulting from the partition of the Punjab and Constitutional requirements. To avoid overlapping, Chapters XIX and XX of Volume I of the edition referred to above, containing the "Assent" and "Delegation Orders" issued under the various rules, have been brought together in Chapter XIX. The Appendices to Volume II of the edition referred to above, which have not been printed in the new edition, will continue to be in force till they are re-issued or modified.

4. Correction slips and amendments issued to the various rules up to 6th May, 1955, have been included. Amendments notified subsequently may be taken as modifying the corresponding rules in this Volume. They will be re-issued in due course, as correction slips to this Volume.

5. All Government Officers who notice any errors or omissions in these rules, are requested to bring them to the notice of their Heads of Departments, who will please submit their proposals to the Finance Department, through the Administrative Department concerned.

N. N. Kashyap
Secretary to Government, Punjab, Finance Department.
PREFACE TO 2ND EDITION (REPRINT)

This edition brings the compilation up-to-date. It incorporates all the correction slips No. 1 to 85 issued to the First Edition.

2. It is requested that any errors or omissions found in this Volume may kindly be brought to the notice of Heads of Departments, who will please submit their proposals to the Finance Department, through their Administrative Department concerned.

J. S. Basur,
Secretary to Government, Punjab,
Finance Department.
PREFACE TO 3RD EDITION (SECOND REPRINT)

This edition brings the compilation up-to-date. It incorporates all the correction slips and amendments issued to the First Edition (Reprint) upto the end of December, 1963.

2. It is requested that any errors or omissions found in this Volume may kindly be brought to the notice of Heads of Departments, who will please submit their proposals to the Finance Department through their Administrative Department concerned.

Sapuran Singh
Secretary to Government, Punjab,
Finance Department.
PREFACE TO 4TH EDITION

This is an up-to-date compilation of Punjab Financial Rules, Volume-I, in force in Haryana State. Last edition of this Volume was published in the year 1965 by Punjab Government. The present edition incorporates amendments made in various rules in the Composite Punjab up to 31st October, 1966, and amendments issued by Haryana Government during the period from 1-11-1966 to 31-12-1995.

In this Volume, any rule or part thereof has been amended/deleted/substituted it has been shown in bracket [ ] giving a super-script number on the bracket and for each super-script number, the FD Notification Number vide which amendments were made from time to time is given as foot-note at the end of each page.

Effort has been made to avoid any error. However, if any error or omission is found it may be brought to the notice of Finance Department for making a correction.

J. D. GUPTA
Financial Commissioner & Secy. to Government
Haryana, Finance Department.
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CHAPTER I—Definitions

1.1. The power of interpreting, changing and relaxing these rules is vested in the Finance Department:

Provided that in the case of rules based on the standing instructions issued by the Comptroller and Auditor-General of India the aforesaid power shall not be exercised save with the prior consultation of the Comptroller and Auditor-General of India.

1.1-A. Unless there be anything repugnant in the subject or context, the terms defined in this chapter are used in these rules in the sense hereby explained.

1.2. "Abstract Bill" is a bill without details either for contingent or travelling allowance expenditure (other than Travelling Allowance expenditure of the Public Works Department) paid at a Treasury without the scrutiny and countersignature of a controlling authority, to save delay in the discharge of a claim. In the Public Works Department, abstract bills for travelling allowance expenditure are paid after scrutiny and countersignature of the detailed bills by the controlling officers.

1.3. "Administrative Approval" is the formal acceptance by the Administrative Department (defined below) of a proposal to incur expenditure on works initiated by or connected with the requirements of that Department.

In the case of works executed by the Public Works Department, it is in effect an order to that Department to execute a certain specified work at a stated sum to meet the administrative needs of the Department requiring the work (See also rule 1.98).

Note 1:—"Administrative Department" means a department of the Haryana Government other than the Finance Department.

Note 2:—The administrative approval accorded to a proposal previous to its inclusion in a schedule of New Expenditure or list of Major works, as the case may be, should be endorsed by the competent authority to the Accountant-General, Haryana and should be treated as financial sanction to the extent the funds are voted by the Legislature. Where however, the provisions in the budget has subsequently been revised and is not in accordance with the administrative approval already accorded, fresh administrative approval will be accorded and the same will be treated as financial sanction.

1.4. "Appropriation" means the assignment to meet specified expenditure of funds at the disposal of the assigning authority.
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1.5. "The Bank" means the Reserve Bank of India or any office or agency of the Reserve Bank of India, and includes the State Bank of Patiala and any Branch of the State Bank of India or of a Nationalised Bank acting as the agent of the Reserve Bank of India in accordance with the provisions of Reserve Bank of India Act, 1934 (Act II of 1934).\(^2\)

1.6. "Book Transfer" denotes the process whereby financial transactions which do not involve the giving or receiving of Cash, or of stock materials, are brought to account. Such transactions usually represent liabilities and assets brought to account either by way of settlement or otherwise but they may also represent corrections and amendments made in Cash, Stock, or Book Transfer transactions previously taken to account.

1.7. "Bonus" means payment made in addition to the prescribed pay or wages as a reward for specially good work or services or for outturn of work in excess of a prescribed limit.

1.8. "Cash" includes legal tender coin, currency and Bank Notes, cheques payable on demand, Reserve Bank Government drafts, and demand drafts and also [twenty]² paise revenue stamps.

Government securities, deposit receipts of banks, debentures and bonds accepted as security deposit are not treated as cash.

1.9. "Cash order" is a payment order issued by a Head Treasury on a Sub Treasury under its jurisdiction, in favour of the person to whom the money is due or who is responsible for its disbursement and is payable in lump sum.

1.10. "Charged Expenditure" is the expenditure which under various Articles of the Constitution of India has been declared as charged on the Consolidated Fund of the State, and as such is not subject to the vote of the Legislature.

1.11. "Class of Government employees" means:

(1) all Government employees, holding posts bearing the same designation in the same department or service, and

(2) all Government employees holding posts which have been declared by the competent authority to be in a single class.

1.12. "Competent authority" in relation to the exercise of any power means the Administrative Department concerned acting in consultation with the Finance Department or any other authority to which the relevant powers may be delegated.

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Finance Department may prescribe cases in which its consent to the exercise or delegation of any power under these rules by the authorities specified may be considered to have been given.

*Note:*—A list of authorities competent to exercise powers under these rules are detailed in Chapter XIX.

1.12. “Consolidated Fund of the State” is the fund into which all revenues received by the Government of the State, loans raised by the Government by the issue of treasury bills, loans or ways and means advances, and moneys received by that Government in repayment of loans, are credited and from which the expenditure of that State, when authorised by the appropriate Legislature, is met.

*Note:*—All other public moneys received by or on behalf of the Government of Haryana, shall be credited to the “Public Account of the State of Haryana” (see rule 1.32 below).

1.13. “Contract” means any kind of undertaking written or verbal, express or implied, by a person, not being a Government employee, or by a syndicate or firm for the construction, maintenance or repairs of one or more works for the supply of materials, or for the performance of any service in connection with the execution of work or the supply of materials.

1.14. “Contractor” means a person, syndicate or firm that has made a contract, but the use of this term is often restricted to contractors for the execution of works or for services in connection therewith.

1.15. “Controlling Officer” means a head of a department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the authorities subordinate to the department.

In relation to receipts and expenditure under any head of account, this term denotes a Government employee designated as such in Appendix D to the Punjab Budget Manual (Fourth Edition).

1.16. “Detailed Bill” is a bill setting forth the details of either contingent or travelling allowance expenditure, and is subject to countersignature by a controlling authority. It is marked “Not Payable At The Treasury” when it is prepared in support of a charge already drawn on an abstract bill.

1.17. “Detailed Head” is a division of a minor head.

1.18. “Disbursing Officer” means in relation to expenditure under any head of account, a Government employee designated as such in Appendix D to the Punjab Budget Manual (Fourth Edition).


1.20. “Financial year” means the year beginning on the 1st of April and ending on the 31st March following.

1.22. "Grade" of Government employees means a sub-division, according to pay, of a class of Government employees.

1.23. "Head of Department" means in relation to receipts and expenditure, under any head of account, the authority shown as such in Appendix D to the Punjab Budget Manual (Fourth Edition).

1.24. "Head of Office" means a Government employee designated as a Disbursing Officer in Appendix D to the Punjab Budget Manual (Fourth Edition) or any other Gazetted Government employee declared to be the head of an office by competent authority.

Heads of Departments have been authorised to declare any Gazetted Officer subordinate to them to be the head of an office for the purpose of these rules.

*Note*: In the event of a head of an office being on leave or his post otherwise falling vacant, the head of his department shall be competent to declare, during the period of his leave or during the period the post remains vacant, the next senior official to be the head of an office.

1.25. "Major Head" is a main unit of classification of revenue and expenditure in the Government accounts.


1.27. "Minor Head" is a sub-division of a Major Head.

1.28. "Non-recurring Expenditure" means expenditure sanctioned as a lump sum charge whether the money be paid as a lump sum or by instalments.

*Note*: Sanction to any item of expenditure which is of a fixed recurring nature and does not vary periodically and which is chargeable to contingencies or to pay of establishment and which does not extend beyond the financial year or beyond six months within the financial year is deemed to be a sanction for non-recurring expenditure.

1.29. "Pre-Audit cheque" is a cheque issued by the Accountant General or any Gazetted Government employee of the Indian Audit and Accounts Department in payment of a claim at the Headquarters of Government after audit.

*Note*: The provisions of this rule have been suspended for the present.

1.30. "Primary Units of Appropriation" is a portion of the supply under each minor head which is allotted to a prescribed sub-division of the head, as representing one of the primary objects of the supply.

1.31. "Proposition Statement" is a statement setting forth the financial effect of the proposal involving the creation, alteration or abolition of posts on an establishment.

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1. Added Vide No. 3032—1FR—69/13009, dt. 20-3-69.
DEFINITIONS

1.32. "Public Account of the State of Haryana" is the account into which all public moneys other than those which form a part of the Consolidated Fund of the State, received by/or on behalf of the State are credited and from which disbursements are made in accordance with the prescribed rules.

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

1.33. "Re-appropriation" means the transfer of funds from one unit of appropriation to another such unit.

1.34. "Recurring Expenditure" means all expenditure which is not non-recurring.

1.35. "Secondary Units of Appropriation" are the divisions into which a primary unit of appropriation is divided for the purposes of financial control.

1.36. "Subsidiary Treasury Rules" are the rules issued by the Finance Department under the Treasury Rules. These rules are contained in Part II of the Punjab Financial Handbook No. I.

1.37. "Subordinate Authority" means any authority subordinate to the Administrative Department of the Government.

1.38. "Technical Sanction" is the sanction of a competent authority to a properly detailed estimate of the cost of a work of construction or repair.

Ordinarily such sanction can only be accorded by Government in the P.W.D., or by such authorities of the P.W.D. to whom the power has been delegated by Government.


1.40. "Voted Expenditure" is the expenditure other than "charged" which is subject to the vote of the Legislature.
CHAPTER II.—General Principles and Rules

I.—HANDLING OF CASH AND RECORDING OF TRANSACTIONS CONNECTED THEREWITH

(i) GENERAL

2.1. (a) Moneys tendered as dues of the Government or for deposit in the custody of the Government shall not pass through the hands of a departmental officer unnecessarily. Direct payment into the treasury or into the Bank by the person who tenders such money shall be insisted on, and direct payments arranged whenever this is practicable.

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

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

Note 2.—The procedure laid down in Subsidiary Treasury Rules 3.1 and 3.2 should be followed in the custody of cash.

A similar procedure should be followed in the case of bullion, jewellery and other valuables coming into the hands of Government employees in their official capacity. See also rule 3.8.

(c) In the departments which render accounts to the Accountant General, the form in which such accounts are rendered and the form in which the initial accounts, from which the accounts so rendered are compiled or on which they are based, are kept, are prescribed by the Comptroller and Auditor-General of India. Likewise the outline of the system of accounts and the principles and methods of accounts (including classification of transactions in accounts) have been prescribed by the Comptroller and Auditor-General of India and the directions in respect thereof are contained in Chapters 2 and 3 of Account Code, Volume I.

(ii) MAINTENANCE OF ACCOUNTS—CASH BOOK

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

(i) Every officer receiving money on behalf of the Government should maintain a cash book in form P.F.R.I.

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

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

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

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

If, however, the head of the office is absent from headquarters at the end of a month, he may delegate the duty of verifying the cash balance to a Gazetted Government employee, or, if there is no Gazetted Government employee to his office Superintendent, Head Clerk or other similar ministerial official of corresponding rank; but he should personally verify the cash balance on his return to headquarters.

Note 1.—Whenever, on the contents of the cash chest being counted, the balance as per cash book is found to be incorrect, it must, unless the error can be detected and set right at once under rule 2.39 be rectified forthwith by making the necessary receipt or payment entry in the cash book. “To cash found surplus in chest” or “By cash found deficient in chest”. The administrative action to be taken on the occurrence of a deficiency and the report to the departmental superior must depend on the nature of each case.

Note 2.—During the absence of the head of office from headquarters the duty of attesting the Cash Book may be entrusted to another Gazetted officer subordinate to him, or if there be no such Gazetted Officer under him to his office Superintendent, Head Clerk, or other official of corresponding rank, but on his return he should satisfy himself that there is no irregularity and in token of this check, the head of office should sign the cash book immediately on return to headquarters.

(vi) When Government money in the custody of a Government officer are paid into the Treasury or the Bank, the head of the office making such payments should compare the Treasury Officer’s or the Bank’s Receipt on the 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. By the 15th of every month, he should obtain from the Treasury a consolidated receipt for all remittances made during the previous month, which should be compared with the postings in the cash book.

Note.—The consolidated treasury receipts furnished by the Accountant-General 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 also arrange that such letters are really opened by himself or by the officer nominated by him.
2.2—2.4] PUNJAB—FINANCIAL RULES

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

(vii) A Government officer who handles Government money should not, except with the special sanction of the head of the office, be allowed to handle also in his official capacity money which does not belong to the Government. Where under any special sanction, a Government officer deals with both Government and non-Government money in his official capacity, the Government money should be kept in a cash box separate from the nonGovernment money and the transactions relating to the latter should be accounted for in a separate set of books pertaining to the public account of the State.

(viii) The employment of peons to fetch or carry money should be discouraged. When it is absolutely necessary to employ a Class IV employee 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.—The duties imposed by clauses (i) to (vi) of this rule on the head of office may be entrusted to a subordinate gazetted officer nominated by the head of the office for the purpose.

2.3. The counting should be made on the last working day of each month immediately after closing the cash account of the month, but where this is not possible, the cash balance may be counted on the first working day of the following month before any disbursement is made on that date.

Note 1.—The periodical verification of cash in Government treasuries and sub-treasuries is governed by the rules in the Subsidiary Treasury Rules.

Note 2.—Cash drawn on pay, travelling allowance and contingent bills of establishment and undischarged balances thereof should not be mixed with the permanent advance in the case of civil departments and the regular cash balance of the Public Works Department.

Note 3.—In offices having more than one chest, the actual balance of cash in each chest should be counted simultaneously. In the case of subordinate offices at outstations the head of office or any other Gazetted Government employee named by him will count it whenever he may visit them, and will record a note in the cash book, showing the date of examination and the amount (in words) found.

2.4. At the close of the day while signing the cash book, the head of the office should see that the departmental receipts collected during the day, the utilization of which towards expenditure is strictly prohibited under rule 7 of the Punjab Treasury Rules are credited into the treasury on the same day or on the morning of the next day at the latest and that there is a corresponding entry on the payment side of the cash book.
2.5 When a cheque is drawn by an officer in favour of self or order to replenish the cash chest, its amount should at once be entered as a receipt. This entry must not be delayed until the money has been received after the encashment of the cheque at the treasury.

For Public Works Department cheques, see also Article 78 of Account Code, Volume III.

2.6 All receipts, disbursements and charges of whatever sort connected with the public service must be, and no other may be, shown in the cash book. Sufficient details should be given in the column "particulars" to admit of the main points of each transaction being readily ascertained without reference to the detailed vouchers.

2.7 If a Government employee, who is not in charge of a cash book, receives money on behalf of Government at exceptional times, he should not mix it up with the imprest or any other cash in his charge, but pay or remit it, at the earliest opportunity, to the nearest Government employee having a cash book or direct to a treasury. The acknowledgement of the treasury (with an intimation of the full particulars of the receipt including the date of its realisation) should be forwarded immediately to the next superior officer having a cash book, to enable him to make the necessary entries therein. The record of the transactions will be in the correspondence and not in the imprest or other cash account of the receiving officer.

II—PERMANENT ADVANCES AND IMPREST ACCOUNTS

2.8. Advances are granted to Government employees, who may have to make payments, before they can place themselves in funds by drawing on the treasury. They are subject to the following rules:

1. The amount of advances will be fixed by the Administrative Departments up to the amount advised by the Accountant-General.

2. Heads of Departments and Commissioners of Divisions may unless a competent authority otherwise directs, sanction the grant of permanent advances for offices subordinate to them, up to the amount advised as appropriate by the Accountant General. The permanent advances for the offices of the Heads of Departments and Commissioners of Divisions must, however, be sanctioned by the next superior administrative authority or other competent authority.

[Provided that the Deputy Director of Public Instructions, Haryana shall be competent to accord sanction for the fixation or re-fixation of permanent advance in respect of the offices or institutions under the control of the Haryana Education Department]¹

(3) Applications for the grant or revision of a permanent advance must be submitted to the sanctioning authority through the Accountant General who will advise as to the appropriate amount of the advance. In cases falling under sub-clauses (1) and (2) above, if there is any difference of opinion between the Accountant-General and the sanctioning authority on this point, the matter should be referred for the order of the competent authority.

Note.—The applications for permanent advances should be accompanied by a statement showing month by month for the preceding 12 months, the amounts of contingent bills cashed, with classified details of items of expenditure.

(4) As these advances involve the permanent retention of money outside the treasury, they must not be larger than is absolutely essential.

(5) These advances should not be multiplied unnecessarily. A Government employee's advance should meet the needs of every branch of his office. If he has subordinates who require petty sums, he should rather spare a small portion of his own advance for their use than apply for separate advances for them, taking acknowledgments from them in the same way as he himself furnishes to the [Heads of Departments]² and retaining them in his office.

(6) The advance is intended to provide, on the responsibility of the Government employee entrusted with it, for emergent petty advances of all kinds, though it is seldom that they will be needed for other than contingent charges; thus, if a class IV employee is required to travel by rail, his fare must, sometimes, necessarily be advanced from this amount.

Note 1.—See also note 9 below clause (a) of rule 10.25.

Note 2.—Advances may be made of the actual railway fare or road mileage out of the permanent advance to all non-Gazetted employees of the Police Department, but such advances and their repayment need not appear in Government accounts. Travelling allowance bills may be made out once for all, for the full claims admissible as soon as the journeys are completed and any advances made out of the permanent advance may be recovered out of the amounts drawn from the treasury or such travelling allowance bills.

Note 3.—See also note 2 below Rule 2.3.

Note 4.—[Deleted.]³

(7) In the case of the transfer of charges and yearly on the 15th April, each officer in whose favour the permanent advance is sanctioned shall send an acknowledgement of the amount due from and accountable for by himself as on the preceding 31st March to the

1. Added vide No. 62(2) PDI-55/157, dt. 7-1-1965.
2. Subsd. vide No. 2(1)(2)79-FPR-11, dt. 28-12-1979.
authority which sanctioned the permanent advance. The said authority will maintain suitable record to watch receipt of such acknowledgement. 1

2.9. The holder of a permanent advance, or an imprest, is responsible for the safe custody of the money placed in his hands, and he must at all times be ready to account for the total amount of the money in vouchers or in cash.

Note.—Neither the permanent imprest which is intended for meeting urgent expenditure before funds can be drawn from the treasury against regular bills nor other Government moneys awaiting disbursement are available for temporary accommodation of any officer for private purposes. It is, therefore, imperative that Government moneys should not be mixed up in any way, with moneys which do not belong to Government.

III—PAYMENTS

(a) GENERAL PRINCIPLES AND RESTRICTIONS RELATING TO EXPENDITURE.

2.10(a) Every Government employee incurring or sanctioning expenditure from the revenues of the State should be guided by high standards of financial propriety. Each Head of Department is responsible for enforcing financial order of strict economy at every step. He is responsible for the observance of all financial rules and regulations both by his own office and by subordinate disbursing offices. Among the principles on which emphasis is generally laid are the following:

1. Every Government employee is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

2. The expenditure should not be prima facie more than the occasion demands.

3. Money borrowed on the security of allocated revenues should be expended on those objects only for which money is borrowed.

4. No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.

5. Government revenues should not be utilised for the benefit of a particular person or section of the community unless—

(i) the amount of expenditure involved is insignificant, or

(ii) a claim for the amount could be enforced in a court of law, or

(iii) the expenditure is in pursuance of a recognised policy or custom.

1. Subst. vide No. 2/1(2)-79/FIR II, dated 28-12-79.
(6) No authority should sanction any expenditure which is likely to involve, at a later date, expenditure beyond its own powers of sanction.

(7) The amount of allowances, such as travelling allowance, granted to meet expenditure of a particular type, should be so regulated that the allowances are not on the whole the sources of profit to the recipients.

(b) In addition to compliance with the canons of financial propriety enunciated above, the authorities incurring expenditure should further see—

(1) that special or general sanction of the competent authority for the expenditure exists [vide rules 17.2 (1) and 17.6 (b)];

(2) that necessary funds to cover the charge exist, that expenditure does not exceed these funds, that the authority incurring the expenditure will be responsible for any excess over the sanctioned funds and that expenditure in anticipation of funds is incurred only in authorised cases [vide rules 17.2 (2), 17.6 (a) and 17.13 to 17.15];

(3) that all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year; that money indisputably payable should not, as far as possible, be left unpaid; and that all inevitable payments are ascertained and liquidated at the earliest possible date;

(4) that money actually paid is under no circumstances kept out of account a day longer than is absolutely necessary;

(5) that no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance and that it is not permissible to draw advances from the treasury for the execution of works the completion of which is likely to take a considerable time.

(b) DRAWAL OF MONEY FROM THE TREASURY

(i) Bills

2.11 Detailed rules regarding the preparation of bills on which the different classes of charges are drawn, and regarding the method of obtaining money from the treasury whether by bills or by cheques, are laid down in Chapter IV of the Subsidiary Treasury Rules.

(ii) Cheques

2.12 All payments, which Government employees authorised to draw cheques have to make, should, as far as possible, be made by Cheques, but see also rule 2.15.
2.13. The following rules relates to cheques:

(a) Cheque books required by Disbursing Officers authorised to draw on treasuries and sub-treasuries should be obtained by them direct from the head treasury concerned; cheque books required for use on the bank, are also obtained from the Treasury Officers, and not from the Bank. The Treasury Officer shall supply a cheque book only on receipt of the printed requisition which is inserted in [cheque book]^9^ towards the end, and never more than one cheque book shall be supplied on a single requisition. The requisition must be signed by the officer authorised to draw on the treasury. 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 flyleaf.

(b) Cheques from books obtained from a particular treasury should not be drawn on other treasuries or sub-treasuries of other districts. Before a cheque book is brought into use, all the cheque forms in it shall be marked by a distinguish 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.

(c) A separate cheque book should be used for each head treasury or sub-treasury. Each cheque book must be kept under lock and key in the personal custody of the drawing officer, who when relieved should take a receipt for the correct number of cheques made over to the relieving Government employee. The loss of a cheque book or a blank cheque form shall be notified promptly to the Treasury Officer with whom the disbursing officer concerned has a drawing account.

(d) No advice of the issue of any cheque need be sent to the treasury.

(e) When a Government employee 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.

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

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2.14. As a rule, no cheque should 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; but the disbursing officer may be assisted in making disbursements by a cashier appointed for the purpose. The occasional delivery of cheques through a subordinate may be permitted at the discretion and on the responsibility of the disbursing officer. In such cases, the subordinate should make no entry in any account which he keeps, as a payment made by cheque should appear in the cash account of the disbursing officer who draws the cheque, and the subordinate’s record will be in his correspondence.

Note 1.—It is a serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of the grant as utilized.

Note 2.—Whenever a cheque is drawn and entered in the cash book, but not paid out on the day on which it is drawn, a note must be made in the cash book against that entry explaining why it has not been possible to deliver the cheque to the payee.

Note 3.—For payment to contractors through their bankers, see note 2 to subsidiary Treasury Rule 4.3.

2.25. As a general rule, cheques shall not be issued for sums less than ten rupees, unless it is permissible under the provisions of any law or a rule having the force of law for the disbursement of such sums, and other charges which naturally are paid in cash e.g., the wages of labourers and of establishment charged directly to works, and value payable postage, etc., it is permissible to draw money from time to time from the treasury by cheques to replenish the cash chest. Whether there be a guard or not, disbursing officers must draw cheques for the minimum of cash actually required to meet current disbursements, and if it is found at any time that the balance in hand is larger than is required to meet the anticipated expenditure of the next month, or of the next fifteen days, if the treasury is not situated at an inconvenient distance, the surplus should be returned into the nearest treasury.

2.16. Cheques remain current for three months only after the month of issue. Thus a cheque bearing date and time in January is payable at any time up to 30th April. If the currency of a cheque should expire owing to its not being presented at the treasury for payment within the period specified above, it may be received back by the drawer who should destroy it and issue a new cheque in lieu of it. The fact of the destruction and the number and date of the new cheque should be recorded on the counterfoil of the old cheque, and the number and date of the old cheque that is destroyed should be entered on the counterfoil of the new one. The fact of the new cheque having been issued should be entered on the date of issue in red ink in the cash book but not in the column for payment, a note being made at the same time against the original entry in the cash book. See also Article 264 of Account Code, Volume III. In respect of cheques of the Forest Department.

2.17. When it is necessary to cancel a cheque, the cancelation should be recorded on the counterfoil, and the cheque, if in the drawer’s possession, should be destroyed. If the cheque is not in the drawer’s possession he must promptly request the Treasury Officer to stop payment of the cheque (See rule 2.18) and, on ascertaining that payment has been stopped, shall write back the
entry in his cash book by exhibiting the amount of the cheque as a minus figure on the payment side in the "Bank or Treasury" column. A counter reference should be given in the cash book, against the original, to the second entry of the cheque. A cheque remaining unpaid from any cause for twelve months after the month of its issue should be cancelled and its amount written back in a similar manner. See also Article 262 of Account Code, Volume III, in respect of cheques of the Forest Department.

2.18. (i) If a Drawing Officer be informed that a cheque drawn by him has been lost, he shall address the Treasury Officer drawn on, forwarding for 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 in favour of has not been paid, and will not be paid if presented hereafter. Treasury.

The Treasury Officer

(ii) 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.

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

In respect of cheques of the Forest Department, see also Article 263 of Account Code. Volume III.

2.19. 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 authorised messenger on the date it is so handed over. or

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

The rule applies mutatis mutandis to a cheque in payment of Government dues or in settlement of other transactions received and accepted in accordance with the provisions of Subsidiary Treasury Rule 2.5.

Note 1.—The provisions of clause (b) above apply mutatis mutandis to payment 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 particular date should not be charged to the accounts until the date on which they become payable.

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2.20. As a general rule, every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification in the accounts. As far as possible, the particulars form of voucher applicable to the case should be used. Suppliers of stores and others should be encouraged to submit their bills and claims in proper departmental forms, but bills not prepared in such forms should not be rejected if they set forth the necessary details of the claims. In such cases, the additional particulars required should be added by the disbursing officer.

Note.—See also sub-rule 2 to Subsidiary Treasury Rule 6.2.

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

Note.—Cashiers and others authorised to make disbursements on passed vouchers should make no payment without a proper pay order of the responsible disbursing officer, recorded clearly in ink on the bill or other voucher. No payment should be made on a voucher or other unless it is signed by hand and in ink.

2.22. (1) Subject to the provisions of note 2 under Subsidiary Treasury Rule 4.3 every voucher should also bear, or have attached to it, an acknowledgement of the payment, signed by the person by whom, or in whose behalf, claim is put forward. The acknowledgement shall be taken at the time of the payment.

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

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

(2) In the case of articles received by value payable post, the value payable cover, together with the invoice or bill showing the details of the items paid for, may be accepted as a voucher. The disbursing officer should endorse a note on the cover to the effect that the payment was made through the post office, and this will also cover charges for the postal commission.

(3) A certified copy (marked duplicate) of a receipted voucher may be retained by the disbursing officer, but the payee should not be required to sign such a copy or give a duplicate acknowledgement of the payment.

(4) Whenever one cheque is written in favour of a person in payment of two or more of his bills, a separate stamped acknowledgement for each bill need not be taken.

(5) 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. 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 rule with regard to cancellation and destruction of sub-vouchers relating to contingent expenditure shall apply generally to sub-vouchers in respect of other classes of payment, unless they are governed by special departmental regulations or orders of the Government to the contrary.

(6) 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 a competent authority.

2.23 General instructions regarding the preparation and completion of vouchers as given in subsidiary. Treasury Rules 4.5 and 4.7 to 4.11 should be observed as far as possible in preparing departmental vouchers. The following supplementary instructions should also be observed:

(a) When the payee signs in the vernacular, he should be required to note the amount acknowledged in the vernacular in his own handwriting. In transcribing his acknowledgements the amount acknowledged, as well as any remarks made by him, should also be reproduced in English.

(b) The disbursing officer is responsible that the full name of the work as given in the estimate, or the name of the component part (or sub-head) or the head of account, to which the charges admitted on a voucher are debitable, or to which the deductions or other credits shown in the voucher are creditable, is clearly indicated on it in the space provided for the purpose or in some prominent position.

2.24 In cases in which money due from the Government is paid by Postal Money Order or through private banks, the cost of remittance shall, in the absence of any special rule or order to the contrary, be borne by the payee. Charges for remittance by Postal Money Order or through private banks of monies due to contractors or suppliers, etc., should not ordinarily arise. When however, the remittance by money order or through private banks, where there is no State Bank, if unavoidable and is considered necessary in the interest of the public service, the cost for such remittance may be debited to Government with the special sanction of the Head of Department concerned.

Note 1.—Payments to suppliers of stores include petty payments of contingent charges also for the purposes of this rule.

[Note 2.—When a class IV Government employee proceeds on leave for a period exceeding one month the net leave salary due to him shall, on his express request, be remitted to him by the Drawing and Disbursing Officer by postal money order at Government Expense.]
CLAIMS TO ARREARS OR INCREASES OF PAY OR ALLOWANCES.

2.25 [(a) No claims against the Government other than those by one department against another, not preferred within a year of their becoming due can be presented without any authority from the Accountant General:

Provided that claims not exceeding Rs. 500 presented within three years of their becoming due may be paid without pre-audit by the Accountant General:

Provided further that this rule shall not apply to the following categories of claims:

(i) Claims on account of pensions, the payment of which is regulated by rule 2.28 infra;

(ii) Claims on account of pay and allowances of non-gazetted Government employees whose names are not required to be shown in the pay bills in accordance with para 2 under rule 4.31 of the Punjab Subsidiary Treasury Rules, Volume I;

(iii) Claims on account of interest on government securities; and

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

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

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

(ii) in the case of warrants or credit notes from the date of presentation of bill by the Railway Administration.

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

(b) Claims of Government employees, whether gazetted or not, to arrears of pay or allowances or to increments or in respect of any underpayment or by public prosecutors in respect of fees or allowances, which have been allowed to remain in abeyance for a period exceeding 18 months [1] cannot be investigated by the Accountant General except under the special orders of the authority, which appoints the Government employee by whom the claim is made. Investigation of claims of more than six years old should, however, be referred to the Government for orders.

[1]
Note 1.—The provisions of this sub-rule are subject to restrictions contained in sub-rules (f), and (g) below; and

Note 2.—Delays in payments are opposed to all rules and are highly inconvenient, and objectionable, and when not satisfactorily explained, shall be brought to the notice of the head of the department concerned. So all Heads of offices should realise the necessity of securing the punctual and prompt submission of claims against Government and prompt disposal of correspondence on the subject among their subordinates. The delays between the first presentation of a bill and its payment should always be avoided.

(c) Where claims are made on account of arrears of pay, etc., which for any reason have remained undrawn for more than eighteen months, [the authority permitting the investigation of claim shall communicate the reason for the delay to the Accountant-General who will inform the Finance Department of any case where sufficient justification has not been adduced for the investigation of the claim.

(d) In the case of claims which are more than one month old, the preferring officer shall state in the bill the reason for the delay.

(e) Arrear claims to travelling allowance preferred after the limits of time prescribed in clause (c) above, will not, except for very special reason, be entertained.

(f) Claims against Government which are barred by time under any provisions contained in section 3 read with the First Schedule of the Indian Limitation Act of 1908 or under any other provision of law relating to limitation should ordinarily be refused and no claim on account of such a time-barred item should be paid without the sanction of Government. The onus is upon the claimant to establish a claim to special treatment for a time-barred item, and it is the duty of the authority against which such a claim is made to refuse the claim until a case for other treatment is made out. All time-barred petty claims are to be rejected forthwith and only important claims of this nature considered.

It is the duty of the authority against which a claim is made, to consider, in the first instance, the question of time-bar before submitting it to the Accountant-General for issue of authority for payment. The Department concerned will refuse payment of all claims found to be time-barred until the sanction of Government has been obtained.

(g) All petty claims of Government employees more than three years old, other than that effecting his pension, and all such claims for whose delayed submission an adequate explanation is not forthcoming should be rejected forthwith. In considering old claims recommended for sanction, the authority concerned will also take into account that it is normally not possible owing to limited period of preservation of records to audit claims more than six years old.

Claims under this clause should be referred to Government in the Administrative Department concerned. Before according sanction, the Administrative

1. Deleted vide No. 6853-1FR-68/31736, dt. 3-12-1968.
Department will see that adequate reasons are forthcoming for the delay in preferring the claim, and such reasons are recorded in writing; and it has been certified by the Drawing and Disbursing Officer concerned that the claim has been verified from the available records and that it has not been paid previously.

(h) The authority competent to authorise the investigation of a belated claim should be told why the claim was not submitted when it became due. In respect of non-Gazetted Government employees whose pay and allowances, are drawn on the establishment bills by the Heads of offices, the responsibility for making claims rests with the latter, and they should invariably see that all claims are presented within one year of their falling due.

Explanations.—(1) A claim presented for payment 6 months or more after the date of pre-audit by the Accountant-General will again require the sanction of the Accountant-General for its payment.

(2) The mere entering of a claim for leave salary in an establishment bill and withholding it for subsequent payment is not claiming it within the meaning of rule 2.25 (a).

(3) The one year's limits referred to in rule 2.25 (a) should be reckoned in the case of travelling allowance bills from the date of return to headquarters or from the first of the following month if the tour continues over that date: In the case of officiating pay from the date of receipt of the order sanctioning the promotion if the officiating pay is due for a past completed month or months, otherwise from the following pay day: In the case of leave salary from the date of the order granting the leave and in other cases from the date, on which a claim became due to the date of its presentation at the treasury. In any case, however, in which an allowance has been claimed, but in consequence of some objection taken, payment has been delayed, the Treasury Officer will not refuse to pay such bill if, when the objection is satisfied, the claim happens to have become more than one year old.

(4) The time limits prescribed in clauses (a) and (b) should be calculated from the date on which the charge becomes payable. In the case of sanction accorded with retrospective effect, the charge does not become payable before it is sanctioned; the time limits should therefore, be calculated from the date of sanction and not the date from which the sanction takes effect.

2.26. Rule 2.25 (a) does not apply to contingent payments as contingent charges are recorded as charges of the month in which they are actually disbursed from the treasury.

Charges on account of personal claims, including fees to Public Prosecutors, if not claimed within one year or eighteen months in the case of the district of Lahaul and Spiti, however, require pre-audit by the Accountant General even though such charges are drawn on contingent bills, as such personal claims, unlike other contingent charges, are not paid out of the permanent advance but drawn direct from the treasury.

2.27. No payments may be made on account of increases to pay until the additional expenditure thereby caused has been provided for in the budget estimates and duly sanctioned.

Note.—Periodical increments of pay are not increases to pay within the meaning of this rule.

1. Deleted Vide No. 6853-1FR-68/31736, dt. 3-12-1968.
2.29. "Pensions for political considerations" and "charitable allowances" not drawn for six years and other pensions not drawn for three years cease to be payable at the treasury without the prior sanction of the Accountant-General. Arrears of pensions due in the case of a deceased pensioner also cease to be payable by the Treasury Officer, if they are not claimed within one year of the pensioner's death.

Note.—This rule also applies to Jagir Pensions and to allowances payable to men on non-effective service or to widows of deceased persons in connection with the President Police Medal (formerly Kings Police Medals.) See also rule 10.13 of the Punjab Civil Services Rules, Volume II.

(e) CHECKING OF CHARGES AND AUDIT OBJECTIONS

2.29. Every charge comes up for audit or disposal by the Accountant-General, who, if the charge is irregular, or is in excess, proceeds to remove the irregularity or recover the excess through the Treasury Officer, usually, however, issuing a warning slip to the Government employee concerned; and, if anything more is due (unless the amount be insignificant) informs the Government employee accordingly, leaving him to prefer the additional claim or not as he thinks proper.

2.30. Every Government employee must attend promptly to all objections and orders communicated to him by the Accountant-General, either direct or through the Treasury Office by letters, audit memoranda, objection statements, etc., and return the audit memoranda or reply to objection within three months, or send a letter explaining the cause of delay. Failure of the Head of Office or Head of Department to send the replies to the Audit objections within this period will be construed as acceptance of the objections."

Note 1.—The fact that some of the objections are still under reference is no reason for keeping back the statement. Such cases can be extracted for subsequent explanation.

Note 2.—See also Rule 6.1 of Subsidiary Treasury Rules.


(1) RESPONSIBILITY FOR OVERCHARGES

2.31 (a) A drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations. He should, therefore, make himself thoroughly acquainted with the meaning of the various financial checks which he is expected to exercise so that he can be in a position to detect immediately any attempt at defalcation and should pay special care to those points in financial procession at which leakage is likely to occur, such as the stages at which money has been drawn from the Treasury and is lying undischarged with a subordinate official. To minimise the length of time during which the leakage occurs, and the amount of money lying undischarged should be one of his first cares. (See also Subsidiary Treasury Rule 6.2).

With a view to enable the head of office to see that all amounts drawn from the treasury have been entered in the Cash Book he should obtain from...
the Treasury Officer by the 15th of every month a list of all bills drawn by him during the previous month and trace all the amounts in the cash book.

(b) The responsibility of countersigning officers will be that which attaches to all controlling officers and which brings them under liability to make good any loss arising from their culpable negligence. See rule 8.26.

Controlling Officers for their part should regard it as an important part of their duties to inspect the offices of their subordinates and to see to what extent the financial control is a real thing. In particular, where periodical inspections are required by the rule they should be invariably made. Before countersigning bills for expenditure submitted by subordinate officers, they should see whether the expenditure was really necessary, the rates charged are not extravagant, and the payments have been properly vouched for and are covered by budget appropriation.

(c) The Treasury Officer who makes payment without pre-audit will be responsible for checking any palpable errors and (in the case of change of office, or of rate of pay of Gazetteed Government employees) for passing the new rate with reference to the orders directing the change. He is also required to examine the accuracy of the arithmetical computations in a bill.

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

(d) The responsibility for an overcharge shall rest primarily with the drawer of the bill, and it is only in the event of culpable negligence on the part of controlling officer or of the Treasury Officer, that the question of recovery from either of them may be considered.

IV. CONTROL OVER ACCOUNTS

2.32. (a) It is not sufficient that a Government employee's accounts should be correct to his own satisfaction. He has to satisfy not only himself, but also the Accountant-General, that a claim which has been accepted is valid, that a voucher is a complete proof of the payment which it supports, and that an account is correct in all respects. (See also Subsidiary Treasury Rules 6.2 and 6.3.) It is necessary that all accounts should be so kept and the details so fully recorded, as to afford the requisite means for satisfying any enquiry that may be made into the particulars of any case, even though such enquiry may be as to the economy or the bonafides of the transactions. It is further essential that the records of payment, measurement and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts, if required in a Court of Law.

(b) The responsibilities of disbursing officers, controlling officers and heads of departments in regard to the control over expenditure incurred against the grants allotted to them are laid down in paragraph 12.3 et seq of the Punjab
内部检查防止不法行为，浪费和欺诈

2.32-A. 在履行其最终责任时，对于管理的拨款或拨款的一部分，每个控制官员必须使自己不仅考虑到适当的规定存在于内部机密的组织中，以防止和发现其下属官员的错误和不法行为，而且要防止政府的浪费和损失，但也考虑到这些规定的有效应用。

V. 损失和损失，以及赔偿和赔偿的弃置

(i) 责任损失通过欺诈或疏忽

2.33 每个政府雇员应意识到，他有责任对任何政府通过欺诈或疏忽行为导致的损失负责，而且他还将对由于欺诈或疏忽行为导致的其他政府雇员的损失负责。见第2.10(a)(1)。一份备忘录，其中(1)一般原则，以规范对各政府通过欺诈或疏忽行为的责任，(2)应遵循的程序，以起诉与逃税的政府资金有关的案件，以及(3)审理政府资金案件时应遵循的程序。

(ii) 责任报告

2.34 政府的指令，报告到财长，损失和损失，以及赔偿和赔偿的弃置，收入(随文第4.6)在本章的附录B中包含。由审计长和印度审计长颁发的指令，政府账户中的损失和损失的陈述，见政府会计第6章，卷I。

2.35. (1) 根据上述规定，由副专员或其代表应向财长报告的初步报告，应由发生损失或损失的部门，或在无重要情况下由政府通知——

(i) 财长；
(ii) 政府，除非情况不重要；
(iii) 部门的负责人。

根据指示的最终报告，也应在公司中由部门的负责人提交，财长应将其提交给财长，以便通过部门的负责人提交给财长。
(2) Losses occurring in offices, as soon as they occur or come to notice, should be at once reported, through the immediate departmental superior of the Government employee reporting the loss, to the Head of the Department concerned, with statement of the steps taken in the matter. When the matter has been fully enquired into, a further and complete report should be submitted of the nature and extent of the loss, showing the errors or neglect of rules by which such loss was rendered possible and the prospects of effecting a recovery. The report on a loss occurring in the office of a Head of a Department may be submitted direct to Government. It is always open to a Head of a Department to obtain the advice or opinion of the Accountant-General on any loss occurring in his own office or in an office under his control if it is likely to be of use in preventing their occurrence in future.

(3) Rules dealing with losses and defalcations in stamp revenue, are contained in the Punjab Stamps Losses and Defalcations Rules, 1935, reproduced in Part II of Appendix 2.

(4) In regard to any loss of money belonging to a municipality, small town committee or notified area, it should be reported by the President or the Executive Officer, where such an officer has been appointed, direct to the Deputy Commissioner and to the Examiner, Local Fund Accounts. Intimation may also be sent at the discretion of the Deputy Commissioner to the Commissioner of the Division who shall, if he deems it necessary, submit a complete report to Government showing the total sum of money misappropriated, the method in which the embezzlement was effected and the steps taken to recover the money and punish the offenders.

Losses occurring in the Funds of Zila Parishad should be reported by the Chairman to the Examiner, Local Fund Accounts, and also through the Deputy Commissioner to the Commissioner.

VI. INTER-GOVERNMENT AND INTER-DEPARTMENTAL TRANSACTIONS

(i) INTER-GOVERNMENT TRANSACTIONS

2.36. (1) Subject to the relevant provisions of the Constitution and of the orders issued thereunder by the President of India, adjustments in respect of financial transactions with the Union, or other State Government will unless otherwise provided for, be made in such manner and to such extent as may be mutually agreed upon between the Haryana Government and the Union Government or the State Government concerned.

(2) Adjustments should, however, always be made unless otherwise agreed upon:

(i) If a Commercial Department or undertaking or a regularly organised Store Department or store section of a Department is concerned; or

(ii) If under the operation of any rule or order of Government, an adjustment would have been made if the particular transactions with the Union or other State Government were a transaction between two departments of the Haryana Government.
Chap. II] GENERAL PRINCIPLES AND RULES

[2.36

Note 1.—The procedure for the settlement of these adjustments is regulated by the directions contained in chapter 4 of Account Code, Volume I. These directions have, for ready reference, been reproduced in Appendix 3 to these rules.

Note 2.—The Government have made reciprocal arrangements with various Governments [See Appendix (4)] in respect of the matters mentioned below and are, therefore, binding on all of them:

1. Pay and Allowances, other than leave salary of Government employees transferred temporarily or permanently from under one Government to another.

2. Leave salaries of Government employees who have served under more than one Government.

3. Cost of Passages of Government employees who have served under more than one Government.

4. Pensions paid by one Government on behalf of another and pensions of Government employees who have served more than one Government.

5. Leave salary and pension contributions recovered in respect of Government employees lent on foreign service.

6. Charges for Bonus in respect of Government employees who are employed on bonus terms and who serve under more than one Government.


9. Rents to be shared for residence of one Government occupied by employees of another Government.

10. Government contributions to Indian Civil Service Family Pensions.

11. Expenditure involved in Audit and keeping accounts.

12. Cost of Police Functions on Railways including the cost of protecting Railway Bridges.

13. Cost of (1) Forest Surveys carried out by the Survey of India, and (2) Forest maps prepared by that Department.


15. Charges in respect of Government employees whose services are lent by one Government to another for short periods not exceeding two weeks, without being formally transferred from the lending to borrowing Government.

Note 3.—[Omitted]

Note 4.—No inter-Government adjustments can be carried out after the 15th of April, on which date the books of the Bank are closed for the month of March. Every endeavour must, therefore, be made to settle as far as possible, all transactions with Union and States before the close of the year.

Note 5.—A period of three years has been accepted by the Union Government and the State Government for the re-audit of past transactions involving errors in classification. This limitation should be regarded as a convention rather than a rigid accounting rule.

1. Omitted vide No. 1/1-2/PFR/86-SAOF(D), dt. 4-2-1986.
(ii) Adjustments with Foreign Governments, Outside Bodies, etc.

2.37. Payment must be required in all cases in respect of services rendered to any Foreign Government, or non-Government body or institution, or to a separate fund constituted as such, either inside or outside the Public Account, unless Government by general or special order, gives directions to the contrary. Relief in respect of payment for services rendered or supplies made to any outside body or fund, should ordinarily be given through a grant-in-aid rather than by remission of dues.

(iii) Inter-Departmental Adjustment

2.38. (1) The conditions under which a department of Government may make charge for services rendered or articles supplied by it and the procedure to be observed for the settlement of such charges are regulated by the directions referred to in note 1 below rule 2.36.

(2) Except in regard to transactions affecting the accounts of commercial departments and undertakings or allocation to capital heads, adjustments between different departments of Government should be restricted to the narrowest limits. Such adjustments, when they are essential should, as far as possible, be based on lump sum figures fixed for a period of three years with reference to some suitable formula easy of application and maintained for a series of years. Elaborate or meticulous calculations should also be avoided as a general rule.

Note 1.—Under the directions contained in Account Code, Volume IV, inter-departmental and other adjustments are not to be made in the accounts of the past year if there could not have been reasonably anticipated in time before funds being obtained from the proper authority, in all cases, where adjustment could have been reasonably anticipated as far as practicable, occurring payments to another Government or department and payments which, though not fixed amount are of fixed character, etc., the Accountant General will automatically make the adjustments in the Accounts before they are closed. The onus of proving that the adjustment could not have been reasonably anticipated should lie with the controlling officer.

Note 2.—The provisions of Note 5 below rule 2.36 apply mutatis mutandis to transactions between commercial and non-commercial departments as they apply to transactions between Union and State Governments.

VII. MISCELLANEOUS RULES AND ORDERS

(I) Erasures, Overwritings and Corrections

2.39. The instructions given in Subsidiary Treasury Rule 4.11 regarding erasures and overwritings in vouchers apply mutatis mutandis to erasures and overwritings in accounts, registers, cash books, schedules, etc.

Note.—The fullest procedure to be followed in the correction of errors in accounts of the Public Works and Forest Departments is laid down in Account Code, Volume III.

(ii) Issue of Duplicates or Copies of Documents

2.40. (1) The provisions of sub-rule 6 below Subsidiary Treasury rule 3.8 apply mutatis mutandis in respect of issue of duplicates or copies.
of receipts granted for money received or duplicates or copies of bills and
other documents for the money paid by Government employees in general.
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 present-
ation 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 purpose 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 bill No. ________ dated __________ for
Rs. __________-(Rupees __________-) reported by __________ (the Drawing Officer) to have been
drawn by him in this Treasury in favour of __________ has not been paid, and will not be paid if presented hereafter.

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

(iii) Signing of Sanctions, etc.

2.41. All letters or orders, sanctioning expenditure, appointments, etc.,
must be signed in ink or ball pen by the sanctioning authority personally
or by a Gazetted Government employee authorized to sign for him. Similarly
‘copies’ of sanctions signed by a non-Gazetted Government employee are not
sufficient for audit purposes and will be returned for authentication by a
Gazetted Government employee.

(iv) Prohibition Regarding Sending of Communications at
Public Expense

2.42. (a) All references by Government employees on personal matters,
such as leave, leave salary, pay, increments, funds subscriptions, house-rent,
posting, etc., must be submitted in covers stamped with ordinary postage
and not with service postage stamps. This rule applies only to the letters of
Government employees regarding their own personal matters. When, however,
references are forwarded officially by a superior officer the letter should be
treated like any other official communication.

(b) All telegraphic messages regarding personal matters referred to in
clause (a) above or other analogous matters must be paid for by the persons
sending them. When a telegraphic reply is required on any such matter the
reply should always be pre-paid.

(c) This rule applies also to the use of telephone for trunk calls.

2. Subsid. Vide No. 3/3(1)78-2PRH dt. 25-7-60.
(d) When it comes to the notice of audit that a letter, telegram or
trunk-call has been made at Government expense instead of at the expense
of the officer concerned recovery should be made from the next pay bill of
the officer who shall be informed of the reasons for the recovery. If the
officer wishes to object to the recovery, he must take up the matter with the
Accountant-General through his controlling officer, who may, if he desires,
order the recovery to be made from the amount of the department.

(v) CALL OF VOUCHERS FROM AUDIT OFFICE

2.43. Vouchers once received in the Accounts office will not be re-
turned except for very cogent reasons. Accordingly, when application is made
for the return of any vouchers, the reasons for the request should invariably
be stated.

(vi) GENERAL RULES AND PRINCIPLES RELATING TO CONTRACTS

2.44 (a) General rules and principles for the guidance of authorities who
have to enter into contracts or agreements involving expenditure from State
revenues have been given in Appendix 5, Part I.

(b) [The authorities who are empowered to execute deeds, contracts
and other instruments on behalf of the Governor of Haryana are contained
in the list issued by the Home Department in their Notification No. 22(S-
6J-61/17559, dated 13-5-61 are amended from time to time.]

Note:— No contract or agreement to execute a contract shall be executed or entered
into and no tenders for a contract shall be accepted without previous consultation of the
Finance Department if expenditure of money or abandonment of revenue is involved thereby
or which previous consultations of the Finance Department is required.

(vii) GRANTS OF LAND, ASSIGNMENTS OF REVENUE AND OTHER
CONCESSIONS, ETC.

2.45 No grant of land or assignment of revenue, or concessions
grant, lease or licence of mineral or forest rights or right to water powers, or
any easement, or privilege in respect of such concessions may be authorised or
relinquishment of revenue allowed except with the sanction of the competent
authority.

Supplementary instructions in regard to agreements relating to these
matters are contained in Appendix 5, Part I.

(viii) RECOVERY OF MONEY DUE TO GOVERNMENT FROM THE AMOUNT
STANDING TO CREDIT IN A PROVIDENT FUND ACCOUNT OF A
GOVERNMENT EMPLOYEE

2.46 The amounts at credit of subscribers, compulsory or optional, to a
Provision Fund, are under Section 2(a) of the Provident Fund Act, 1925 compulsory
deposits and are therefore, protected from attachment by a court of law under
Section 3 ibid. Claims by Government are not, therefore, compulsorily and
without the subscriber's consent recoverable from the balance at his credit.

(ix) CLAIMS AGAINST THE RAILWAY FOR GOODS LOST IN
TRANSIT

2.47. The following instructions apply in respect to claims against the
Railway for goods lost in transit:

(1) Such cases are governed by Section 91 of the Contract Act.
the buyer orders goods from the seller, delivery to the Railway by the seller has the same effect as delivery to the buyer, provided that the delivery has been made in the manner laid down by the Railway Rules and the consignor is absolved from liability as soon as he has made delivery in such a way that the Railway is responsible to the consignee. On the other hand, disregard of Railway Rules such as those dealing with declaring the nature of the goods will clear the Railway of all liability and—in such a case, delivery to the Railway does not amount to delivery to the consignee. It follows that if the delivery is made in such a way that the Railway is responsible to the consignee, it is for the consignee to see the Railway in case of loss. If this has not been done then the consignor must sue. In the former case, the consignee is liable for the price of the goods, in the latter case, he is not.

(2) It is open to a buyer to contract with the seller that the price of the goods is not payable until the goods have been received; and examined, and the stipulation to this effect should normally be made in all cases where Government is the consignee. Payments prior to verification of quantity and quality of materials should be resorted to in very exceptional cases only, and then only with an agreement before hand to ensure Government against all losses in event of the goods received being short and defective. Such payments are to be classed as advances. Such contracts between buyer and seller do not, however, affect the Railway nor the question who is the proper person to sue Railway in case of loss.

(3) It is immaterial as regards the question who is to sue Railway in case of loss in transit, whether the goods are consigned at owner's risk or railway risk. In either case, the consignee has to sue, but if he has instructed the consignor to book at Railway risk and the latter has booked at owner's risk then the consignor will have a further remedy, i.e., one against the consignee as well as one against the Railway; he can sue the consignor for the amount which the Railway has succeeded in escaping from the necessity of paying in virtue of the "owner's risk" contract.

(4) It follows from the above principles that when the Government is the consignor great care should be exercised to ensure compliance with—

(a) Railway requirements;
(b) Requirements of the consignee as to class of risk note.

(x) DESTRUCTION OF ACCOUNTS RECORDS

2.48. The rules regarding the destruction of records appertaining to the accounts audited by Indian Audit Department are contained in Part I of Appendix 6 to these rules. The period will reckon from the termination of the official year to which the records pertain.

Note.—For instructions regarding the destruction of records in the Public Works Department, see paragraph 1.159 of the Public Works Department Code.

2.49. Cancelled.
2.50. In all official documents number should invariably be marked off as follows:

(1) In case of rupees—According to the Indian system of numeration, that is, after ten thousands, in lakh, crores etc.

(2) In other cases, according to the English system of numeration, that is, after ten thousands, in hundred thousands, millions, etc.
GENERAL PRINCIPLES AND RULES

ANNEXURE A

CANCELLED
ANNEXURE F
(Referred to in Rule 234.)

(1) INSTRUCTIONS FOR REPORTING TO THE ACCOUNTANT-GENERAL
DEFACTIONS AND LOSSES AND REMISSEION OF AND
ABANDONMENT OF CLAIMS TO REVENUE ETC.

Losses

With the exceptions noted below, any loss of public money, departmental revenue or receipts, stamps, opium, stores or other property held by or on behalf of Government, caused by defalcation or otherwise, which is discovered in a treasury or other office or department, should be immediately reported by the officer concerned to his immediate official superior as well as to the Accountant-General, even when such loss has been made good by the party responsible for it. It will usually be sufficient if the officer reporting the defalcation or loss to higher authority sends to the Accountant-General either a copy of his report or such relevant extracts from it as are sufficient to explain the exact nature of the defalcation or loss and the circumstances which made it possible. Such reports must be submitted as soon as a suspicion arises that there has been a loss; they must not be delayed while detailed enquires are made. When the matter has been fully investigated, a further and complete report should be submitted of the nature and extent of the loss, showing the error of neglect of rules by which such loss was rendered possible, and the prospects of affording a recovery. The submission of such a report does not debar the local authorities from taking any further action which may be deemed necessary.

(2) If the irregularity be detected by Audit in the first instance that Accountant-General will report it immediately to the administrative authority concerned, and if he considers necessary, to Government as well.

Exception.—Petty cases, that is, cases involving losses not exceeding Rs. 200 each need not be reported to the Accountant-General unless there are, in any case, important features which merit detailed investigation and consideration.

In the case of Bhakra Dam Project, the above limit of Rs. 200 is raised to Rs. 2,000 for losses caused to machinery by accidents subject to the following conditions:

(i) in respect of losses up to Rs. 2,000 for which separate estimates are prepared, the circumstances leading to the loss the fact as to whether the loss was due to negligence of any official and the action taken in that case, should be clearly stated in the reports of the estimates;

(ii) the Divisional Officers should send to the audit office annually a consolidated list of losses up to Rs. 2,000 for which separate estimates are prepared, so that these may be exhibited in the Appropriation Accounts.
GENERAL PRINCIPLES AND RULES

Note 1.—Losses or deficiencies concerning buildings, lands, stores and equipment should be written off any value or commercial account that may be maintained.

Note 2.—In case of a loss in which there is a possibility of the Reserve Bank being made liable to Government either in respect of operation on Government account conducted by itself or by its agents or otherwise, the Accountant-General will call for such further information as he may require on the subject. On receipt of this further information which must be obtained without delay he will at once make a report to the Finance Department. If there is any doubt or dispute as to the facts or the liability, the Finance Department will arrange with the authorities concerned for an officer of the Reserve Bank (and of the State Bank of India if the loss is in respect of an operation under its agency) and of Government to be appointed to examine the facts, while they are fresh. This examination will be directed towards reaching an amicable settlement of the case, or, if this is impossible at least towards clearing the ground as far as possible, so that a stated case may be referred to some outside arbitrator or legal authority. The investigation will be undertaken at once and independently of any departmental or police enquiry.

Note 3.—The officers receiving a report submitted to him must forward it forthwith to Government through the usual channel with such comments as may be considered necessary. He should also submit a detailed report, after completing such departmental investigations as may be necessary or expedient, on the causes or circumstances which led to the defacement or loss, the steps taken to prevent its recurrence and disciplinarily or any other action proposed as regards the persons responsible.

Accidents

Any serious loss of immovable property, such as buildings, communications, or other works, caused by fire, flood, cyclone, earthquake or any other material cause, should be reported at once by the Department officer to the Head of the Department and by the latter to Government. When a full enquiry as to the cause and extent of the loss has been made, the detailed report should be sent by the Department Officer concerned to the Head of Department a copy of the report or an abstract thereof being simultaneously forwarded to the Accountant-General.

Note.—All losses of immovable property such as buildings, etc., caused by fire, flood or any other material cause, exceeding Rs. 5,000 in value, should be treated as "Serious" for the purpose. While losses not exceeding Rs. 5,000 in value should continue to be reported to the Head of the Department (and to the police, etc., where necessary), they need not be reported to Government or to the Accountant-General, Haryana whether the cost of restoration is chargeable to maintenance estimates or to some other Head of Account. The term "Value", for the purpose, should be interpreted as meaning the Book Value.

Remission of and abandonment of claims to revenue

Heads of Departments should submit annually on the 1st of June to the Accountant-General, statements showing the remissions of revenue, and abandonments of claims to revenue, sanctioned during the preceding year by the competent authorities in exercise of the discretionary powers vested in them otherwise than by law or rule having the force of law. For inclusion in these statements, remissions and abandonments should be classified broadly with reference to the grounds on which they were sanctioned and a total figure should be given for each class. Individual remissions below Rs. 500 in amount and remission of land revenue should not be included in the statements. A brief explanation of the circumstances leading to the remission should be added in the case of

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PUNJAB FINANCIAL RULES

Each class. A general list of different kinds of remissions has been given in the schedule to this annexure.

Note 1—Where the administrative year does not coincide with the financial year, the figures of the former, if this proves more convenient to the departmental authorities, may be given in the statements.

Note 2—Although the write-off of a loan granted under the Industries Loans Act does not constitute strictly a remission of revenue of abandonment of a claim to revenue it should be included in the statement to be submitted to the Accountant-General.
## SCHEDULE

(Referred to in Annexure B)

List of remissions of and abandonments of claims to, revenue to be reported to the Accountant-General

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Head of Account</th>
<th>Description of remission</th>
<th>Rule (other than that having the force of law under which given)</th>
<th>Authority responsible for reporting the remission to the Audit Department after it has been sanctioned by competent authority</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>[039. State Excise (1)¹]</td>
<td>To remit or write off irrecoverable balances of excise revenue</td>
<td>Rule 19.16</td>
<td>Excise and Taxation Commissioner</td>
<td>Ditto</td>
</tr>
<tr>
<td>2</td>
<td>[040 Sales Tax]¹</td>
<td>Writing off of irrecoverable sums due under the Punjab General Sales Tax Act-1944</td>
<td></td>
<td>Ditto</td>
<td>Ditto</td>
</tr>
<tr>
<td>3</td>
<td>[035 Taxes on Immovable Property other than Agriculture Land]¹</td>
<td>Writing off of irrecoverable sums due under the Punjab Urban Immovable Property Tax Act, 1940</td>
<td></td>
<td>Ditto</td>
<td>Ditto</td>
</tr>
<tr>
<td>4</td>
<td>[133. Irrigation, Navigation, Drainage and Flood Control Projects]¹</td>
<td>Water rates-remission of money or fodder crop which is cut prior to other money crop damaged by hailstorm, etc., or abnormal fall in prices of crops</td>
<td>Financial Commissioner’s letter No. 2002/E- dated 23rd April, 1938 and 636/E dated 24th February, 1938</td>
<td>Divisional Canal Officer, Superintending Engineer, and Chief Engineer</td>
<td>Divisional Canal Officer, Superintending Engineer, and Chief Engineer.</td>
</tr>
<tr>
<td>5</td>
<td>[133. Irrigation, Navigation, Drainage and Flood Control Projects]¹</td>
<td>Remission on account of sudden and abnormal fall in the price of timber or unforeseen mishappenings</td>
<td>Sanctioned by Government (in consultation with the Finance Department) in individual cases</td>
<td>Ditto</td>
<td>Ditto</td>
</tr>
</tbody>
</table>

1. Subsd. vide Not. Dt. 7-6-1965 and again Vide No. 1/2/PFR/86-SAOFD (FD) dt. 4-2-86.
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Rule</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Remission of irrecoverable court fees</td>
<td>19.16</td>
<td>Commissioners of Divisions</td>
</tr>
<tr>
<td>7</td>
<td>Remission of irrecoverable judicial fines</td>
<td>Chapter II of High Court Rules and Orders, Volume IV</td>
<td>Registrar, High Court of Judicature</td>
</tr>
<tr>
<td>8</td>
<td>To remit irrecoverable interest due on account of delayed payments of sale proceeds of raised to the Seed Depot Commission Agents for sale</td>
<td>19.16</td>
<td>Director of Agriculture</td>
</tr>
<tr>
<td>9</td>
<td>To sanction leases of uncultivated plots of land overgrown with weeds to tenants free of rent, or at less than a full rent</td>
<td>Ditto</td>
<td>Superintendents Government Livestock Farms, Hisar</td>
</tr>
<tr>
<td>10</td>
<td>To sanction remission of cash rent of the land or digits leased to tenants at the Government Cattle Farm, Hisar, due to failure of crop, etc.</td>
<td>19.16</td>
<td>Director of Animal Husbandry</td>
</tr>
<tr>
<td>11</td>
<td>Remission of interest charged on loans under Industrial Loan Act</td>
<td>Sanctioned by Government in individual cases</td>
<td>Director of Industries</td>
</tr>
</tbody>
</table>

### GENERAL PRINCIPLES AND RULES

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>[682. Loans for Public Health, Sanitation and Water Supply]</td>
<td>Writing off of outstanding loans and advances by State Government, Loans to Municipalities and Advances to Cultivatory-Loans under the Industrial Loans Act</td>
<td>Sanctioned by Haryana Government in Individual cases</td>
<td>Director of Industries, Haryana</td>
<td>These are allowed in cases where legal proceedings for the realisation of the amount due under the Punjab Industrial Loans Act or the Punjab State Aid to Industries Act, do not help.</td>
</tr>
<tr>
<td>684. Loans for Urban Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>705. Loans for Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>721. Loans for Village and Small Industries 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>[098. Co-operation] 1</td>
<td>To remit recovery of audit fee</td>
<td>19.16</td>
<td>Chief Auditor Co-operative Societies, Haryana 2</td>
<td></td>
</tr>
</tbody>
</table>

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CHAPTER III—Special Rules for the Treasuries

I.—INTRODUCTORY

3.1 The treasury is divided into two departments—that of accounts under the charge of an Accountant (Assistant Superintendent Treasury) and that of cash, stamps, opium, etc., if any under the charge of a Treasurer [vide Treasury Rules 4(1)].

The two departments should, as far as possible, be in different rooms.

II—TREASURER’S DEPARTMENT

(i) THE TREASURER

3.2 The duty of the treasurer is to receive and test all notes or coins brought to the treasury, to make authorised payments and to account for all receipts and payments. He is also required to keep an account of stamps, opium, etc., under his charge (either solely or jointly with the Treasury Officer);

3.3 Deleted

(ii) TREASURE

3.4 Detailed rules for dealing with treasure, both specie and bank and currency notes are laid down in Chapter III, V and VIII and Appendices F and G to the Subsidiary Treasury Rules.

(iii) MONETARY LIMITS FOR STAMPS, CASH, OPIUM ETC., HELD IN TREASURY’S CUSTODY.

3.5. The treasurers of all district treasuries, whether their business is conducted by the Bank or not, may hold in their separate custody in single lock either—

(i) stamps up to the probable demand of one week with cash and opium combined to a value not exceeding Rs. 5,000, or

(ii) a total value of Rs. 15,000 for stamps, cash and opium, whichever is less.

1

(iv) DEPOSITS IN THE TREASURY OF CASH CHESTS AND VALUABLES OF OTHER DEPARTMENTS.

3.6. No funds of other departments may be received in the treasury for safe custody and kept out of account or be received at all except under ordinary rules. See Subsidiary Treasury Rule 3.2.

3.7 For special reasons, the Collector may direct the cash chests belonging to other Government Departments, local bodies [1] to be lodged in the treasury

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for safe custody. When the cash chests are so lodged, the fact be reported for the information of the Accountant-General. A register should be kept in the treasury in which the receipt and return of the chest should be duly acknowledged. The key or keys of the chests must not be kept in the treasury nor shall the amount of such chest be brought into the accounts of the treasury. The Accountant-General may report to the Government any case in which the permission appears to have been improperly granted by the Collector.

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

Register of receipts and return of Departments of Cash, chests kept for safe custody in the...

To be filled in the Departmental Office

<table>
<thead>
<tr>
<th>Date on which the return of the chest is desired</th>
<th>Name of the messenger authorised to receive the chest</th>
<th>Signature of the person authorising the messenger to receive the chest</th>
<th>Signature of the messenger receiving the chest from the treasury</th>
<th>Date of Deposit</th>
<th>Acknowledgement of treasury official</th>
</tr>
</thead>
</table>

Note 3.—(Omitted)

Note 4.—(Omitted)

Note 5.—The Local Bodies [1] will be charged for the services rendered to them by the Government under this rule, at the rates prescribed in Note 2 below rule 3.9.

3.8 Bullion, jewellery, and other valuables, such as promissory notes, security deposits, etc. coming into the hands of a Government employee in his official capacity may be received in the Treasury for safe custody at the discretion of the District Magistrate or [Chief Judicial Magistrate, Judicial Magistrate or Sub-Divisional Officer in the case of headquarters treasury or sub-treasury, as the case may be], the value of such articles must not be brought into the account of the treasuries. The Treasury Officer should once a month examine the condition of boxes of bullion, etc., and record the result of the examination in the register referred to in clause II of note I below. The deposit of duplicate keys in the treasury is regulated by the provisions of note 3 below.

Note 1:—The following rules are laid down for the guidance of Treasury Officers in dealing with valuables deposited under this rule:

1. When bullion, jewellery and other valuables, including current money, when such money is an exhibit in a criminal case, connected with any case, executive, judicial, are placed in the treasury for safe custody under orders of the District Magistrate, [Chief Judicial Magistrate or Judicial Magistrate or Sub-Divisional Officer as the case may be], they should be made up in a sealed packet, and presented with a memorandum from the District Magistrate, [Chief Judicial Magistrate or Judicial Magistrate or Sub-Divisional Officer, as the case may be], containing a list of property and a statement of its actual or estimated value.

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

<table>
<thead>
<tr>
<th>No of packet</th>
<th>Date</th>
<th>Case concerned</th>
<th>Circumstances and conditions of receipts</th>
<th>Description of property, said to be contained in the packet or estimated</th>
<th>Dated initials of Treasury Officer</th>
<th>Dated initials of Treasurer</th>
<th>Note of final disposal with receipt of person to whom delivered</th>
</tr>
</thead>
</table>

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

III. The packets will then be kept in the same way as cash under double locks and should not be stored without the orders of District Magistrate, [Chief Judicial Magistrate or Judicial Magistrate or Sub-Divisional Officer, as the case may be].

SPECIAL RULES FOR THE TREASURIES [3.8—3.10]

IV. The Treasury Officer will maintain two registers one in the form shown in clause 1 above for bullion, jewels and other valuables connected with cases which are not required to be taken out frequently and the other in P.F.R. form 2 for similar articles connected with cases required to be taken out frequently. For depitting receipts of recognised banks rendered as security and retained for safe custody at the Treasury (vide Subsidiary Treasury Rules 3.6 (b) (vii)) the registers should be in P.F.R. form 1.

Note 2.—The confidential deed box belonging to a Municipality may be received as a treasury for safe custody.

Note 3.—The duplicate keys of the iron safes and chests kept in Government offices for the custody of cash and other valuables will be received in the Treasury strong room duly secured in sealed covers (vide notes below S.T.R. 3.1, and P.F.R. 2.1). See, however concluding of rule 3.7.

Note 4.—Treasurer's security bonds should be kept in the Treasury chamber in a separate box, the key of which should remain with the Treasury Officer.

3.9. Government promissory notes belonging to a Municipal Committee (including a small town committee) or Zila Parishad should, if they are not likely to be returned within twelve months, be sent for safe custody to the Treasury Officer of the nearest Government Treasury in all other cases of valuables belonging to the Committee (including small town committee) or Zila Parishad should if there is a branch of the Bank situated within the Municipality or the small town committee concerned or at the headquarters of the district, be kept in that bank and if there is no such bank, be received in the Government treasury in a strong box to be deposited in the double lock rooms, and the keys of such box may remain with such person as the Committee or Zila Parishad may direct: provided that securities endorsed in favour of any person acting as a banker or any bank other than the Reserve or State Bank of India, and fixed deposit receipts of such persons or banks other than the Reserve Bank or the State Bank of India, shall be deposited in the Government treasury.

Note 1. The provisions of this rule apply also to all other institutions other than Government Departments.

Note 2.—The local bodies will be charged for the services rendered to them by the Government under this rule or under Note 2 below rule 3.8 of these rules at the following rates:

(i) Packets and boxes up to one kilogram in weight... Rs. 5 per month

(ii) Packets and boxes weighing more than one kilogram but not more than 5 Kilograms... Rs. 10 per month

(iii) Packets and boxes weighing more than 5 Kilograms... Rs. 15 per month

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

1 Subsd. Vide No. 1/1/PFR/83—A.O. (FD) dt. 12.1.84.
be kept a register in form No. 44 prescribed in the Court of Wards Account Code, in which should be entered every document or valuable article contained therein except securities filed by employees or contractors. Whenever a document or valuable article is removed, the fact shall be noted in columns 7 and 8 and the entry initialled by the Deputy Commissioner, the date of return of such document or article shall be noted in the remarks column, the same number being retained for each document. On relief of the Deputy Commissioner or the Manager if he is in charge of the key of the box, a certificate stating the documents and articles handed over by him to his successor shall be entered in this register, over the signature both of the relieved and of the relieving Officer.

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

(v) TREASURY PADLOCKS AND KEYS

3.11 (1) A register of all padlocks belonging to the headquarters and sub-treasuries and treasure chests shall be maintained in the following form and kept in the headquarter strong room:—

<table>
<thead>
<tr>
<th>Date of Receipt</th>
<th>No. of Keys</th>
<th>No. of duplicates</th>
<th>Initial of Treasury Officer who received the keys</th>
<th>Place where the padlock is received</th>
<th>With whom are original keys</th>
<th>With whom are duplicate keys</th>
<th>Date of removal of any duplicate key</th>
<th>No. and date of order sanctioning the removal</th>
<th>Initial of Treasury Officer, removing key</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>
</tr>
</tbody>
</table>

Separate pages shall be assigned to the headquarter Treasury and for each Sub-Treasury or treasure chest. Each Sub-Treasury shall also keep a list of its own padlocks and keys in a similar form.

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

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

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

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

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

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

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

(vi) Treasurer’s Records

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

Note.—When a payment is made “by transfer” the item will not find a place in the Treasury’s Cash Book. See also notes 1 and 2 under Subsidiary Treasury Rules 4.121.
3.12—3.16] PUNJAB FINANCIAL RULES

3.13. (a) All accounts connected with Treasury matters kept by Treasurer’s subordinates and nominees, whether at the Sub-Treasuries or at the District Treasury (except potedars), should be kept in the Persian Characters and in English figures.

(b) If the Treasurer in any district desires to keep his accounts in English instead of in the Vernacular, or in addition to his Vernacular accounts, there is no objection to his being permitted to do so; but he must do so entirely at his own expense.

III—ACCOUNTANT’S DEPARTMENT

(f) Introductory

3.14 The rules regulating,—

(i) the form in which the initial or subsidiary accounts are to be kept;

(ii) the form in which the accounts compiled from these initial and subsidiary accounts are to be submitted to the Accountant-General; and

(iii) the rendering of accounts to the Accountant-General on specified dates;

have been issued by the Comptroller and Auditor-General of India and are contained in Account Code Volume II. The forms referred to in (i) above can, however, be modified in matters of detail by the Government in consultation with the Accountant-General. Charges of a local nature can likewise be authorised by the Accountant-General in respect of the forms referred to in (ii) above.

(ii) Classification of transaction in Treasury Accounts

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

(iii) Accountant’s Books

3.16 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.
SPECIAL RULES FOR THE TREASURIES

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

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

The Accountant shall maintain a Cash Book and other registers subsidiary thereto, in accordance with the provisions of Articles 32 to 41 of Account Code, Volume II.

1. In the case of receipts remitted by postal money order and adjusted by book transfer under note 6 below Subsidiary Treasury Rule 2.9 and rule 3.38 infra, entries in the subsidiary register concerned may be made daily in lump under each detailed head of account provided that they are entered in sufficient detail in the departmental registers and that daily returns are submitted to the treasury.

2. A remittance of a Treasury, as soon as it is despatched from or paid out of a treasury, should be charged off in the cash book, the words “Local Cash Remittance” or “Foreign Cash Remittance” being the first words of the entry. This rule does not apply to Remittances, i.e., remittances from a Currency office or from another Currency chest.

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

3. Fractions of a paisa are not to be entered in the treasury accounts, and they should neither be received nor paid.

4. The Assistant Superintendent Treasury should maintain a record of challans received for credit of money in payment for stamps, and the Treasury Officers should compare this record with the register of receipts and issues of stamps maintained by the treasurer on the day following the date to which the accounts relate.

A running account should be maintained and checked as the various items are recorded in the registers referred to above.

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

(iv) INCORPORATION OF SUB-TREASURY ACCOUNTS

3.18. The transactions taking place at a sub-treasury should be reported to and incorporated in the accounts of the District Treasury in the manner

prescribed in Articles 47 to 49 of Account Code, Volume II. These transactions do not pass into the Treasurer's Cash Book.

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

Note 2.—Vouchers passed by the District Treasury Officer for payment at a Sub-Treasury may be incorporated in the Accounts of the District Treasury under the signature of the Accountant; all other vouchers should be incorporated under the signature of the Treasurer.

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

(v) CLOSING OF ACCOUNTS FOR THE DAY

3.19. 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 Accountant's balance sheet will be drawn up strictly in accordance with the directions contained in Articles 50 to 52 of the Account Code, Volume II. To the account balance thus brought out, the additions and deductions indicated at foot of the 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 S.T.R. 15).

(c) If the results shown in the two balance sheets agree, the Treasury Officer 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 verifications. The Treasury Officer should—

(i) compare each entry of payment in a register with the payment order (vide Subsidiary Treasury Rule 4.147), 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 tallings on each side, marking the totals as "Exd";

(iii) see that the totals are correctly carried from the register to cash book introducing 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 making in doing so that all the entries in it are correctly carried to the cash book and the totals are introduced in accordance. It is obviously necessary for guard against fraud or mistake of omitting to bring all entries from these registers upon the cash book; and this precaution is not complete if the Treasury Officer examines only those registers from which an entry is made upon the cash book.

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

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

(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 verify himself on the following points:

(i) that no uncurrened coins are left in charge of the Treasurer;

(ii) that no more small silver and copper, bronze and nickel coin is so left than is actually required for current use;

(iii) that the whole balance in sole charge of the Treasurer never exceeds his current requirements;

(iv) that the record of challans maintained by the Accountant (vide sub-rule 4 below 3.16) tallies with the treasurer's Cash Book;

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

Note.—Ordinarily, the Treasurer's balance sheet should be compared and agreed with that of the Accountant before closing the treasury for the day and it is only when pressure of work renders this impossible that the comparison may be postponed till the following morning. When this is necessitated, the certificate over the Treasury Officer's signature at the foot of the Treasurer's balance sheet should be altered in manuscript by cancelling the words "agreed with the Accountant's daily balance sheet" and before the form is signed by the Treasury Officer which must be done before closing for the day. An additional
3.19—3.21] PUNJAB FINANCIAL RULES [Chap. III

certificate will then be added and signed by the Treasury Officer in the following morning
vice, "agreed with the Accountant’s daily balance sheet". For the 1st March and first few
days of April it will be necessary for the Accountant to prepare a separate rough balance
sheet on each of these days for comparison with that of the treasurer in the completion of
treasury accounts (See rule 3.20).

2. In the Accountant’s balance sheet there is not one figure which the Treasury
Officer has not ample means of verifying; the opening entries agree with closing ones of
the preceding day; the receipt and charge are taken from the cash book; the amounts shown
as sub-treasury balance can be ascertained. In a few moments from the daily 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 Treas-
surer’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 lock no change can be made without
the active intervention of the Treasury Officer himself.

3. Under Note 2 to Rule 3.59 the daily account of the Bank carrying on the busi-
ess of a Government treasury may with the concurrence of the Accountant-General be
submitted to the Treasury Officer on the morning of the day following that to which it
refers. In such cases the signature and comparison of the Accountant’s book may be
made in the evening instead of the morning of the day on which the Bank’s account
is received provided that pressure of work renders it necessary so to postpone it.

(vi) CLOSING OF ACCOUNTS FOR THE MONTH

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

3.21. (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 pro-
cedure prescribed in Rules 1.7 to 1.10 and 5.5 of the Subsidiary Treasury
Rules.

(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 coin 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 1.—If, at any time, the Treasury Officer is unable to compare all, at least he
may compare some; notably, he should compare the entries in the plus and minus memo-
randum of deposits, sums, etc., with entry in the account. e.g., the plus and minus memo-
randum 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.

Note 2.—Any amount found surplus in treasury balances should under Article 5s of
Account Code, Volume II, be brought to account in the State Account under the head

SPECIAL RULES FOR THE TREASURIES [3.21—3.23]

"Miscellaneous—Miscellaneous". Surpluses found in the Currency Chests are credited to the Reserve Bank.

Note 1.—Special attention is invited to the rules in Chapters I, III and V of the Subsidiary Treasury Rules defining the duties of District Officers in regard to the verification and certification of the monthly cash balance and to the signing of the monthly cash accounts.

(vii) RETURNS TO THE ACCOUNTANT-GENERAL

3.22. The Cash Account, the list, schedules of payment and other returns prepared in the forms and manner prescribed in Chapter IV of Account Code, Volume II, should be submitted to the Accountant-General punctually on the dates laid down therein (See also Article 93 ibid) with regard to the punctual transmission of the accounts, and returns the Government shall view with severe displeasure any avoidable delay on the part of the District Officer or the Treasury Officer in the despatch of the prescribed accounts and returns complete schedules and vouchers, also the cash balance report and the cash account with schedules and papers complete.

Note 1.—The first schedule of payments with connected vouchers and a Memorandum in Form T.A. 43 should be sent to the Accountant-General on the 10th and in case of bank treasury on the 11th of the month and the Cash Account and the List of Payments with supporting schedules and the connected vouchers together with the Memorandum in Form T.A. 48 should be despatched to him on the first day of the following month, the delay will be recorded by the Accountant-General in the Treasury Irregularity-Statements and will be specifically brought to the notice of the Government in the annual review in the working of treasuries. Great importance is to be attached to the punctual submission of accounts, as the delay on the part of treasuries necessarily delays work in the Accounts Office.

Note 2.—The returns due for despatch on a holiday may be sent one day (but not more than one day) late.

3.23. (a) The stock of stamps in the treasuries and sub-treasuries shall be verified by actual count and certified to as laid down in paragraph 35 of Appendix 9 to these Rules.

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

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

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

1. Chests——Weight——Qtrs——Kgms.
2. Bricks ——— Weight ——— Qtls. ——— Kgms. 

Total ——— Weight ——— Qtls. ——— Kgms.

which weight agrees with the balances shown in the plus and minus memoranda for September/March, to which this certificate is attached. (If there is any difference add “with the exception of the following differences the explanation of which is as follows”).

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

3.24. (i) In addition to the returns mentioned in rule 3.22 the Treasury Officer should submit to the Accountant-General every six months a statement of cases of failure to draw pensions. The statement should be prepared in two parts. One part will show the names of all pensioners who have not drawn their pensions for six years in the case of “Pensions for political considerations” and “Charitable allowances” and for three years in the case of other pensions. The other part will show the names of pensioners other than those included in the first part who have not drawn their pensions for more than one year. The reason for the non-drawal, if known, should be stated against each name.

The Treasury Officer should sort out cases of pensions which have ceased to be payable at the treasury (vide Rule 2.28) by examining the files of Civil Pension Payment Orders every month and return his halves of the Pension Payment Orders to the Accountant-General along with the statement mentioned above.

(ii) A list of other periodical and occasional Returns to be submitted to the Accountant-General, is printed as Appendix 8. See also Article 120 of Account Code, Volume II.

3.24A [Deleted]

(viii) Erasures, Overwritings and Corrections

3.25. Treasury figures should never be altered after they have been communicated to the Accountant-General but if after submission it is discovered that an error has been made, the error should be pointed out, in order that he may correct, not the accounts of the treasury, but the accounts which he draws up on their basis. A note should be made in the original account of the communication of the error to the Accountant-General.

Requisitions for correction of accounts should invariably state how the error arose and how it was brought to light and how far the treasury was responsible for the original error.

(ix) Special Rules relating to particular departments or particular kinds of payments

(Note.—Detailed rules in respect of procedure to be followed at the treasuries in regard to the transactions connected with Reserve Bank Drafts and Reserve Bank Government draft, Deposits and Local Funds are given in Chapters XI, XII and XIII, respectively. Rules relating to other matters are given below.)

1. Deleted vide No. 5854-2FR. 79/16/6, dt. 29-12-70.
Chap. III ]

SPECIAL RULES FOR THE TREASURIES [3.26—3.30

(a) LETTERS OF CREDIT

3.26. When an officer-in-charge of Public Works or Forest Division regulates the monthly drawings of his subordinate officers by letters of credit (vide Subsidiary Treasury Rules 4.87 and 4.77) the amount of every cheque drawn by the subordinate officers during the month must without fail be noted by the treasury at the time of passing it under the treasury officer's initials (irrespective of the date of payment) on the reverse of the letter advising the limitation, and a balance struck. The entry in the register or schedule of cheques paid (forms T.A. 11 and 13) should, however, appear under the date of actual payment.

Note 1.—A letter of credit is an authority to honour cheques, and payments can only be made on cheques drawn against it.

Note 2.—See also note below Subsidiary Treasury Rule 4.158.

Note 3.—The accounts of all Public Works and Forest Officers are not closed on the last day of the calendar month. The letters of intimation will, therefore, specify the dates of commencement and termination of the month in each case and the intimations advised therein should be held to be applicable to be drawn during the months thus defined. Any undrawn balance is not available for drawings in subsequent months.

(b) PUBLIC WORKS DEPARTMENT

Receipts

3.27. Whatever sums are paid into a treasury by a Public Works Officer, or on his account must be carried to the credit of that department in the civil accounts, and not to a separate deposit account.

Note.—This rule applies also to deposits made at the instance of the Public Works Department by municipalities or other local bodies or local bodies, to meet the cost of works to be carried out by that department. In this case the accompanying challan (vide Subsidiary Treasury Rule 2.8) should state clearly the name of the Public Works Division to which the amount is creditable and of the work to which the deposit relates.

3.28. All receipts on account of the Public Works Department are recorded in a register in Form T.A. 10 (vide Article 57 of Account Code, Volume II), care being taken to show remittances received from departmental officers and their subordinates separate from those received from others on their account. An extract from this register will be made and sent to the Accountant-General with the cash account as a schedule of receipts (see also Subsidiary Treasury Rule 2.10).

Payments by cheques

3.29. Payments made on cheques are recorded in the register of cheques paid in form T.A. 11; but no entries will be made in the column for "balance", there being no letters of credit. See also Article 104 of Account Code, Volume II.

Pass Books

3.30. The amount of each cheque paid must be recorded also in a pass book or list of cheques cashed in P.F.R. Form 3-A, 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 at a Sub-treasury being taken from the daily sheets.
3.31. The Treasury Officer shall arrange to have a monthly settlement very early in the month with the Divisional Officer; he should have the pass book written up in respect of cheques cashed during the various months and return after signature the consolidated receipt sent to him by the Divisional Officer for the whole of the remittances sent by him and his subordinates during that month. He shall also furnish the Divisional Officer with a certificate of total issues as follows:

"I hereby certify that the total issues made from this
of Shri., ————- , Officer-in-charge, ————-,
Division during—————- 
Rs.—————- ( in words ) Rupees—————-

(C) FOREST DEPARTMENT

3.32. Remittances by Forest Officers and payments made to them should be accounted for in the treasury in accordance with the provisions of Articles 102 and 58 of Account Code, Volume II.

3.33. The leave salary of gazetted Government Employees of the Forest 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 employees, of the Civil Department and debited in the treasury accounts in the same way as Forest Cheques (vide Article 5 of Account Code, Volume II).

(d) PENSIONS

Pension Payment Orders

3.34. (a) On receipt of a Pension Payment Order, the Treasury Officer will deliver the pensioner's portion to the pensioner and keep the disburser's portion carefully in such manner that the pensioner shall not have access thereto.
(b) The Treasury Officers/Assistant Treasury Officers are authorised to renew Pension Payment Orders without reference to the Accountant General, in cases, in which pensioner's portion is lost, worn or torn, or the entries on the reverse of either the pensioner's or the disbursing officer's portion are completely filled up. On the renewal of Pension Payment Order, the portion of the original order containing the facsimile of the pensioner's signature or thumb impression, as the case may be, and the copy of 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 Treasury Officer/Assistant Treasury Officer and old Pension Payment Order, pensioner's portion if available, shall be returned by the Treasury Officer/Assistant Treasury Officer to the concerned pensioner for record after prominently stamping them as "renewed and cancelled" on their first and last pages. A note of the issue of the new Pension Payment Order shall be made in the "Remarks" column of the register (Form STR 35). On the death of a Pensioner, the Pension Payment Order should, after payment of the arrears of pension, be returned to the Accountant-General Haryana with a report of the date of death of the pensioner.]

1. For alteration in pensioner's name in the Pension Payment Orders see note below subsidiary Treasury Rule 4.92.

2. For entries regarding payments on the reverse of Pension Payment Orders, see Subsidiary Treasury Rule 4.100.

Verification of continued existences of pensioners

3.35. Tahsildars should be furnished with lists of pensioners resident in their respective jurisdictions, and when fresh pensions are granted the necessary particulars should be communicated to them for inclusion in their lists to enable them to become acquainted with the pensioners' resident in their jurisdiction and to satisfy themselves that they are in existence.

In cases of exemption of male pensioners from personal attendance to draw their pensions, the tours of District or other Officers may be taken advantage of to verify their continued existence.

3.36. When a half-yearly pensioner fails to apply for his pension for two consecutive half years or when a monthly pensioner fails to apply for his pension for six consecutive months, enquiry should at once be instituted at his home through the Tahsildar, to ascertain the cause of the failure and such further measures should be adopted as the result of the enquiry may suggest.

(c) Money Orders

Remittances by Money Orders

3.37 Payments to the Post Office for Money Orders issued by...
Treasury Officers, are not made in cash, but the amounts are credited to the Post Office in the Treasury Accounts by book transfer (see also subsidiary Treasury Rule 4.152).

Money Orders in favour of District and other Officers

3.38 Note 6 below; Subsidiary Treasury Rule 2.9 applies mutatis mutandis to money orders in ordinary form issued in favour of the District Officer in payment of revenue under his management.

Ordinary money orders in favour of other Government employees in their official capacity are paid in cash unless a written requisition has been sent to the Post Office by the Treasury or Sub-treasury Officer to pay them by book-transfer.

All money orders in favour of any local body entitled to bank at the treasury or sub-treasury are also paid by book transfer.

IV.—MISCELLANEOUS RULES AND ORDERS

(i) INSTRUCTIONS FOR THE TREASURY STAFF

8.39. (1) Treasury Clerks are forbidden to undertake the encashment of bills or vouchers on behalf of payees.

(2) Treasuries are forbidden to make payments through Treasury Clerks or office employees sent to them by the Clerks.

(3) It is most utmost important that the Treasury Staff should identify the messengers presenting bills at the Treasury for payment. To facilitate this identification, it is recommended that the drawing officers should see that, as far as possible, the same man is sent to the Treasury to receive payment and that, when a change is made, the new messenger should, on first appearance be accompanied suspicious place in the Treasury, in order that they may be made by someone who can identify him.

(4) A copy of these rules should be hung up in a con-known as widely as possible.

(ii) NOTICES REGARDING CLOSING OF TREASURIES, ETC.

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

Note 1.—If any local order of competent authority requires that the treasury on any day 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.
Chap. III] SPECIAL RULES FOR THE TREASURIES [3.40—3.43

Note 2.—(The transaction hours of the treasuries will be, such as are fixed by Government from time to time.)

Note 3.—(Omitted)

Note 4.—Treasuries should be closed for public business only on those days which are notified by Government as public holidays for observance in public offices.

Note 5.—The Deputy Commissioner of a district may order the opening of a treasury or a sub-treasury on a holiday for the purpose of transferring the charge of the treasury or sub-treasury or for making payment to the military or postal departments in cases of emergency.

Note 6.—To meet the requirements of the Defence Services, in the event of emergency not entailing mobilization, and on mobilization the Treasuries and the Sub-Treasuries will be kept open even on holiday in accordance with the following procedure:

(a) The Station Commander to make a written request to the Deputy Commissioner/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, and to forward a report of this action to Army Headquarters and to intermediate formations; and also to forward to the Secretary to the State Government in the Finance Department a copy of this written request to the Deputy Commissioner.

(b) The Deputy Commissioner/Collector receiving the intimation to arrange for the treasury/sub-treasury to be kept open on the specified date or, where Government treasury work is done by State Bank of India, to request the Agent to keep the Branch open for transacting military official business, and (ii) to inform the State Government in each case of the action taken.

3.41. (a) 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 notes, the supply of small silver coin, nickel and copper, etc., are exhibited conspicuously in places which the public enters freely and that no favouritism is shown in the conveniences which the treasury can offer.

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

(b) The instructions in regard to procedure to be observed in receiving money into and giving out of double locks (see Subsidiary Treasury Rule 3.18) should be posted on a board and hung up in a conspicuous place in the treasury chamber for the guidance of the officer-in-charge.

(iii) ADMITTANCE INTO THE TREASURY

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

3.43. No one except the Treasury Officer shall be admitted into the treasury after the work of the office has closed for the day without a written
order from Treasury Officer. The police guard to whom the charge is formally given at the close of every day is responsible for seeing that this rule is carried out. A copy of this rule (with a vernacular translation) should be hung up within view of the guard, and the Treasury Officer is responsible for seeing that this is done.

(iv) Correspondence With the Accountant-General's Office

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

(v) Forms

(a) Accounts and other Treasury Forms

3.45. The annual indents for Treasury Account and other forms should be prepared in the prescribed printed form and submitted direct to the Controller of Printing and Stationery, Haryana on the 1st November, each year by the Treasury Officer for supplies required for his district for the ensuing financial year. For indents for cheque forms, the special form prescribed should be used and it should be filled up in accordance with the instructions printed at foot of the form and forwarded to the [Administrative Officer, Treasuries and Accounts Branch, Finance Deptt. Haryana], in January each year, so that no delay may occur in issuing the forms. Supplementary indents, which not only increase work but add to the cost of packing and conveyance, should be avoided as much as possible and should be submitted only in case of real urgency, when the necessity for them should be fully explained.

Note.—All forms for use by municipalities, small town committees, Zilla Parishad, etc., are supplied by the contractor selected by the Controller of Stationery and Printing, Haryana.

(b) Cheque and Receipt Books

3.46. Cheque books for use on treasuries and the Bank are obtained by the drawing officer from the district treasury concerned, vide Subsidiary Treasury Rule, 4.13. Stocks of books required for this purpose will be kept by the Treasury Officer, supplies being obtained annually from the [Administrative Officer, Treasuries and Accounts Branch, Finance Deptt. Haryana]. Cheque books should on receipt be examined carefully and the number of forms in each book should be counted. Similarly, they should be examined again when issued to disbursing officers, and care should be taken to see that they are acknowledged by the latter promptly.

1. This rule also applies to departmental Receipt Books, form S.T.R. 3-A, required for issue to officer of the Public Works Department.

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

(vi) BOOKS

(a) Cypher Code and "Treasury Agencies" Private Check Signal Book of the Reserve Bank of India

347. (1) The Currency Officer of the Reserve Bank of India supplies the 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 should be used for telegrams relating to currency and resource matters and the Check Signal to currency and resource matters and the Check Signal Book for authenticating all telegrams relating to telegraphic transfers. Both should be treated as strictly confidential.

(2) A Treasury or Sub-Treasury Officer who holds copies of the books should never take them away from the treasury premises but should keep them in either a safe (if there is one available) or a locked tin box with a close fitting lid in the strong room of the Treasury or Sub-Treasury under conditions which ensure not only their security but their safety from damage, and keep the key of the safe or box always in his personal custody. When he takes the books out for use, he should always keep them in his personal custody. The loss of copies of the books may involve the Government and the Reserve Bank inconsiderable loss before protective measures could be adopted and Treasury and Sub-Treasury Officer should, therefore, exercise the greatest possible care in regard to the custody of their copies of the books and see that they are always as carefully safeguarded as the currency chest balances.

(3) A Treasury or Sub-Treasury Officer who holds copies of the books should never on any account hand them over to any one other than a Government employee duly authorised to take charge of the duties of his post from him. When a Government employee who holds copies of the books is relieved of his charge he should hand over the copies of the books in his custody to the relieving Government employee and the latter should note in his own hand the following certificate in the certificate of transfer of charge—

"I hereby certify that I have received and hold in my personal custody copies of the Cypher Code of the Reserve Bank of India together with Supplement Nos. __________ which has/have been corrected up to date. The last amendment slip received is No. __________, dated the________ for the Code.

I also certify that I have received and hold in my personal custody 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 for the Check Signal Book is No. __________, dated__________ for the Code."
(4) Should the Cypher Code or the Check Book get lost or fall into unauthorised hands at any time the fact should immediately be reported by telegram to the Chief Accountant, Reserve Bank of India, Bombay, for necessary action. In cases where the books were supplied through a Currency Officer, the telegram should be repeated to him for information. A detailed report regarding the circumstances attending the incident, the steps taken to trace the book in the case of loss and the precautions taken to prevent a recurrence should be submitted direct to the Chief Accountant of the Reserve Bank as soon as possible thereafter if the book was supplied by him. In cases where the book was supplied by a Currency Officer, the report should be sent through that official who will forward it to the Chief Accountant of the Reserve Bank with his remarks regarding the supply of fresh copy of the Cypher Code or Check Signal Book. In the event of amendment slips being lost or falling into unauthorised hands an immediate report by letter, and not by telegram should be made to the Chief Accountant, Reserve Bank, or to the Currency Officer concerned according to the source of supply. Thereafter a detailed report similar to that prescribed above for the Cypher Code and the Check Signal Book should be submitted to the Chief Accountant of the Reserve Bank direct or to the Currency Officer concerned according to the sources of supply.

A copy of the report sent should invariably be endorsed to the Secretary to Government, Haryana, Finance Department.

(5) Any payment that the Government may be required to make on account of the loss of the Cypher Code or the Check Signal Book will have to be made good by the Government employee due to whose negligence the claim against Government arises. Holders of these publications should, therefore, exercise extreme care for their proper custody.

(6) On the 1st of April, each year, every Government employee having copies of the Cypher Code or the Check Signal Book should send to the Currency Officer an acknowledgement for the number of copies held by him. The Treasury Officer should include in their acknowledgement the copies held by their respective Sub-Treasury Officers.

Note 1.—(i) Correction or amendment slips to the Cypher Code and the Check Signal Book including supplements and corrections thereto are as important and confidential as the main books and the above instructions apply to them also. Immediately on receipt of amendment slips, the reference number and dates appearing thereon should be serially recorded on a fly-leaf, at the beginning or end of the book under the signature of the Treasurer or Sub-Treasury Officer on the date on which each amendment becomes effective, which is generally given in the covering letter or on each slip the amendment should be pasted at the appropriate place in the book and the fact that the amendment has been carried out should be noted in a separate column under the signature of the Treasurer or Sub-Treasury Officer against the entry already made on the fly-leaf when the amendment slip was received.

(ii) A Treasury Officer who sends to an Assistant Treasurer Officer corrections or amendment slips should enclose them in double covers of which the inner one should be sealed, marked “Confidential” and addressed to the official concerned by their personal name. The outer cover should be addressed to the Assistant Treasurer Officer by designation only and not marked “Confidential or sealed.” The cover should then be despatched by registered post acknowledging date and the Assistant Treasurer Officer who receives the cover should immediately sign the postal acknowledgement for return by the Postal
Department to the Treasury Officer. The Assistant Treasury Officer who opens the cover should acknowledge the contents in a separate letter to the Treasury Officer. The Treasury Officer should watch for the prompt return of the acknowledgement and should not close the case till he has received an acknowledgement from the Assistant Treasury Officer concerned as well as the postal acknowledgement slip.

3.48. Confidential Pamphlets etc.

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

(c) Corrections to Financial and other Rules

3.49. An extra copy of each list of corrections to the Subsidiary Treasury Rules, Financial Rules, etc., supplied to treasuries, should be kept in a separate file.

(vii) Supply and Distribution of Stamps and Match Banderoles

3.50. Rules laid down by the Government of India for the supply and distribution of stamps of all descriptions are printed in Appendix 9.

3.51. Under clauses 41 and 42 of the Match (Excise Duty) Order, 1924 the duty on matches is collected through the sale to owners of manufactories of banderoles which are printed at the Government Security Press, Naini, and supplied by it to all Government treasuries, for sale.

The procedure prescribed for custody, supply and distribution of and accounting for stamps in Appendix 9 applies mutatis mutandis in connection with Match Banderoles.

(viii) Destruction of Treasury Records

3.52. The periods after which treasury records may be destroyed are given in the statement appearing in Part II of Appendix 6.

1. For the reckoning of periods see rule 2.48.

V.—SUB-TREASURIES

3.53. The general procedure followed at the Treasuries as detailed in foregoing rules and the rules in other part of this book applies mutatis mutandis to Sub-Treasuries also. See also Article 27 of Account Code, Volume II. Detailed rules relating to Sub-Treasuries are contained in the Sub-Treasury Manual.

VI.—SPECIAL RULES FOR THE TREASURIES OF WHICH THE BUSINESS IS CONDUCTED BY THE BANK

(i) General

3.54. At places where there are branches of the State Bank of India, which act as agents of the Reserve Bank of India, in accordance with the provisions of the Reserve Bank of India Act (Act II of 1934) the treasury business is...

1. Subsd. Vide No. 1/PPR/83-AD (FD) dated 12-1-84.
conducted by those branches of the State Bank as agents of the Reserve Bank of India.

3.55. The following rules for the guidance of Collectors and Treasury Officers and the officers of the Bank in conducting the business of the Government treasuries banking with such branches, include information on most points likely to arise but in cases of doubt and as a general rule, the usage hitherto observed at the local treasury will be followed. The term "Collector" includes the officer-in-charge of the treasury, by whatever designation he may be called.

3.56. Cancelled.

(ii) ACCOUNTS

3.57. The books and accounts to be kept by the bank will consist of:

- The scroll cash book, being the primary record.
- A daily account of the receipts and payments, made up for despatch to the Collector.
- An account in the general ledger, in the name of the Haryana Government.
- A pass book, to be daily forwarded to and returned by the Collector.

Note.—Separate books and accounts should be kept for Central Transactions—vide Article 42 of Account Code, Volume II.

3.58. In the scroll cash book will be entered all receipts and disbursements on account of Government. The net amount only of documents paid, on which deductions have been made, will appear in this book, and the total of each side will form the daily entries in the general ledger.

(iii) DAILY RETURNS

3.59. In the daily account such payments and receipts will be classified as may be directed by the Accountant-General, in order that their arrangement may suit in with the forms prescribed for accounts kept at the 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 Collector, with the register of daily receipts and payments and with all the appendant vouchers at the close of the day. The net amount 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 the demand. See also note 1 below Article 43 of Account Code, Volume II.

Note 1.—It is of importance that these documents be secured in a locked box when sent by the Manager or Agent, as the case may be, to the Collector, in order that there may be no possibility of any alteration or abstraction of any paper before they reach the hands of the Collector.

Note 2.—With the concurrence of the Accountant General the daily accounts may be submitted on the morning following the date to which they refer, instead of at the close of the same day, but the transactions shall invariably be incorporated in the Treasury account under the date on which they take place at the bank.

Note 3.—See also note below rule 3.57 and sub-rule 1 under Subsidiary Treasury Rules 4.157.
3.60. 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 Agent, and (5) the initials of the Collector. It will be written up and forwarded with the daily account to the Collector (vide Rule 3.59) the entries being certified by the initials of the Agent in the 4th column. The Collector will check receipts and disbursement 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, will return the register to the Agent the same day or the following morning.

Note.—See also note below rule 3.57.

(iv) Treasurer

3.61. The rules regarding (1) remittance of treasure from the Bank and the entertainment of extra pottes if necessary for the purpose, and (2) testing of remittances made to the bank from Government treasuries, are laid down in Chapter V of the Subsidiary Treasury Rules.

(v) Additional Rules for District Officers

[Registers of Orders for Payment]

3.62. [The Treasury Officer shall maintain a register of orders for payment.]

Daily Posting of Accounts

3.63. When the daily account with the challans and vouchers is received from the Bank, the account will first be examined against the challans and vouchers which support it. Then the vouchers which have been already approved and registered by the Treasury Officer will first be marked off in the register of orders for payment, that is, the date of discharge will be noted against the entries of the vouchers in that register. Then each item of receipt or payment will be posted from the daily account with its challans and vouchers, into the cash book, either direct or through some subsidiary register, in the same way as is prescribed to be done by the Account Department of treasuries which do not bank with the Bank. The total difference between the total receipts and the total payments as shown in the daily account will then be posted in a subsidiary register in accordance with the provisions of article 44 to 46 of Account Code, Volume II. See also article 96(iii) ibid.

Note.—See also note below rule 3.57 and note 2 below article 43 of Account Code, Volume II.1

(vi) Advices, Certificates, Returns, Etc.

3.64. Advices of receipts or payments should be prepared in the treasury and not in the Bank (see also Subsidiary Treasury Rule 2.24).

1. For treasury returns see Subsidiary Treasury Rule, 2.25.

1. Subsid. Vide No. 272-2PR.74/19252, dated 22-6-76, it will take effect from 19-8-75.
(vii) MISCELLANEOUS

Opening of the Bank on days on which the treasury may be closed for public business

3.65 (a) The bank will be kept open for the transaction of the treasury business on all recognised holidays, if so required by the District Officer. See also paragraph 10 of the agreement between the Governor of the Punjab and the Reserve Bank of India (Appendix A to the Treasury and Subsidiary Treasury Rules).

(b) Treasury Officers are authorised to arrange that the Bank should transact business on Government account on any day which the local treasury may be closed for public business, but the Bank is open to ordinary business provided that every formality has been observed which would allow the transaction on a day on which the local treasury as well as the Bank is open to business.

Rules for the receipt, custody and delivery by Government treasuries of sealed packets containing duplicate keys of strong rooms and chests of the bank conducting treasury business

3.66 (a) If the Bank at which Government Treasury work is conducted wishes to deposit the duplicate keys of the strong rooms or currency chest in the Government Treasury, the Agent or the other officer in charge of the Bank shall personally deliver a sealed packet purporting to contain such duplicate keys to the Treasury Officer in charge of the District Treasury and obtain his receipt.

(b) The receipt of the Treasury Officer shall merely acknowledge the receipt of a sealed packet and before signing the receipt the Treasury Officer shall satisfy himself that the seals are intact.

(c) On receipt of the sealed packet, the Treasury Officer will place the same in double locks and enter the transaction in a register, preferably the register of valuables. Such register will contain a column for description in which the Treasury Officer will note with his own hand the number of seals and date of consignment to double locks.

(d) The sealed packet shall not be taken out of double locks except on personal application by the Agent or other officer in charge of the Bank and by the Branch Khazanee (or Head Shroff or Head Cash-keeper or his duly appointed Naib). On such joint application the Treasury Officer shall deliver the packet to the Agent or other Officer and Khazanee (or Head Shroff or Head Cash-keeper or his Naib) only and then on receiving back the receipt given by him for the sealed packet under clause (b) above as well as obtaining the joint receipt of the Agent or other officer and Khazanee (or Head Shroff or Head Cash-keeper or his Naib) for the packet.

(e) The Agent or other officer in charge of the Bank shall periodically, and in any case at periods of not less than six months, verify the presence of the sealed packet in the double locks of the treasury and shall satisfy himself that the seals are intact.
(f) The Treasury Officer shall verify, periodically and in any case at periods of not less than six months, the presence of the sealed packet and satisfy himself that the seals are intact. He shall also verify its presence whenever there is a change in the charge of the treasury. In the latter case the outgoing and incoming Treasury Officers shall personally hand over and take charge of the sealed packet and shall sign the register mentioned in clause (e) to this effect.

Procedure for the conduct of business in the event of the Agent of a Branch of the Bank dying or being temporarily incapacitated

3.67 [Conduct of business in the event of death or sudden incapacitation of an agent of a Branch of the State Bank of India or its subsidiaries]

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 or urgent treasury business at the Branch.

The responsibility for performing the functions herein stipulated should, in the first instance, be primarily that of—

(i) The Collectors or District Officers at the District Head-quarters;

(ii) The Sub Divisional Officers/Mamlatdars/Tehsildars at Sub-Divisional and Taluka or Tehsil Headquarters, as the case may be.

The concerned Government official should on no account take any action in regard to the Bank’s private business, which together with such treasury business which is not of an urgent nature may remain in abeyance till a responsible official of the concerned Bank takes charge of the Branch.
When it is impossible for the concerned Government Official to take the action mentioned above in person, 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 in within easy reach of the branch, he should nominate such Government official for this purpose specially on such occasion when the necessity arises.

Neither the Government nor any Government employee 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 bona fide under these instructions. The Government Official concerned would, however, be responsible for the safe-keeping, as a bailee, or 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.

VII—ARRANGEMENTS FOR THE CONDUCT OF GOVERNMENT BUSINESS AT THE TREASURY PAY OFFICES OF THE STATE BANK OF INDIA AND THE PROCEDURE TO BE FOLLOWED BY THE TREASURY OFFICERS CONCERNED THEREWITH

3.68 | Omitted

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2. Rule 3.68 and Appendix thereunder omitted vide No. 11/FFR(3-AO(1)) dated 12-1-84.
CHAPTER IV.—Revenue Receipts and their Check.

I.—GENERAL

4.1. It is the duty of the Revenue or the Administrative Department concerned, to see that dues of Government are correctly and promptly assessed, collected and paid into the treasury.

The departmental controlling officers should see that all sums due to Government are regularly and promptly assessed, realised and duly credited into the treasury. They should accordingly arrange to obtain from their subordinates monthly accounts and returns in suitable form claiming credit for so much paid into the treasury and otherwise accounted for and compare them with the statements of treasury credits furnished by the Accountant-General to see that the amount reported as collected has been duly credited to the Consolidated Fund.

If wrong credits thus come to the notice of the controlling officer, he should at once inform the Accountant-General with a view to the correction of the accounts. If any credits are claimed but not found in the accounts, enquiries should be made first of the responsible departmental officer concerned.

Note 1.—For this purpose, the Accountant-General will send to the departmental controlling officer an extract from his account showing the amounts brought to credit in them each month.

The procedure outlined in note below rule 2.2(v) will apply mutatis mutandis to the statement of treasury credits furnished by the Accountant-General.

Note 2.—It is essential that the departmental accounts of revenue should not be compiled from the returns prepared by the treasury. But the Treasury Officer may be required, where necessary, to verify the returns prepared for submission to the departmental controlling authority.

Note 3.—The reconciliation of differences should be carried out as promptly as possible especially in the case of returns for March so that all corrections may be included in accounts of the year concerned.

Note 4.—In order to minimise the differences between the Treasury figures and the departmental figures, it is essential that the challans with which money is remitted to the treasury should bear full and correct accounts classifications.

Note 5.—The directions relating to the exhibition of recoveries of expenditure in Government accounts are contained in Chapter 5 of Account Code, Volume I.

Note 6.—For this purpose, the Accountant-General will send to the Departmental Controlling Officer an extract from his account showing the amounts brought to credit in them each month. The procedure outlined in note below rule 2.2(v) will apply mutatis mutandis to the statements of treasury credits furnished by the Accountant-General.

II.—SPECIAL RULES FOR PARTICULAR CLASSES OF RECEIPTS

(I) LAND REVENUE—FEES FOR COLLECTION OF REVENUE

4.2. Writs, warrants and other processes for the collection of revenue under Chapters VI and VII of the Punjab Land Revenue Act of 1887,
shall ordinarily be served through the agency of the tahsil chaprasis and the fees recovered will be credited to Government.

Note.—Deputy Commissioners should see that the Tahsil Dakhilas are entered in the prescribed registers and that every item received or paid is at once entered in the cash book or in some authorised register subsidiary thereto.

(ii) FINES

4.3. (a) It is the duty of every court or authority having power to fine to maintain a register giving particulars of every fine imposed by it and see that the money realised reaches the treasury, and adequate precautions are taken against double refunds of fines or refunds of fines not actually paid into the treasury.

(b) Each Court, Civil or Criminal, is required to submit to the District Judge or to the District Magistrate, as the case may be, on the last working day of each calendar month, a statement in the prescribed form showing the demand; collection and balance of fines levied and written off by it as well as of refunds therefrom, the statement being made up for the account months of the treasury or sub-treasury with which the Court deals. The District Judge and the District Magistrate should consolidate these returns into a monthly statement for the courts under him and for his own and forward it to the Treasury Officer as soon as possible after the beginning of the month for verification of the amounts shown as remitted into the treasury with the credit appearing in the treasury account. The Treasury Officer should certify to the correctness or other-wise of these amounts. Where there is any discrepancy between a consolidated statement and the treasury account the Treasury Officer may, if necessary, before giving his certificate, request the District Judge or the District Magistrate, as the case may be, to explain the discrepancy. These statements should then be forwarded to the Accountant-General, Haryana not later than the 7th of each month in order to facilitate check in case refunds are claimed.

Note.—The statement should exhibit the amounts under each head of accounts, e.g., magisterial fines under the Prevention of Cruelty to Animals Act, etc., separately.

(c) Compensation fines due to an injured party which are creditable to deposits, and fines, which under the order of the competent authority, are creditable to a municipal or local fund, should be excluded from this return.

(d) A consolidated statement in the same form should be furnished to the Accountant-General monthly by the Deputy Commissioner giving particulars of fines and penalties, if any, realised by Revenue Officers and remitted by them to the treasury to be credited under the appropriate heads.

(e) A fine realised in one district on account of another should not be remitted to the district concerned, but should be treated, for the purposes of the fine statement, as if it had been imposed in the court
in which it is realised an advice of the recovery sent by the realizing court to the court which inflicted the fine, note of the court to which it relates being also made in the fine statement against the credit. The court which inflicted the fine should, on receiving the intimation, note in its statement the amount of the fine realized and the name of the treasury into which it was paid.

4.4. Cancelled

(iii) MISCELLANEOUS DEMANDS

4.5 Realization of miscellaneous demands of Government not falling under the ordinary revenue administration will be watched by the Accountant-General. Such are payments on account of contributions from local funds contractors and others towards establishment charges, etc.

Note 1.—All receipts from ferries and cattle pounds which are managed by local bodies should first be credited to the respective local funds under the head “Suspense” and at the end of each month when the monthly account is closed they should be credited to the State Revenues.

Note 2.—All rents from temporary cultivation of Government lands in canal colonies should be credited to “Extraordinary Receipts until the cost of the land has been debited to the capital account of project, in which case the rent shall be credited to the department concerned and taken to the head “Revenue Receipts” or “Receipts and recoveries on Capital Account” as the case may be.

Classification of the proceeds of illicit cultivation

Note 1.—(a) In cases in which the trespasser pays rent after mutual compromise with the Collector, the rent paid should be credited to the head “[029. Land Revenue—Other Receipts—Other item (Rents of lands leased for a single year or harvest.”]¹

(b) In cases where the offender is punished by a magistrate with a fine or with the confiscation of the crops growing on the land or if the crops have been cut with the assessed value thereof, the amount recovered should be credited to the head “[029—Land Revenue—Other receipts—other items (Fine and Forfeiture of Revenue Department.)]¹

III.—REMISSIONS OF AND ABANDONMENT OF CLAIMS TO REVENUE

4.6. The sanction of the competent authority is necessary for the remission of, and abandonment of claims to, revenue.

The procedure for reporting such remissions, etc., is laid down in rule 2.34 and Annexure B thereunder.

IV.—AUDIT OF RECEIPTS

4.7. When the audit of the receipts of any department of Government is entrusted to the Comptroller and the Auditor-General under the provisions of paragraph 1.3(2) of the Government of India (Audit and Accounts) Order, 1936, it will be conducted in accordance with the regulations given below. A list of accounts of receipts, the audit of which has been entrusted by the Haryana Government to the Comptroller and Auditor-General, is given in the Annexure to this Chapter.

¹. Subsd. Vide No. 1/4-6/86/PFR-SA O (FD), Dated 4-3-86.
REGULATIONS FOR THE CONDUCT OF THE AUDIT OF RECEIPTS

1. It is primarily the responsibility of the departmental authorities to see that all revenue, or other debts due to Government, which have to be brought to account are correctly and promptly assessed; realised and credited into Consolidated Fund and any investigations by audit must be so conducted as not to interfere with this executive responsibility. Audit shall, however, have power to examine the correctness of the sums brought to account in respect of receipts of any department in such manner and to such an extent as may be determined by Government in consultation with the Accountant-General.

2. In conducting the audit of receipts of any Government department the chief aim should be to ascertain that adequate regulations and procedure have been framed to secure an effective check on the assessment, collections and proper allocation of revenue; and to see by an adequate detailed check that all such regulations and procedure are being observed. In the audit of receipts, ordinarily, the general is more important than the particular.

3. In the audit of receipts it would be necessary in the case of a department, which is a receiver of public money; to ascertain what checks are imposed against the commission of irregularities, at the various stages of collection and accounting and to suggest any appropriate improvement in the procedure. Audit might, for instance, suggest in a particular case that a test inspection should be carried out by comparing a sample set of receipt counterfoils with the receipts actually in the hands of the taxpayers or other debtors, the results of such an inspection being made available to audit.

In no case, however, should independent enquiries be made among the taxpayers or the general public. Audit should confine itself to calling upon the executive to furnish necessary information and in cases of difficulty, it should confer with the administrative authorities concerned as to the best means of obtaining the evidence which it requires.

4. The audit of receipts should be regulated mainly with reference to the statutory provisions or financial rules or orders which may be applicable to the particular receipts involved. If the test check reveals any defect in such rules or orders the advisability of amendment should be brought to notice.

It is, however, rarely, if ever, the duty of audit to question an authoritative interpretation of such rules or orders; and in no case may audit review a judicial decision; or a decision given by an administrative authority in a quasi-judicial capacity. This instruction does not, however, deprive the Accountant-General from bringing to notice any conclusion deducible from the examination of the results of a number of such decisions.

5. Where any financial rule or order applicable to the case prescribes the scale of periodicity of recoveries, it will be the duty of audit to
see, as far as possible, that there is no deviation without proper authority from such scale or periodicity. When this check cannot be exercised centrally, a test audit may be conducted at local inspections, the aim being to secure that discharged of rule or defect of procedure are not such as to lead to leakage of revenue rather than to see that a particular debt due to Government was not realised at all or on due to date.

6. Ordinarily Audit will see that no amounts due to Government are left outstanding on its books without sufficient reason. Audit will continue carefully to watch such outstanding and suggest to departmental authorities any feasible means for their recovery. Whenever any dues appear to be irrecoverable, orders for their adjustment should be sought. But, unless permitted by any rule or order of a competent authority, no sums may be credited to Government by debit to a suspense head, credit must follow, and not precede, actual realization.

7. The procedure prescribed by the Comptroller and Auditor-General for raising and pursuing audit objections in relation to expenditure, including powers of Audit Officers to waive recovery of Government dues under certain conditions, shall apply mutatis mutandis in respect of audit objections on any account of receipts.
ANNEXURE

(Referred to in rule 4.7)

List of accounts of receipts the audit of which has been entrusted to the Comptroller and Auditor-General under paragraph 13(2) of the Government of India (Audit and Accounts) Order, 1936.


2. Recoveries on account of cost of establishment (including contributions for leave and pensions) entertained on behalf of, or lost for service under outside authority.

3. Interest on loans (except Revenue Advances).

4. All contributions payable under orders of Government, by local funds or other bodies on account of Government, medical, sanitary or other institutions.


6. Fees for Government audit.

7. Revenue realized by officers of the P.W.D.

(Note—Canal revenue realized by civil officers and paid direct into treasuries does not come under this category.)

8. Rent of buildings belonging to the P.W.D. and of electrical, water-supply and sanitary installations realized by direct payment into or by deduction from bills presented at treasuries.

9. [Omitted]*

10. Recoveries on account of rent of furniture.


12. Copying agency accounts (every district).


14. [Excerpt]* [Fees accounts of special Kanungos. See also items in the Annexure B to Chapter XV.

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1. Subst. vide No. 1/4-6/PFR/86-SAO(FD)-Dt. 4.3.1986.
2. Omitted vide No.——— do
CHAPTER V—Pay, Allowances and Pensions—General Rules

1.—DUE DATE

5.1. (1) Pay Bills for monthly pay and fixed allowances of Government employees may be signed at any time on the last working day of the month by the authority of which such pay and allowances are earned, and shall be payable at Government Headquarters or at other District due for payment the next working day. But pay bills payable at Government headquarters or other district treasuries may be signed and presented for payment three and two days respectively before the last working day of the month to which they relate. Payment of such bills, however, should not be made before the first working day of the next month. In the following cases separate bills must be presented for pay and allowances or pension due for part of a month, and these bills may be paid before the end of the month:

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

Note.—If a Government employee wishes to draw his vacation pay or his leave salary in India, he will not be paid up to the date of proceeding on vacation or of his relief but will be allowed to draw his pay and allowances for the broken period of the month at the commencement of the next month along with the vacation pay or leave salary for the rest of the month.

(b) (1) When a Government employee is transferred to another Audit Circle, or within the same Audit Circle from one department to another;

or

(f) from one department to another; or

(ii) from one Public Works Division to another.

Note.—If a Government employee proceeds on transfer as also in other cases of transfer, emoluments for the whole of month will be drawn in the new office.

(2) The allocation of charge to the old and the new posts, when the transfer involves change in classification of the charge should be clearly specified on bills in which the pay of Government employees transferred is drawn for the first time in the new office. This is, however, not necessary in the case of pay and travelling allowance due to Government employee of the Forest Department on his transfer to another circle or division, which should be wholly debited against the appropriation of the new division.

(c) When a Government employee finally quits the service of Government or is transferred to foreign service:

(d) When a Government employee is transferred from a non-gazetted to a gazetted appointment within the State during the course of
5.1-5.3] PUNJAB FINANCIAL RULES [Chap. V

(a) a month, payment of his pay, as non-gazetted officer may be made by the head of the office up to the date of actual relief.

(c) When there is a variation in the rate of a pension consequent on the disbursement of the commuted value of a portion thereof.

[(1) If the first day (including Sunday) of a month other than the month of April, is a public holiday on which the funds for disbursement of pay, allowances and pensions, including pensions of other States, cannot be drawn from treasury or bank, the competent authority, may if it thinks fit, direct the withdrawal or payment on the last working day of the month to which they relate.

Explanation:—For the purpose of this rule working day shall be deemed to be a day on which office in which disbursement is to be made and the treasury or bank are both open for transaction so that withdrawal and disbursement of money becomes practicable on the same day.

(2) In cases where delay or inconvenience results from the observance of the ordinary procedure prescribed in clause (1) above, pay bills, payable at a district treasury may, with the sanction of the competent authority, be signed and presented for payment any reasonable number of days before the last working day of the month to which they relate without regard to the limits prescribed in that clause. Payment of such bills will not of course be made before the first working day of the next month.

5.2 Pensions fixed at monthly rates are payable monthly on and after the first day of the following month. Non-service pensions are, however, payable half yearly in the months of June and December, except in special cases where the Commissioner has authorised monthly payments.

All charitable allowances which are little more than subsistence allowance should ordinarily be paid monthly.

Note.—See also rule 10.13 of Punjab Civil Services Rules Volume II.

II—DEATH OF PAYEE

5.3(1) Pay and allowances can be drawn for the day of the Government employee's death, the hour at which death takes place has no effect on the claim.

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

(2) Pay and allowances of all kinds claimed on behalf of a deceased Government employee may be paid without production of the usual legal

1. Sub Clause(1) & (2) Subsdt Vide Not Dt. 24.8.1967 and again Vide No. 1/4-6 PFR-SAOFD, Dt. 4.3.1986.

2. Omitted vide No. 1/4-6/PFR-SAOFD, Dt. 4-3-86.
(a) if the gross amount of the claim does not exceed Rs. 5,000, under orders of the Head of the office in which the Government employee 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 the orders of the Department of the Government or of the Head of Department or the Administrator, or of any Officer of that Department declared as Head of Department, as the case may be, on execution of an indemnity bond in P.F.R. form 4 duly stamped for the gross amount due for payment with such sureties as may be deemed necessary.

Provided that the authority mentioned in clause (a) of sub-rule (2) may make anticipatory payment of an amount not exceeding Rs. 500 in respect of higher claims as well.

Note 1.—The Head of Department here means a Head of Department as defined in rule 1.23 of Punjab Financial Rules, Volume I.

Note 2.—Normally there should be two sureties, both of known financial stability, unless the gross amount of the claim is less than Rs. 7,000 in which case the authority accepting the indemnity bond in P.F.R. form 4 for and on behalf of the Governor should decide, on the merits of each case, whether to accept only one surety instead of two.

Note 3.—The officer 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 executed on behalf of the Governor by an Officer duly authorised under article 299 (1) of the Constitution of India.

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

(4) The procedure to be followed in regard to the preferring, withdrawal and disbursal of claims of deceased Government employee 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 employee from his/her heirs, the Head of the office in which the Government employee 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 employee, and which obviously cannot be furnished by the Head of the office, the Head of the 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. 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 clause (a) of sub-rule 2 and under orders of higher authorities if the gross amount of the claim exceeds Rs. 5,000 as mentioned in clause (b) of sub-rule (2). A formal stamped receipt, where necessary, should be obtained from the claimant(s).
5.3—5.3B] PUNJAB FINANCIAL RULES

Note—The procedure prescribed in this rule shall apply to any claim for payment of dues or honours payable to deceased non-officials, including deceased non-official members of any Commission/Committee, whether statutory or not, as it applied to the claim for payment of pay and allowances of a deceased Government employee.

5.3-A. (1) The payment of arrears of pension due in respect of a deceased pensioner shall be regulated by the following rules:

Pension can be drawn for the day of pensioner’s death.

(a) the hour at which death takes place has no effect on the claims;

(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 pension sanctioning authority to be obtained through the Accountant General.

Provided that if the arrears do not exceed Rs. 1,500 and the case presents no peculiar features, the Accountant General may pass the arrears on his authority.

(c) subject as provided in the preceding sub-rule, the provisions of rule 5.3 shall apply to payment of arrears of pension due in respect of a deceased pensioner, as they apply to payment of arrears of pay and allowances due in respect of a deceased Government employee except that, in the event of the pensioner’s death after commencement of pension, the power vested in the Head of the office under clause (a) of sub-rule (2) of rule 5.3 shall be exercised by the Collector of the district in which the Treasury is located.

Note—The arrears due in respect of a deceased pensioner who immediately before his death was being paid provisional pension through the Head of Office, shall also be payable in accordance with the provisions of this rule on finalisation of the pension claim.

(2) Any person claiming as the legal heir of deceased pensioner shall be required to produce the pensioner’s portion of the pension payment orders or if no such order has been issued, the copy of the order in which the sanction to the pension was communicated to the pensioner of the heir.

(3) After payment of the arrears of pension, both portions of the pension payment order shall be returned to the Accountant General with a report of the date of the death of the pensioners, except in the case of pensioners governed by Appendix I of the Punjab Civil Services Rules, Volume II, in which case the pensioner’s portion of the pension payment order will be returned to the widow (er) and the disbursing portion will be retained by the Treasury Officer.

5.3-B. Any pensioner to whom any pension is payable by the Government out of the Consolidated Fund of the State may nominate any other person (hereinafter referred to as the nominee), who shall receive after the death of the

pensioner. All monies payable to the pension on account of such pension on, before or after the date of such nomination and which remain unpaid immediately before the death of the pensioner [For detailed procedure see Annexure to this chapter.] 1

5.4 Treasury Officer will furnish the Accountant General annually on the 1st September with a list of all retired Government employees of gazetted rank drawing pension from the Treasury whose deaths within the preceding twelve months have come to their notice.

The list should give the following information:

1. Name
2. Service or post
3. Date of death

Note.—Police or some other suitable agency should be made responsible for reporting promptly to the District Officer the death of any civil pensioner and District Officers should enquire immediately into the cause of the non-appearance of any pensioner to draw his pension.

III. BOND OF INDEMNITY FOR DRAWING PENSIONS 2

5.5(a) [Pensioners may make arrangements with their agents to draw their pensions either granting them powers of attorney to enable them to do so, or, leaving their claims duly completed and signed in the agents custody for collection, the agents in their turn giving Government a bond of indemnity as security against any loss in case of over payment.] 2

Note 1.—For life certificates and non-employment certificates to be produced by agent in respect of pensioners see Subsidiary Treasury Rules 4.104 and 4.99.

Note 2.—A Register of Power of Attorney should be maintained by the disbursing Officer in the form prescribed in the Government Securities Manual and all cases in which the power of Attorney has been granted should be recorded therein.

(b) The form of indemnity bond prescribed for use by banks or firms authorised to draw the pensions, is given below. The bond of indemnity must be stamped.

In consideration of our/their being permitted to draw pension of __________ during his absence from the State we/the (______) (here insert the name of bank), hereby engaged to refund to the Government on demand, any overpayment that may be made to us/Them as his agents/agent. 2

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

1. Inserted Vide No. 1/2/95-PR dated 13-12-1984
2. Subs. Vide No. 1/4-PPR/86-SAOFD, Dated 4-3-1986
(d) It is not necessary for 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 (herein after called scheduled banks) may be allowed to execute a general bond in the form given in Appendix-10 to cover the [pensions] of their constituents in general.

Separate bonds must be executed for payments relating to or for persons whose [pensions are debitable to the Central Government and those debitable to a State Government. The applications for such bonds will be dealt with by the Government (Central or State) concerned.

List of agents which have executed general bonds of indemnity is given below. :

List of Banks:
1. The Allahabad Bank Limited.
4. The Bank of Baroda Limited.
5. The Bank of Behar Limited.
8. The Bank of India Limited.
12. The Bank of Patiala.
15. The Chartered Bank Limited.
16. Messrs Cowasjee Dinshaw and Brothers.
17. The Eastern Bank Limited.

1. Subsd. Vide No. 1/4-6/PFR/86-SAOU (FD), dated 4-3-1986
2. Omitted Vide No. 1/4-6/PFR/86-SAOU(FD), dated 4-3-1986.
18. The Hongkong and Shanghai Banking Corporation.
19. The Indian Bank Limited.
20. The Indian Overseas Bank Limited.
22. The Lloyds Bank Limited.
27. The New Bank of India Limited.
28. [Deleted]\[1\]
29. Messrs Parry and Company.
32. [The Haryana State Co-operative Bank Limited.][2]
33. The Punjab National Bank Limited.
34. The Oriental Bank of Commerce Limited.
35. The State Bank of India.
36. The Travancore Bank Limited.
37. The United Bank of India Limited.
38. The United Commercial Bank Limited.
39. The United Industrial Bank Limited.
40. The Viharba Co-operative Bank.
41.
42.
43. The Canara Industrial and Banking Syndicate Ltd.
44. The Bank of Rajasthan Ltd.
45. The Union Bank of India, Ltd.
46. The Bank of Tokio.[3]

Note 1.—The above list includes Scheduled and Exchange Banks in operation in the State and their position will be reviewed by the State Government in consultation with the Registrar of Companies, Haryana at suitable intervals. All these banks will, however, execute a general bond of indemnity.

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1. Deleted Vide No. 1127-7FRJ-65/3704, dated 3-4-1965.
2. Subst. Vide No. 1/4-6/PFR/86-SAO (PD), dated 4-3-1986
3. Added. Vide No. 1127-7/FRI/65/3704 dated 3-4-1965
5.5—5.8] PUNJAB FINANCIAL RULES

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Note 2.—An Advice should be sent to the Accountant-General of any change in the constitution of unincorporated firms which were allowed to execute indemnity bonds prior to 1st April, 1937. When such advice is received in the Account Office a recognition of the existing agreements that have been concluded previous to the change in the partnership will be obtained either by calling for fresh agreements to be executed by the new partnership or by obtaining an acknowledgment from the new partnership that they are bound by the existing agreements of the old partnership or otherwise.

IV—LAST PAY CERTIFICATES

5.6. For the instructions issued by the Comptroller and Auditor-General for the preparation of last pay certificate see Subsidiary Treasury Rule 4.176.

V—FUND AND OTHER DEDUCTION

5.7. (a) The responsibility of drawing officer in the matter of noting the proper deductions, etc., from pay bills on account of provident and other funds is laid down in Subsidiary Treasury Rules 4.17 to 4.19.

(b) [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 rules and orders issued thereunder.]

Note 1.—Sterling overseas pay disbursed in England is under section 18 (2-A) of the Income-tax Act, taxed by deduction at source in India, along with, and imprecisely the same manner as rupee pay actually drawn in India.

Note 2.—Memorandum of instructions issued by the Central Board of Revenue for the guidance of drawing and disbursing officer, for deduction of income tax and super-tax from salaries etc., is reproduced in Appendix II.

VI—TRANSFERS OF PENSIONS

5.8. A copy of an order issued under rule 4.174 of the Subsidiary Treasury Rules permitting the transfer of a pension from a treasury in Haryana to a treasury in some other State should be forwarded to the Accountant General, Haryana. The Collector of the District from which the payment is to be transferred should also return his half of the pension payment order, to the Accountant-General, Haryana who will then address the Accountant-General of the State concerned to arrange for the payment of pension at the treasury at which the payment is desired.

1. Subsd. Vide No. 1/4-6/PFR/86-SAO (FD), dated 4-3-86
VII—ATTACHMENT OF PAY AND ALLOWANCES ETC. FOR DEBT.

(i) PAY AND ALLOWANCES.

5.9 (a) When the pay of a Government employee is attached by an order of a Court of law, it is the duty of the officer receiving the attachment order to see that proper deduction is made in satisfaction of such order from the pay of the employee concerned and shall keep a record of such deduction in form P.F.R. 4-A.

Note.—The extent to which the emoluments of a Government employee are exempt from attachment for debt is laid down in sub-section (1) of section 60 of the Code of Civil Procedure, 1908. An extract of relevant provisions of the section is reproduced in Appendix 12.

(b) The following instructions should be observed in recovering amounts from Government employees on account of attachment orders issued by Courts:

(1) The maximum amount attachable by a Civil Court is to be calculated on the amount earned and not what remains after satisfying any debt due to Government on account of advance taken under rules. Thus if total gross emoluments earned by the Government employee are represented by X and the allowances declared to be exempted from attachment, vide note in Appendix 12 and if, the Government employee is under suspension, any subsistence grant or allowance made to him are represented by Y, the net amount attachable if any, is X-Y-400

(2) Any deduction which may have to be made on account of subscription to provident funds recognised by the Government, taxes on income payable by Government employee and debts due to Government should be made from the non-attachable portion of Government employees' salary.

(3) Recoveries in satisfaction of attachment orders should be made in the order in which they are received and should be made by the head of office.

Note 1.—The cost, if any of remittance, to a court, of money under its attachment order shall be deducted from the amount realised and the net remitted to the court.

Note 2.—In cases in which a judgement debtor does not sign the acquittance roll and intentionally allows his pay to remain undisbursed in order to evade payment on account of an attachment order issued by a court of law, the head of office may draw the pay and remit the proceeds and remit the amount to the court concerned.

The amount drawn as above be treated in the accounts in the same day as leave salary, or pay drawn by the Government employee concerned the particulars of the attachment order being cited, in the pay bill or acquittance roll as the case may be, as an authority from the charge and the courts receipt for the amount shall be filed with the attachment register or such other suitable record as may be kept by the drawing officer.
When a Government employee is adjudged insolvent the attachable portion of his salary vests in the court that passed the order of insolvency or the receiver appointed by the Court. The amounts which have been under attachment in execution of decrees against the insolvent shall, after the order of the insolvency, vest in the court that passed the order or the receiver, as the case may be. The attached amount instead of being sent to various courts which issued the orders of attachment, shall be sent to the insolvency court or the Receiver, as the case may be, for prorata distribution among all the creditors of the insolvent Government employee.

[Recoveries from the salary of Government employees on account of dues to the Co-operative Societies, registered under the various Co-operative Societies Act, when such Acts impose a statutory obligation on the Government to make such deduction, shall be made by the drawing and disbursing officers in accordance with the procedure as laid down by Government from time to time.]

(ii) PENSIONS

5.10 The liability of pension to attachment by a Civil Court is regulated by section 11 of Act XXIII of 1871, which runs as follows:

"No pension granted or continued by Government on political considerations, or on account of past services or present infirmities or as a compassionate allowance, and no money due or to become due, on account of any such pension or allowance, shall be liable to seizure; attachment or sequestration by process of any court in India at the instance of a creditor for any demand against the pensioner, or in satisfaction of a decree or order of any such court."

VIII—PROCEDURE FOR ISSUE OF PAY, ETC., TO MEMBERS OF THE AUXILIARY FORCE UNITS ON CALLING OUT OR EMBODIMENT.

5.11. The issue of pay, etc. of civilian Government employees who are members of the Auxiliary Force (India) Units, when called out or embodied under section 18 of the Auxiliary Force Act, is regulated by the Instructions laid down in paragraph 255 of the Regulations for the Auxiliary Force, India 1933 (reproduced in Appendix 13).

IX—COMMUNICATION TO AUDIT OF THE ORDERS AFFECTING PAY, ETC.

5.12. (a) [Orders of posting of Gazetted employees, should be communicated to the Accountant-General by the competent authorities]

1. Subsd vide Not. Dt. 16-1-1964 and again vide dt. 22-12-1964 and further vide No. 1/4-5/PPR/85-SAO (FD). dated 4-3-1986

2. Subsd. vide 1/4-5/PPR/86-SAO (FD), dated 4-3-86
(b) Changes in the personnel of subordinate establishments and in their
emoluments should be indicated in pay bills and absence statement by the
authorities preparing those documents, who are responsible that orders of
competent authority are obtained in each case as required by the rules. Orders
of a special nature authorising the grant to a non-gazetted Government em-
ployee (or ordering the discontinuance) of any increase in the emoluments or
otherwise affecting the emoluments admissible to him against the sanctioned
pay of the appointment which he holds should, however, be communicated to
the Audit Office by letter.

(c) All orders revising sanctioned scales or sanctioning the creation or
abolition of permanent or temporary posts should at once be communicated
by letter to the Accountant-General.

X—TRANSFER OF CHARGE

5.13. In the transfer of charge, the following points should be observed:

(1) The cash book (or where no cash book is maintained, acquittance
rolls), contingent register and imprest account should be closed on
the date of transfer and a note recorded in it over the signature of
both the relieved and relieving Government employees, showing the
cash and imprest balances, and the number of unused cheques, if
any, made over and received in transfer by them, respectively.

(2) The relieving Government employee in reporting that the transfer has
been completed should bring to notice anything irregular or objec-
tionable in the conduct of business that may have come officially to
his notice. He should examine the accounts, count the cash, inspect
the stores, count, weigh and measure certain selected articles in
order to test the accuracy of the returns. He should also describe
the state of the records.

(3) In the case of any sudden casualty occurring or an emergent necessity
arising for a Government employee to quit his charge, the next senior
Government employee of the department present will take charge.
When the person who takes charge is not a gazetted Government
employee he must at once report the circumstances to his nearest
departmental superior and obtain orders as to the cash in hand,
if any.

(4) See also rule 5.49 of the Punjab Civil Services Rules, Volume I.
Part I, for the certificate in respect of occupation of Government
buildings used as residences.