

GOVERNMENT OF THE HARYANA

FINANCE DEPARTMENT

Financial Hand Book No. 1

THE PUNJAB TREASURY RULES

AND

Subsidiary Treasury Rules issued there-
under (including Instructions and
Orders relating to Coin,
Currency etc.)



(Volume I)
(Main Rules)
Reprint Edition 1985

CHANDIGARH :
Printed by the Controller of Printing & Stationery, Haryana.

PREFACE

This edition contains the Treasury Rules issued by the Governor, in exercise of the powers conferred by clause (2) of Article 283 of the Constitution of India *vide* Punjab Government Finance Department Gazette notification No. G.S.R.-116/Art-283/Const/63, dated the 10th May, 1963, and the Subsidiary Treasury Rules issued thereunder by the Finance Minister, in consultation with the Accountant-General, Haryana, or the Reserve Bank of India, as the case may be, as also the instructions and orders relating to coin, currency, etc.

2. The rules in this edition are based mainly on the existing rules and orders contained in Treasury Rules (Punjab) and Subsidiary Treasury Rules issued thereunder, First Edition, 1939, as amended from time to time. The application of these rules has also been extended to the territories which, immediately before the 1st November, 1956, were comprised in the State of Patiala and East Punjab Union,—*vide* Punjab Government Notification No. S.O. 184-Const./Art-283/62, dated the 24th July, 1962, circulated with F.D. endorsement No. 6394 (7)-FRI-62/7630 of even date.

3. The main features of the revised edition are as follows :—

- (i) All the correction slips issued to the first edition before partition, and also correction slips Nos. 1 to 115 issued after partition and First Amendment, 1962 have been incorporated in this edition.
- (ii) Certain Treasury Rules and Subsidiary Treasury Rules, which were inconsistent with the provisions of the Constitution of India have been modified.
- (iii) Necessary changes consequent on the transfer of control of treasuries from Financial Commissioners to Finance Secretary (T & A Branch) have been carried out.
- (iv) Changes consequent on the introduction of Decimal Coinage System and Metric System of Weights and Measures have been carried out.
- (v) The various forms in the first edition have been revised, where necessary.

(vi) The revised edition is being published in two volumes—Volume I contains the main Treasury Rules and the Subsidiary Treasury Rules, While Volume II contains Appendices and Forms.

4. Officers, who notice any errors or omissions in these rules, are requested to please bring them to the notice of the Head of their Departments, who will submit suitable proposals to the Finance Department through the Administrative Department concerned, in case there is any real error or omission requiring amendment.

SAPURAN SINGH,
Secretary to Government, Punjab,
Finance Department.

PREFACE TO FIRST EDITION (REPRINT)

This edition brings the compilation up-to-date. It incorporates all the amendments from 1963 to September 1985 issued to the first edition and is printed to meet further demand for copies of the Rules.

2. An attempt has been made to indicate briefly in footnotes the dates of effect of changes in the Rules.
3. 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.

M. C. GUPTA

Financial Commissioner & Secretary to Govt. Haryana,
Finance Department.

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HARYANA GOVERNMENT

FINANCE DEPARTMENT

(Regulation)

CORRIGENDUM

In the Punjab Treasury Rules Volume I, Reprint, Edition 1985 (amended upto Sept. 1985), the following corrections may please be carried out :—

Sr. No.	Page No.	Rules No.	Reference to the error/ Omission	Incorrect	Correct
1	2	3	4	5	6
1.	2	PREFACE	3rd line	While	While
2.		PREFACE TO FIRST EDITION (REPRINT)	6th line	of	or
3.	9	15 a(ii) (2)	put ' , ' instead of ' . ' at the end		
4.	10	15 (a) (v)	1st line	In	in
5.	10	15 (a) (v)	last line put ' , ' instead of ' . '		
6.	10	15 (a) (vi)	2nd line put ' , ' instead of ' . '		
7.	11	Under Rule 16 (iv)	2nd line	Punjab	Haryana
8.	13	Exception (iii) below Rule 22	5th line	enable	unable
9.	14	Exception below Rule 23	5th line	Punjab	Haryana
10.	14	Foot note below rule 27	1st line	Section VI	Section VII
11.	17	2nd para below rule 35	4th line	like wise	like-wise
12.	20	Rule 1.3.	1st line	13	1.3
13.	22	Clause (1) (c) below rule 1.5	11th line	indispensible	indispensable
14.	22	-do-	-do-	examine	examinee
15.	24	Clause (2) below rule 1.6	3rd line	put (.) after word authority.	
16.	26	Note 2 below rule 1.9	1st line	Fote 2	Note 2
17.	26	-do-	2nd line	word "be" shall be inserted between words 'shall' & 'signed'.	
18.	26	Rule 1.10 in 2nd para	1st line	55	5.5
19.	33	Note below Rule 1.21	1st line	rules	rule
20.	35	Rule 1.23-A	2nd line	occcation	Occasion
21.	35	Para 2nd below rule 1.23-A	6th line	put (,) after word "Circumstances".	
22.	35	-do-	9th line	for	far
23.	38	clause (1) (b) below rule 2.1	1st line	contractots	contractors
24.	40	Rule 2-3	12th line	amonnt	amount
25.	41	Note 2 below rule 2.5	6th line	ar	are
26.	43	(1) of Note below rule 2.7	1st line	suplied	supplied
27.	43	(2) of Note below rule 2.7	3rd line	Press books	Pass-books
28.	43	(9) of Note below rule 2.7	2nd line	an	a

1	2	3	4	5	6
29.	43	(10) of Note below rule 2.7	1st line	case	cash
30.	44	clause 1 below rule 2.8	4th line	tenders	tenderers
31.	44	-do-	8th line	alredy	already
32.	44	clause 4 below rule 2.8	1st line 2nd line 3rd line	cas bac th	cash back the
33.	45	clause 6 below rule 2.8	1st line	No.	No
34.	47	clause (3) below rule 2.10	2nd line	possibl	possible
35.	48	clause (4) below rule 2.10	4th line	omit the word "the" after the word "and"	
36.	48	Rule 2.12	5th line	the with	with the
37.	49	Foot note below rule 2.14	1st line 3rd line	prodne regulate	produce regulated
38.	50	Rule 2.16 A	2nd line	Lard	Land
39.	51	Exception 3 of rule 2.19	5th line	through- out	through
40.	51	Rule 2.20	10th line	credit	credited
41.	51	Rule 2.20	11th line	the payer	to the payer
42.	51	Rule 2.20	18th line	put ' ; ' after	the word collector
43.	52	Exception 2 below rule 2.20	11th line	put ' . ' after the word 'be'	
44.	52	Note 2 below exception 2 of rule 2.20	2nd line	lirect	direct
45.	52	-do-	4th line	in to	into
46.	52	para 3rd of rule 2.21	4th line	persentation	presentation
47.	55	note under rule 3.3	1st line	omit (.) after the word 'not'	
48.	55	Rule 3.5	8th line	nditions	conditions
49.	57	Note 2 below rule 3.6	2nd line	locide	decide
50.	58	Foot note below rule 3.7	1st line 2nd line	officer mar be	office may be
51.	58	Rule 3.10	2nd line	to	two
52.	60	Note 1 of clause (b) below rule 3.13	2nd line	Dist-ict	District
53.	61	2nd para below rule 3.14	3rd line	weighted	weighed
54.	62	2nd para below rule 3.17	1st line	hold	holds
55.	65	2nd para of Note 2 below rule 4.3	line line	supplier Payees	suppliers payee's
56.	67	Note below rule 4.5	2nd line	separate	separate
57.	71	Note (1) below rule 4.7 (1)-	2nd line	nameand	name and
58.	71	Note (2) below rule 4.7 (1)	5th line	Insert word "Execution Engineer between words "Superintending Engineer" and "and Sub Divisional officer."	

1	2	3	4	5	6
59.	72	Clause (1) (j) below rule 4.7	1st line	d-deduction	deductions
60.	72	clause (1) (k) below rule 4.7	3rd line	Put (,) after word "Voucher"	
61.	76	Clause (1) below rule 4.10	2nd line	Pensioner	Pensioners
62.	76	clause (2) below rule 4.10	5th line	xact	exact
63.	80	(4) of Note below rule 4.16	1st line	papable	payable
64.	91	clause (2) below rule 4.35	1st line	compotent	competent
65.	94	Note (1) below rule 4.38	1st line	employees	employee
66.	96	Rule 4.48	5th line	treasury	Treasury
67.	100	Rule 4.57	6th line	toekn	token
68.	102	clause (3) below rule 4.59	3rd line	berifly	briefly
69.	105	Rule 4.66	last line	teasury	Treasury
70.	107	Rule 4.78	5th line	advice	advise
71.	109	Rule 4.87	3rd line	officer	officers
72.	109	-do-	16th line	Subsequently	subsequently
73.	112	Rule 4.92-A	5th line	attention	attestation
74.	113	Rule 4.93	3rd line	Pension	Pensioner
75.	116	Rule 4.98-A	5th line	Payments	Payment
76.	118	Note below rule 4.99	2nd line	latter	later
77.	119	clause (2) of rule 4.101	4th line	Altee	After
78.	122	Rule 4.103	4th line	a women	a woman
79.	125	clause (d) of rule 4.105	1st line	exislence	existence
80.	129	Rule 4.113	6th line	Omit full stop after word loanee.	
81.	131	Clause (e) of rule 4.117	4th line	Treasury Office	Treasury Officer
82.	132	clause (b) (iii) of rule 4.118	5th line	Omit 'comma' named	after the word
83.	136	Rule 4.127	5th line	toheing	touching
84.	136	Title above rule 4.128		(a) Revenue Depots	(a) Revenue Deposits
85.	139	Title above rule 4.132		Persona Deposits	Personal Deposits
86.	139	Note below Rule 4.132	3rd line 2nd line	eave Chequest gazetted officer	leave Cheques Gazetted Officer
87.	139	Rule 4.133	1st line	tahsil	Tahsil
88.	140	Rule 4.135	1st line	obtin	Obtain
89.	140	Rule 4.136	8th line	tresury	treasury
90.	141	clause 1(a) below rule 4.140	6th line	if	of
91.	141	Rule 4.139	1st line	insert 'be' after word 'should not'	
92.	141	clause (b) below rule 4.140	4th line	for a which	far which a
93.	142	Rule 4.142	4th line	obtain	obtained
94.	142	Rule 4.145	1st line	disbursment	disbursements
95.	143	clause (1) below rule 4.146	4th line	subscribers	subscriber

1	2	3	4	5	6
96	144	Note (2) below rule 4.146	11th line	drawn	drawal
97	144	Note (3) —do—	1st line	finds	funds
98	144	Rule 4.147	10th line. 1st para	inclusion	inclusion
99	145	Sub clause 2 below clause (a) of rule 4.147	5th line	objection	objections
100	147	Note 2 (d) below rule 4.152	6th line 2nd line	his form or then	this form for men
101	148	clause (a) below rule 4.153	3rd line	an use	in use
102	151	clause (b) below rule 4.158	1st line	or	on
103	152	Rule 4.162	5th line	and order	an order
104	154	Note below rule 4.170	2nd line	devises	devices
105	156	Note below rule 4.174	6th line	the	he
106	157	Rule 4.176	3rd line	Insert word 'of' after word 'case'	
107	157	Rule 4.178	1st line 3rd line	doubtfull	doubtful
108	157	Rule 4.179	2nd line	therefore	therefor
109	160	Note 1 below rule 5.5	1st line 2nd line	take insert word 'of' after word from	takes first
110	160	Note 2 —do—	6th line	teach	reach
111	160	Note 3 —do—	f 2nd line	Certificates	Certificate
112	162	Rule 5.12	6th line	to	two
113	169	Note 2 below rule 5.27	2nd line	rule is	rules
114	171	Note below clause (b) of rule 5.38	1st line	fo	for
115	171	Rule 5.38 (a)	3rd line	treasures	treasure
116	175	clause (c) of rules 5.43	4th line	Treasures	Treasurer
117	180	Rule 5.49	3rd line	substituce	Substitute
118	187	clause (i) below rule 5.63	3rd line	Untill	until
119	187	clause (j) —do—	8th line	or	of
120	189	Note 5 below rule 6.1	3rd line	and	{ an
121	191	clause (2) 2 below rule 6.2		Put (.) after word 'voucher' in 2nd line and omit (.) after the word Disbursing in 5th line.	
122	192 & 193	Rule 7.3 & 7.4		The word 'The' be omitted when ever occurred before the word 'Haryana' in Section II & III	
123	194	Rule 8.1	8th line	chest	chests
124	194	clause (a) below rule 8.2	last line	Indi	India
125	196	clause (c) below rule 8.5	2nd line	Insert word 'whose' before word 'business'	
126	vi	of under heading Index 'F'	1st line	between	between
127	xvii	'T'		Treasury officer (s)	Treasury Officer (s)
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PART I

THE PUNJAB TREASURY RULES

INTRODUCTION

The Governor of Punjab is pleased to issue the following rules under Article 283(2) of the Constitution of India.

SECTION I—SHORT TITLE AND COMMENCEMENT

1. These rules may be called "The Punjab Treasury Rules". They shall come into force at once.

SECTION II—DEFINITIONS

2. In these rules, unless the context otherwise requires—

- (a) "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 any nationalised bank acting as the agent of the Reserve Bank of India in accordance with the provisions of the Reserve Bank of India Act, 1934 (Act II of 1934);
- (b) "Comptroller and Auditor-General" means the Comptroller and Auditor-General of India ;
- (c) "Constitution" means the Constitution of India ;
- (d) "Collector" means the Chief Officer of the revenue administration of a district and includes any other officer for the time being authorised by Government to discharge the duties of the Collector for the purpose of these rules ;
- (e) "Consolidated Fund of the State" means 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 the Government in repayment of loans are credited, and from which the expenditure of the State, when authorised by the Legislature, is met ;
- (f) "Contingency Fund of the State" means the fund, in the nature of an imprest, into which shall be paid from time to time such sums as may be de-

*Notification No. 3/1 (13)-80-2FR11 Dated 24-2-81.

terminated by law to enable the Governor of Punjab to make advances out of such fund for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature by law ;

- (g) "Finance Minister" means the Minister to whom the business of finance is allocated by the Governor, by whatsoever designation such person may be called ;
- (h) "Indian Audit and Accounts Department" means the officers and establishment, being in India and subordinate to Comptroller and Auditor-General of India, that are employed upon the audit or upon the keeping and audit of the accounts of the Union and of the States or upon one or other of these duties ;
- (i) "Public Account of the State" 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 moneys raised or received by the Government of the State, should also be paid into the Public Account of the State"

- (j) "Reserve Bank" means the Reserve Bank of India ;
- (k) "State Accountant-General" means the head of an office of Accounts and Audit or of Accounts subordinate to the Comptroller and Auditor General of India, who keeps the accounts of the Punjab State and exercises audit functions in relation to these accounts on behalf of the Comptroller and Auditor-General of India ;
- (l) "State and Government" mean respectively the State and the Government of Haryana ;
- (m) "Treasury" means any treasury of the State Government and includes a sub-treasury.

SECTION III—LOCATION OF MONEYS STANDING IN THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT OF THE STATE

3. Subject to the Provisions of sub-rule (2) of rule 7 and rule 9, moneys standing in the Consolidated Fund,

the Contingency Fund and the Public Account of the Haryana Government must either be held in a treasury or in the Bank. Moneys deposited in the Bank shall be held in the books of the Bank on behalf of the State Government.

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

Note.—The agreement with the Bank is printed as Appendix A to volume II of these rules.

SECTION IV—GENERAL SYSTEM OF CONTROL OVER TREASURY

(i) DISTRICT TREASURIES

4. (1) Unless the Government in the Finance Department after consultation with the State Accountant-General, otherwise direct in any special case, there shall be a treasury in every district. If moneys standing in the Consolidated Fund, the Contingency Fund, and the Public Account of the State are, in any district, not deposited in the bank, the treasury of that district shall be divided into two departments; a department of accounts, under the charge of an Accountant (now designated as Assistant Superintendent, Treasury) and a department of cash, stamps and opium under the charge of a Treasurer.

Subject as hereinafter provided in this rule, the general procedure of, and conduct of business, in a district treasury shall be such as may be defined in accordance with such rules as the Finance Minister may approve after consultation with the Accountant-General.

(2) The Treasury shall be under the general charge of the Treasury Officer but the over-all supervision will be that of Collector. The Treasury Officer shall be responsible for the proper observance of the procedure prescribed by or under these rules and for the punctual submission of all returns required from the Treasury by the Government, the Accountant-General and the Reserve Bank.

Note. 1.—The Treasury Officer will be in charge of the Treasury and Sub-Treasury under him. A report indicating the cash balance taken over by him will be submitted by the Treasury Officer and not by the Collector under advice to the Finance Secretary, under whose administrative control the Treasury Officer will function.

Note. 2.—It will be the duty of the Treasury Officer instead of the Collector to satisfy himself that the register of valuable and other records are kept up-to-date according to rules.

Note. 3.—The sub-treasuries will function under the charge of Tahsilidar/Nub-Tehildar except that in regard to the treasury matters they would receive instructions from Finance Department/Treasury Officers. The Sub-Treasuries where the Assistant Treasury Officers are posted, will function under the direct control of the Treasury Officer.

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

(4) When a new Treasury Officer is appointed to a District, he shall at once report his appointment to the Accountant-General, and certify to the Accountant-General the amount of the cash balance, if any, which he has taken over. The certificate shall be submitted in such form and after such verification as the Finance Minister may after consultation with the Accountant-General, prescribe.

(See also Subsidiary Treasury Rule 5.5 for the submission of the monthly cash balance report to the Currency Officer.)

(5) No portion of the responsibility for the proper management and working of treasuries shall devolve upon the officers of the Indian Audit and Accounts Department.

(6) The Collector shall report immediately to the Accountant-General, Haryana any serious irregularity in the treasury, accounts, defalcation, loss of public money, departmental revenue or receipts, stamps, opium, stores or other property discovered in the treasury even when such loss has been made good by person or persons responsible for it.

(For the rules issued under this rule see section I of the Subsidiary Treasury Rules—Part II of this Hand-book).

(ii) SUB-TREASURIES

5. If the requirements of the public business necessitate the establishment of one or more sub-treasuries under a district treasury, the arrangements for the administration thereof and for the proper conduct of business therein shall be such as may be prescribed by Finance Department after consultation with the Accountant-General. The daily accounts of receipts and payments of moneys at a sub-treasury shall be included in the accounts of the district treasury.

(For the rules issued under these rules, see Section II of Chapter I of the Subsidiary Treasury Rules—Part II of this Hand-book.)

(iii) OFFICE OF THE ACCOUNTANT-GENERAL

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

SECTION V—PAYMENT OF REVENUES FOR PUBLIC MONEYS RAISED OR RECEIVED BY THE STATE GOVERNMENT INTO THE CONSOLIDATED FUND, AND OTHER PUBLIC MONEYS INTO THE PUBLIC ACCOUNT

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

Note 1.—The staff employed in the Department of Agriculture when not posted at, or not touring, through the headquarters of treasuries and sub-treasuries, is permitted to credit into the treasury, such Government income as they may receive in the course of their normal duties once a week, or earlier if the amount in hand exceeds Rs. 100, on the understanding that proper steps are taken by the Heads of Offices concerned for the safe custody of all such income until paid into the treasury and subject to the further condition that a security of Rs. 150 is furnished by the officials responsible for crediting the amount into the treasury.

This rule will apply to those offices of the Agriculture Department as are situated at a distance of more than 5 kms from the treasury headquarters. In other cases, the general rule that all cash receipts should be deposited into the treasury or bank immediately after receipt, will apply.

Note 2.—The Dental Surgeon and Superintendent, Haryana Dental Hospital are permitted to credit the receipts of the Haryana Dental Hospital into the Treasury once a week, or earlier if the amount in hand exceeds Rs 100, on the understanding that proper steps are taken by them for the safe custody of such receipts until paid into the treasury.

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

- (a) In the case of moneys received on account of the service of summonses, diet money of witnesses

and similar purposes in Civil, Revenue and Criminal cases ;

- (b) In the case of deposits received at a Civil Court and utilised by the Court to meet claims for refund of such deposits ;
- (c) In the case of fees received by Government servants appointed Notaries Public under Notaries Act, 1952, Parliament Act No. 53 of 1952 and utilised to defray legal expenses incurred by them in the discharge of their duties as such Notaries Public ;
- (d) In the case of the Public Works Department to permit the use under departmental regulations of cash receipts temporarily for current works expenditure, or in very exceptional cases, for disbursement of pay and travelling allowance charges, where this course has been authorised by the Accountant-General to prevent any abnormal delay in payment ;
- (e) In the case of cash received by the Forest Department and utilised in meeting immediate local expenditure ;
- (f) In the case of cash found on the persons of prisoners at the time of their admission to jail and used for repayment by Jail Superintendents under Departmental regulations of similar sums due to other prisoners on their release ;
- (g) In the case of moneys received from students on account of lost library books and utilised for the purchase of other books for the library ;
- (h) For replacement of apparatus damaged by students under training out of their caution money ;
- (i) In the case of receipts, realised under section 12 of the Cattle Trespass Act, 1871, and utilised for payment and refunds due to owners of Cattle under section 17 of the same Act ;
- (j) In the case of receipts on account of the market value of green fodder given to bullocks out of the farm produce of the Government Educational Institutions;
- (k) In the case of Land Revenue assignments paid by Lambardars to assignees direct from the collection

of Land Revenue when such payment is to be made under the provisions of Rules 52 and 55 of the Land Revenue Rules ;

- (1) In the case of remittances received from local bodies and other institutions entitled to purchase stationery against cash payments, which are to be returned to them by the State Stationery Office as being too late for supplies being made within a financial year;

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

8. All moneys received by or deposited with a Government servant in his official capacity, other than revenues of public moneys raised or received by the Government of the State, shall be paid into the Public Account of the State.

[For orders issued by Government on this subject, see Section I of Chapter II of the Subsidiary Treasury Rules—Part II of this Hand Book].

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

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

[For orders issued by Government on this subject see Section II of Chapter II of the Subsidiary Treasury Rules—Part II of this Hand Book].

10. The procedure to be adopted by Government servants or other authorised Collecting agencies in receiving moneys on behalf of the State granting receipts for such moneys and paying them into the Consolidated Fund or the Public Account of the State and by the treasury and the Bank in receiving such moneys and granting receipts for them shall be such as may be prescribed by the Finance Minister after consultation with the Accountant-General.

The procedure so prescribed, shall among other matters, contain provisions so as to secure that—

- (i) any person paying money into the treasury or the Bank on Government account shall present with it a memorandum (challan) in such form as may be prescribed, showing distinctly the nature of the payment, the person or Government servant on whose account it is made and all the information necessary for the preparation of the proper account, classification of the credit and where necessary for its allocation between Governments and Departments concerned. As far as possible, separate challans shall be used for moneys creditable to different heads of accounts;
- (ii) At places where the money is to be deposited in the Bank, the memorandum or challan referred to in clause (i) above shall, except where otherwise provided, be presented to the Treasury Officer who shall endorse it with an order to the Bank to receive the money and to grant a receipt ;
- (iii) If a cheque or a demand draft on a bank is accepted in payment of Government dues under any rules, a receipt for the actual cheque or a demand draft only shall be given in the first instance but the formal receipt for payment shall not be delivered until the cheque has been cleared ; and
- (iv) At places where the money is to be deposited in the Bank, the advices of receipts, which, according to any provision made under this rule, have to be sent to public officers or departments and consolidated receipts or certificates of receipts required by any such provision to be given to any public officer of department shall be given by the treasury and not by the Bank.

[The procedure prescribed under this rule for the payment of moneys in the Consolidated Fund of the State, is detailed in Section III of Chapter II of the Subsidiary Treasury Rules—Part II of this Hand Book].

SECTION VI—CUSTODY OF MONEYS RELATING TO OR STANDING IN THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT

11. (1) The procedure for the safe custody of moneys

in the hands of Government servants, or held in a treasury shall be as prescribed by the Finance Minister, after consultation with the Accountant-General, Haryana.

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

[The procedure prescribed under this rule by the Finance Minister after consultation with the Accountant-General, Haryana, is detailed in Chapter III of the Subsidiary Treasury Rules, Part II of this Hand Book.

SECTION VII—WITHDRAWAL OF MONEYS FROM THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT

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

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

14. The Accountant-General may permit withdrawal for any purpose.

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

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

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

(1) other Government servants, or

(2) private parties.

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

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

(v) In the case of a Government Officer or authority empowered to make investments of moneys standing in the Consolidated Fund, the Contingency Fund and the Public Account of the State, for the purpose of such investments.

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

**Note.* The term 'grants-in-aid, contributions, etc.', includes such classes of expenditure as grants to local bodies, religious, charitable or educational institutions, contributions to public exhibitions and fairs, expenditure from the discretionary grants and compensation to Government servants both Gazetted and Non-Gazetted, for accidental losses, etc.;

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

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

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

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

(ii) that where sub-treasuries are specially permitted by the Government to cash certain classes

of bills or cheques without reference to the Treasury Officer, the payment of such bills or cheques shall not, except under special arrangements and on particular occasions, be allowed at the district treasury also ;

- iii) that all bills and vouchers, on which payment is made by the Treasury Officer or which are en faced by him for payment at the Bank or a Sub-treasury, shall show in full detail to what head of account the payment and recoveries are to be debited or credited, how the amount of the bill is to be allocated between Governments or departments, and what amounts if any, appertain to the revenues of Union Government ;
- (iv) that full details of each item included in a bill are given unless otherwise expressly authorised by Government in any specified case after consultation with the Accountant-General. It will, however, not be necessary to give full details of secret service expenditure.

[For the instructions and orders issued under this rule by the Finance Minister after consultation with the Accountant-General, Punjab, see Section I of Chapter IV of the Subsidiary Treasury Rules—Part II of this Hand Book.]

17. A Treasury Officer has no general authority to make payments on demands presented at the treasury, his authority being strictly limited to the making of payments authorised by or under these rules. If a demand of any kind is presented at a treasury for payment which is not authorised by or under these rules, or is not covered by a special order received from the Accountant-General, the Treasury Officer shall decline payment for want of authority. A Treasury Officer has no authority to act under an order of Government sanctioning a payment, unless the order is an express order to him to make the payment ; and even such special orders should, in the absence of urgency, be sent through the Accountant-General.

[For further orders issued by Government under this rule, see Section II of Chapter IV of the Subsidiary Treasury Rules—Part II of this Hand Book.]

18. A Treasury Officer shall not honour a claim which he considers to be disputable. He shall require the claimant to refer it to the Accountant-General, the head of the Department or other responsible officer concerned, as the case may be.

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

In case of doubt as to the district in which a particular claim has arisen the decision of the Government shall be final.

[For the orders issued by the Government authorising payments in a district, other than the district in which the claim arises see Section III of Chapter IV of the Subsidiary Treasury Rules Part-II of this Hand Book.]

20. Subject to any orders or procedure that may be prescribed by the Government in the case of a gazetted Government servant and in the departmental regulations in the case of non-gazetted Government servant, the leave salary of a Government servant when payable in India, shall be drawn from the treasury or office of disbursement from which his pay was being drawn immediately before proceeding on leave and the Government servant must make his own arrangements, where necessary, for getting his leave-salary remitted to him. In a case where a period of leave is followed by transfer, such portion of the leave salary as could not be drawn at the old station may, however, be drawn at the treasury or office of disbursement, from which the pay in respect of the new post is drawn.

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

[For orders issued by Government under this rule, see Section IV of Chapter IV of Subsidiary Treasury Rules—Part II of this Hand Book.]

22. No withdrawal shall be permitted in order to meet the pay, leave-salary or allowances of a Gazetted Government servant, or a reward or honorarium payable to a Gazetted Government servant, or any pension until the Accountant-General has intimated to the Treasury Officer the rate at which payment shall be made; provided that the Government may, for special reasons and with the concurrence of the Accountant-General, waive the provisions of this rule.

Exception. (i) Claims to pay, travelling allowance and other allowances and honoraria in respect of the N.C.C. Officers shall be drawn on establishment bill forms by the Officers Commanding N.C.C. Units concerned and the Troop Commander without any authority from the Accountant General, Haryana. The claims of Officers who hold Gazetted

civil posts shall, however, be drawn separately from those who hold non-gazetted civil posts.

**Exception (ii)* Honorarium of an occasional nature payable to a gazetted officer by Government may be paid on the spot by the head of office for which the service entitling the former to the honorarium is rendered. For this purpose, the head of office will draw the amount by presenting a bill in the form of a simple receipt on the basis of the sanction accorded by the authority competent to sanction the payment of honorarium and disburse the amount to the payees concerned, a proper receipt, duly stamped where necessary, being taken in each case. The voucher should bear a clear indication that it relates to payments to Gazetted Officers and should include in the Gazetted Schedule of payments by the Treasury Officer for purposes of audit. The head of office paying honorarium should also inform the disbursing officer from whom the gazetted officer normally draws his regular monthly pay and allowances about the fact of payment having been made to the gazetted officer and the latter on receipt of such an intimation, will take this fact of payment into consideration in determining the amount of the income tax to be deducted at source from the salary of the Gazetted Officer in question.

**Exception (iii)* Heads of offices may grant advances of pay equal to a month's pay, which should be payable for a total period of two months to such gazetted officers, who, on account of procedural formalities involved in getting sanction from the appropriate authorities, are unable to draw their regular salary and allowance either on their initial appointment or on transfer to a new station or district. These advances are inclusive of advances payable under the 10.25 (a) and (b) of the Punjab Financial Rules, Volume I.

23. No withdrawal shall be permitted on a claim for the first of any series of payments in a district of pay or allowances to a Government servant other than a person newly appointed to Government service unless the claim is supported by a last pay certificate in such form as may be prescribed by the Comptroller and Auditor-General. A Treasury Officer may not permit any withdrawal in respect of pay or allowances of a Government servant to whom he has granted a last pay certificate, unless the certificate is first surrendered.

Exception.—In the case of compensatory allowance bills of the Members of the Haryana Vidhan Sabha and the Punjab Legislative Council, the production of a last pay certificate under this rule may be dispensed with, provided a certificate duly countersigned by the Secretary, Punjab Vidhan Sabha/ Assistant Secretary, Punjab Legislative Council, is recorded by the Members concerned to the effect that no payment has already been obtained by him on that account.

[For the rules regarding the form and preparation of last-pay certificates prescribed by the Auditor-General see Section V of Chapter IV of the Subsidiary Treasury Rules—Part II of this Hand Book.]

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

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

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

He should also report to the Accountant-General such arithmetical inaccuracy if it is suspected of involving frauds, etc.

[For further instructions issued by Government on this subject, see Section VI of Chapter IV of S. T. R. Part II of this Hand Book.]

27. A Collector may, in circumstances of urgency, by an order in writing authorise and require a Treasury Officer to make a payment, not being a payment of pension, without complying with the provisions of these rules. In any such case, the Collector shall at once forward a copy of his orders and a statement of the circumstances requiring it, and the Treasury Officer shall at once report the payment, to the Accountant-General and the Government.

[For instances of urgent necessity, see Section VI of Chapter IV of the Subsidiary Treasury Rules—Part II of this Hand book.]

28. A Government servant who is authorised to draw moneys by means of cheques shall notify to the Bank or the Treasury, upon which he draws, the number of each

cheque book brought into use and the number of cheques it contains.

[See also section VIII of Chapter IV of the Subsidiary Treasury Rules—Part II of this Hand-Book.]

29. When a Government servant who is authorised to draw or countersign cheques or bills payable at the treasury or the Bank makes over charge of his office to another, he shall send a specimen of the relieving Government servant's signature to the Treasury Officer or the Bank, as the case may be.

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

SECTION VIII—TRANSFER OF MONEYS STANDING IN THE CONSOLIDATED FUND, THE CONTINGENCY FUND AND THE PUBLIC ACCOUNT

30. The transfer of Government moneys from one treasury to another and between the currency chest balance and treasury balance of a treasury, and between a treasury and the Bank, shall be governed by such instructions, as may be issued in this behalf by the Finance Minister, after consultation with the Reserve Bank of India. The transfer of moneys from or to a small Coin Depot to or from a treasury under the control of the Government of the State shall be governed by instructions issued by the President in this behalf.

[For instructions issued under this rule by the Finance Minister after consultation with the Reserve Bank of India see Chapter V of the Subsidiary Treasury Rules—Part II of this Book.]

SECTION IX—RESPONSIBILITY FOR MONEYS WITHDRAWN

31. If a Treasury Officer receives intimation from the Accountant-General that moneys have been incorrectly withdrawn and that a certain sum should be recovered from a drawing officer, he shall effect the recovery without delay and without regard to any correspondence undertaken or contemplated with reference to the retrenchment order; and the drawing officer shall without delay repay the sum in such manner as the Accountant-General may direct.

[For other instructions on this subject, see Section I of Chapter VI of the Subsidiary Treasury Rules—Part II of this Hand book.]

32. (a) Subject as hereinafter provided in this rule, the procedure to be observed by a Government servant in regard to the disposal of moneys withdrawn from the Consolidated Fund, Contingency Fund and the Public Account of the State,

for expenditure shall be such as may be prescribed by the Finance Minister, after consultation with the Accountant-General.

(b) A Government servant supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the Accountant-General. He shall also be responsible for seeing that payments are made to persons entitled to receive them.

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

[See also section II of Chapter VI of the Subsidiary Treasury Rules-Part II of this Hand Book.]

SECTION X—INTER-GOVERNMENT TRANSACTIONS

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

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

(3) All the adjustments against the balance of the State by debit or credit to another Government shall be made through the Central Accounts Section of the Bank.

[An extract from the order issued by the Comptroller and Auditor-General of India is given in section I of Chapter VII of the Subsidiary Treasury Rules-Part II of this Hand book.]

34. Where such a course is authorised in consequence of a delegation of functions made under clause (1) of Article 258 of the Constitution, the Treasury Officer may receive or authorise the Bank to receive moneys tendered on behalf of the Union Government and may make or authorise the Bank to make

disbursements on behalf of the Union Government in accordance with such procedure as may be specified in the rules made by or under the authority of the President of India. Such receipts and disbursements on behalf of the Union Government shall be adjusted, as far as practicable, directly against the balance of the Union Government held by the Bank, but where such transactions are temporarily taken into account against the balance of the State, the Accountant-General will, on receipt of intimation from the treasury, make the requisite adjustments in respect of the aforesaid transactions through the Central Accounts Section of the Bank against the balance of the Union Government held by the Bank.

(For the orders issued by the President in respect of receipt and payment of moneys relating to the Revenues of the Union Government see section II of Chapter VII of the Subsidiary Treasury Rules—Part II of this Hand Book.)

35. The Treasury Officer may, subject to any general or specific direction of the Government in this behalf, receive or authorise the Bank to receive moneys tendered on behalf of another State in India and may, if so required by the Accountant-General, make or authorise payment of any claim against that State. The necessary credits or debits in respect of such receipts and payments against the balance of the State concerned shall be made by the Accountant-General through the Central Accounts Section of the Bank, but until such adjustments are made, the credits and debits shall be entered in the Consolidated Fund, the Contingency Fund and the Public Account of the State.

Moneys paid or received in the office of the Accountant-General on behalf of another State or book entries made in the office of the Accountant-General affecting the accounts of another State shall like wise be adjusted by the Accountant-General through the Central Accounts Section of the Bank against the balance of the State concerned.

(For payment of leave-salary of Gazetted Government servants and pensions of all Government servants belonging to the Central and other State Governments at Treasuries in the Haryana and *vice versa* see section III of Chapter VII of the Subsidiary Treasury Rule—Part II of this Hand Book.)

36. The provisions of the preceding rule may be extended with or without modification to payments made or received in the State on behalf of the Railway.

SECTION XI—RECEIPTS AND DISBURSEMENTS OF THE STATE IN THE UNITED KINGDOM

37. Until other provision is made by the Government in this behalf, moneys received in the United Kingdom on account

of the revenues of the State may be paid into, and funds required for disbursements of, or on behalf of, the State in that country may be withdrawn from the balances of the Union Government in that country, in accordance with such procedure as may be prescribed by or under the authority of the President of India for the transactions of the Union Government in the United Kingdom. These transactions shall be adjusted in India at the earliest opportunity, against the balances of the Consolidated Fund, the Contingency Fund and the Public Account of the State, according to such directions as may be given in this behalf by the Comptroller and Auditor-General with the approval of the President of India.

SECTION XII—SUPPLEMENTAL

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

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

40. The Finance Minister may not exercise any powers conferred upon him by these rules so as to impose upon the Bank in connection with the business of the Government any responsibility not imposed upon the Bank by the terms of its agreement with the Governor.

41. The Treasury Rules (Punjab), as contained in Punjab Financial Hand book No. I, First Edition, 1939, are hereby repealed :

Provided that anything done or any action taken under the rules hereby repealed shall be deemed to have been done or, taken under the corresponding provisions of these rules.

PART II

SUBSIDIARY TREASURY RULES ISSUED UNDER THE
PUNJAB TREASURY RULES (INCLUDING INSTRU-
CTIONS AND ORDERS RELATING TO COIN, ETC.)

DEFINITIONS

The terms used and defined in the Treasury Rules (Part I of this Volume) shall have the same meaning when used in the rules in this part.

The following terms have been used in the sense therein explained :—

Currency office.—means the Delhi Branch of the Issue Department of the Reserve Bank of India.

Currency officer :— means the officer of the Reserve Bank of India in charge of the Currency Office.

Currency Chest :—means a chest of the Issue Department of the Reserve Bank of India.

Head of District or District Officer :—means the Collector or the Deputy Commissioner.

CHAPTER I—General system of Control over Treasury

SECTION--I.—DISTRICT TREASURIES

(Rules issued under Treasury Rule 4)

A--RESPONSIBILITY FOR THE PROPER MANAGEMENT OF
TREASURIES

1.1. The responsibility for the proper management and working of the treasury rests entirely with the Treasury Officer, acting under the orders of the Finance Secretary, as the Administrative Secretary for the Treasury and Accounts Department. During the short absence of the Treasury Officer on casual leave or duty outside the headquarters *or on other official duty assigned at the headquarters, the Assistant Superintendent, Treasury or a Senior Auditor of the Treasury and Accounts Branch would hold charge of the Treasury, as a temporary measure, but this will in no way relieve the Treasury Officer from his responsibility.

*Inserted vide notification No. 3/1/(1)/79-2FR-1) Dt. 26-2-80.

1.2. The Treasury Officer is personally responsible to Government for the due accounting of all moneys received and disbursed and for the safe custody of cash, notes, stamps, opium, securities and other Government property.

Responsibility of the Collector

13. (1) The Collector who is responsible for the overall supervision is bound to satisfy himself by periodical examination, at least once in every six months, for cash, opium* and once a year for stamps, securities, bills and money order forms—

- (i) that the actual stock of cash, stamps, opium and securities is kept under joint lock and key, and corresponds with the book balance, that the treasurer does not hold a sum larger than is necessary for the convenient transaction of the Government business, and that this sum, together with the value of the stamps and opium in his sole custody, is not larger than the security given by him ;
- (ii) that the stock of bills, cheques, drafts and similar forms which are intended for use in monetary transactions are carefully kept under lock and key by the Treasury Officer and periodically tallied with the nominal balance of such forms on the stock books ; and
- (iii) that the sub-treasury balances are verified once a month by the officer-in-charge of the sub-treasury besides verifying the balance himself during his tours.

Note (1).—See rules 1.7, 1.15 and 1.20 infra.

Note (2).—The word "stamps" used in this rule and other rules includes "Match Excise Banderols".

(2) He should satisfy himself at least once in every quarter that the deposit registers are kept according to prescribed rules, and that all necessary entries are made and initialled without fail at the time of the transactions.

(3) He should be specially careful when assuming or making over charge, of a district to see that the cash balance and stock of stamps etc. are thoroughly verified and that a

*Omitted vide No. 3/2(4)-79-2FR II, Dt. 20-3-1980.

certificate of taking over charge, in which the state of cash, stamps and opium balances is to be shown, is invariably despatched to the Accountant-General in Form S. T. R. 2, on the same day that the transfer of charge takes place.

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

The Treasury Officer

General

1.4. Appointment of very junior officers to the charge of treasuries is objectionable (See also paragraph 1.5 below); but if in a temporary emergency such an appointment is made, the departure from the strict rule should be reported to the Accountant-General, and the reasons for it should be explained to that officer. In cases where an officer is posted to a treasury for training he should not be placed in independent charge of the treasury. He will sign such documents and registers as require signature, but he will do so on behalf of and subject to the supervision of, the permanent Treasury Officer, who should be shown in returns as the officer-in-charge of the treasury, and should continue to sign payment orders and retain the keys of the double lock and strong-room.

Note.—The certificate in the following form shall be issued by the Collector to an officer who is posted to the treasury for training —

“Certified that _____ has duly attended to and satisfactorily discharged the duties of the Treasury Officer at _____ from _____ to _____
Collector.

1.5. (1) (a) No member of the Indian Administrative Service shall be placed in charge of a treasury except for the purpose of training, or as a strictly temporary measure, pending the arrival of an Extra Assistant Commissioner appointed to the post ;

(b) No Extra Assistant Commissioner shall be appointed to the charge of a treasury unless he has passed the Departmental Examination according to the Higher Standard and has also been not less than three years in the service of Government ; and

(c) Every I.A.S. Officer or extra Assistant Commissioner shall, until he has passed the Higher Departmental Examination, be placed for the purposes of training in charge of a district treasury under the general supervision of the Extra Assistant Commissioner ordinarily in charge, or some other competent officer on the spot, for a period of not less than six weeks, or more than two months, in each year. A certificate from the Collector of the district that the officer under training has, under these provisions, duly attended to and discharged the duties of Treasury Officer shall be indispensable to the examine being declared to have passed any Departmental Examination.

(2) The order in sub-clause (a) above shall be strictly observed. If it becomes necessary at any time, owing to the exigencies of the service, to place a member of the I.A.S. in temporary charge of a treasury, the matter should be reported to the Accountant-General through the Finance Secretary.

(3) As regards sub-clause (b) above, the rules for appointment to the Punjab Provincial Civil Service require that candidates shall have passed the Departmental Examination by the Higher Standard in all subjects including treasury before they are appointed to officiate as Extra Assistant Commissioners, and these orders are generally enforced. But it is sometimes necessary, owing to the exigencies of the service, to place officers appointed to the Provincial Civil Service, direct and by competition, and who have not been in the service of Government for three years in charge of treasuries. Such appointments should only be made in cases of emergency and when made the departure from rule should be reported, through the Commissioner of the Division, to the Accountant-General and the reasons for it explained to that officer.

(4) As regards sub-clause (c) above, no Assistant Commissioner or Extra Assistant Commissioner shall be held to have passed the Examination in Treasury and Local Fund Accounts by either standard until the Collector of the district to which he is attached shall have furnished a certificate that he has duly attended to and satisfactorily discharged the duties of Treasury Officer for a period not less than six weeks continuously within one year of the date of the examination. If a candidate has passed by the Lower Standard only a second certificate will be required before he can be considered to have passed by the Higher Standard, unless at the time of the examination at which

he presents himself for the Higher Standard less than a year has elapsed since the candidate was last in charge of a treasury.

The required certificates in the annexed form* given in the margin should accompany the notice given by the candidate of his intention to appear at the Departmental Examination and will be forwarded to the Accountant-General with the candidate's answer papers. Officials appointed Extra Assistant Commissioners by selection, who from the nature of their duties are unable to procure the certificate before the examination, will be required to procure it within a year from the date of appointment to officiate as Extra Assistant Commissioners.

*Certified that—
has duly attended to
and satisfactorily dis-
charged the duties of
Treasury Officer at—
for the period from
— to — dated
— — 19 .

Note.—An officer may receive his training at an important Sub-Treasury but he should have an opportunity of familiarizing himself with the procedure of closing of Head Treasury Accounts at the end of the month. A few days at the end of two consecutive months would suffice.

(5) The rule prohibiting the employment of members of the I.A.S. in charge of treasuries, except for the purpose of training or, as a strictly temporary measure, has been relaxed in the case of the treasuries at Simla and Dharamsala, so as to allow Assistant Commissioners being placed in charge of them during the summer months each year. The Assistant Commissioners appointed to the charge of the treasuries named above must have passed the Departmental Examination in Treasury Accounts and received the prescribed training at a treasury.

B—RESPONSIBILITY OF THE TREASURY OFFICER

1.6. (1) The Treasury Officer is responsible for observance of all prescribed treasury rules relating to receipt, custody and payment of moneys and preparation and punctual submission of accounts and strict attention to the duties of the treasury work. He is also responsible to the Finance Secretary (as the Administrative Secretary) for the conduct of subordinate treasury officials; and he must have carefully prepared rules for guidance in every branch of his duties. The Treasury Officer shall similarly attend to all objections and orders communicated to him or to the Sub-Treasury Officers through him by the Accountant-General by letter, audit memoranda or periodical objection statements; and return the objection statements or audit memoranda within a fortnight or send letters explaining the causes of delay. Any failure on the part of Sub-Treasury Officers in relation to treasury work will be reported by the Treasury Officer to the Finance Secretary.

(2) The Treasury Officer is held personally responsible for all sums of money disbursed by him in a public capacity without authority. For the custody of the cash balance, stamps and opium, he is jointly responsible with the Treasurer.

(3) He should send, under his signature or with his approval, all replies to important communications addressed to him or Assistant Treasury Officer through him by the Accountant-General.

(4) He is also required to see that implicit obedience is given to the instructions issued from the Audit office and to send immediate notice to the Accountant-General of any embezzlement in the treasury. This notice must be supplemented as soon as possible, afterwards, by a detailed report after personal enquiry into the case.

C—RELATIONS WITH THE ACCOUNTANT-GENERAL AND CURRENCY OFFICER

1.7. (a) The Accountant-General may direct his communications regarding treasury accounts and procedure to the Treasury Officer.

(b) The Currency Officer ordinarily directs his communications to the Treasury Officer but save in matter of daily routine, all communications to the Currency Officer must issue over the signature of the Collector or with his approval. The Currency Officer will bring to the notice of the Collector cases in which the Treasury Officer appears to be negligent in his duties.

D.—VERIFICATION OF CASH BALANCE

1.8. In verifying the cash balance of the District Treasury, the Collector or such other Gazetted Officer as may be authorised to undertake the work shall satisfy himself by personal examination that the actual stock of coin and notes corresponds with the balance shown in the treasuries balance-sheet (Form S.T.R. 15) and that the conditions laid down in sub-clause (ii) of clause (2) of rule 1.3 are fulfilled. The following procedure shall be adopted in verifying the cash balance by actual counting:—

(a) *Silver coin.*—(i) The coin is kept in bags, each containing a certain fixed amount. One bag may be selected at random, Rs. 50 or Rs. 100 counted out of it in detail and used as a weight in a small

scale. Against this weight other similar sums should be weighed, until the whole contents of the bag are exhausted. Care being taken all the while that the requisite number of parcels of Rs. 100 or Rs. 50 is made up. The whole amount, thus, tested may then be taken as a verified weight of Rs. 1,000 or Rs. 2,000 as the case may be, and be placed in one pan of a large pair of scales.

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

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

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

(b) *Copper, bronze and nickel coin*—(i) These coins should be verified according to the procedure laid down for the verification of silver coins in clause (a) above.

(ii) The coins of which the weight slightly differs should invariably be sorted out and put in separate bags for facility of weighment at the time of verification and despatch.

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

(i) The notes being in bundles of a certain marked number, a few notes at the top may be folded back, and the rest counted by clerks or assistants. The verifying officers will then see, in the case of each bundle, whether the addition of the notes folded back to the number already counted and marked makes up the whole alleged number of the bundle.

- (ii) The clerks or assistants should not be persons responsible for the correctness of bundle, and the verifying officer should satisfy himself that the notes in the bundle or all of the alleged value, i.e., for example, that a ten-rupee note is not counted as one of a fifty rupees bundle.

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

1.9. The monthly account of cash balance and the certificate of verification thereof should be submitted to the Accountant-General in the forms prescribed in Articles 97 and 122 of Account Code, Volume II.

Note 1.—At treasuries where work is conducted by a branch of the Bank there is no treasury balance and the certificate is modified as shown in the form.

Note 2.—The form of closing abstract laid down in Art. 97 of Account code Vol. II shall signed in the case of banking treasuries by the T.O. and in the case of Non-Banking treasuries by the Collector. When the Collector is absent on tour on the first of the month, the closing abstract may be signed by the Senior Gazetted Officer subordinate to the District Staff Present at Headquarters.

1.10. The certificate regarding the cash balance to be submitted to the Accountant-General on the appointment of a new Treasury Officer and the report regarding such appointment will be in Form S.T.R. 2. The verification of the cash balance should be carried out in the manner prescribed in rules 1.7 and 1.8 above.

See also subsidiary treasury rule 5.5 for the submission of the monthly cash balance report to the Currency Officer.

E.—CHANGES OF TREASURY OFFICERS AND INSPECTION OF TREASURIES

1.11. The Government have decided that changes in the executive charge of treasuries should not be reported to the Accountant-General. Any departure from the conditions prescribed in rule 1.5 above should, however, be reported to the Accountant-General.

1.12. The inspection of treasuries is done by local revenue officers (Commissioners and Deputy Commissioners). For inspections by the Accountant-General's Office, see rule 1.16 below.

1.13. Detailed instructions regarding inspection of treasuries are contained in Financial Commissioner's Standing Order No. 56. No change should be made which would tend

to relieve the Commissioner and district officers of their responsibility for management and inspection.

F.—INSPECTION BY COMMISSIONERS

1.14. (a) The single and double locks of all treasuries shall be inspected by the Commissioner once in every financial year, the inspection being so arranged that not more than 18 months elapse between two inspections of any treasury

(b) The Commissioner should ascertain before the proposed date of inspection from the Accountant-General, the Currency Officer, the Public Debt Office and the Revenue Secretary to the Financial Commissioner whether there are any special matters which they may wish to be investigated on the spot.

(c) The commissioner shall send a copy of inspection note to the Treasury Officer concerned, Secretary to Government, Haryana, Finance Department, Currency Officer and the Accountant-General, Haryana. The Treasury Officer will take necessary action to remove the defects pointed out and intimate the action taken to the Commissioner, Finance Secretary, Accountant-General and Currency Officer. The Currency Officer will forward his copy of the report along with the reply of the Treasury Officer to the Accountant-General, indicating whether, on matters relating to the Reserve Bank, the action taken is adequate or whether any further action is required. The Accountant-General may refer to the Commissioner any matter brought to the notice, which he considers should receive special attention by the Commissioner or in respect of which he considers that the action taken by the Treasury Officer is inadequate. He should report to the Secretary to Government, Haryana, Finance Department (in T and A Branch), all important irregularities and points which are not settled by reference to the Commissioner.

Any point of importance affecting the Union Government shall be brought to the notice of that Government by the Accountant-General through the Comptroller and the Auditor-General of India.

The general results of the inspections and the final orders passed thereon will be summarised by the Accountant-General and included in his annual review on the working of treasuries.

G—INSPECTION BY COLLECTOR

1.15. Every Collector shall make a systematic inspection of the working of treasuries once in six months with the object of ensuring that the procedure actually observed at the treasury is in accordance with the rules and orders in all respects and that the accounts and other records are properly maintained. In the case of Banking treasuries, however, the collector may entrust one of the two inspections in a year to his Assistants. The Collector or his Assistants should also pay surprise visit to the treasury once in every three months.

Inspection shall be carried out in accordance with the following instructions :—

- (a) The strong-room should be inspected and cash balance verified.
- (b) That the arrangements connected with the strong-room for storage and custody of treasure, stamps, opium, padlocks and keys and other valuables are perfect and complete.
- (c) That cash, draft forms and cheque forms are handled in accordance with the Rules.
- (d) That arrangements for the examination of moneys received and of claims to be paid are satisfactory.
- (e) That the treasurer and potedars have given adequate security and that the former has in addition furnished a security bond in the proper form.
- (f) That the Treasury Officer exercises a proper and adequate check over the working of the treasury.
- (g) A general review of the various records, registers, books of reference, etc, should be undertaken to see whether the detailed orders of competent authorities issued since the last inspection relating to such matters as the issue of coins and notes, remittances, custody of padlocks and keys, stamps and opium and maintenance of accounts, are readily available for reference and have been properly maintained.

These points are not exhaustive and the Collectors have full discretion to add other items accordingly to local needs. Neither the specification of these points nor the inspection carried out by an officer of the Indian Audit Department shall in any way diminish the Collector's personal responsibility for the efficient working of the treasury. As the inspection must be made as systematically and thoroughly as possible, it is open to the inspecting officer to extend his personal scrutiny to points not mentioned in this rule, which, in his opinion, require such scrutiny.

The following items shall be checked by the Inspecting Officers on their surprise visit to treasuries and sub-treasuries :—

- (a) *Cypher Code etc.* —The Cypher Code, Treasury Agencies Private Check Signal Book and Secret Memorandum issued by the Reserve Bank are kept in the personal custody of the Treasury/Asstt.-Treasury Officer.
- (b) *Currency.* —All notes of Rs. 100 denomination or above shall be personally checked by the Inspecting Officer in accordance with the procedure laid down in Rule 1.8 out of the other notes he shall check at least one other item according to the procedure laid down in the above rule. He shall specially see that labels in Form S.T.R. 14 duly signed by the person by whom they have been counted or examined as per note below Rule 3.14 of the Subsidiary Treasury Rules are affirmed to the bundles of notes.
- (c) Out of coins he shall check at least two items in accordance with the procedure laid down in rule 1.8. He shall also see that the slips in Form S.T.R. 13, duly signed by the person who had counted and examined the bags containing the coins as per Rule 3.14 *ibid.*
- (d) *Stamps* :—He shall physically check at least two items from each item from each kind of register of stamps.
- (e) *Valuable* :—At least 25 per cent of the valuable at Headquarter's Treasury shall be checked. The checking at sub-treasuries shall however, be cent per cent.

- (f) *Opium* :—Register of opium shall be checked cent per cent.
- (g) *Padlocks* :— Two items in the Padlocks Register shall be checked.
- (h) *General* :—(i) All the items checked as per clauses (a) to (g) above shall be initialled by the Inspecting Officer in token of check.
- (ii) The Inspecting Officer shall also satisfy himself on the following points :—
- (1) Whether the lighting and fire fighting arrangements are satisfactory ?
 - (2) Whether the Strong Room fitness certificate has been granted by the Executive Engineer or not ?
 - (3) Whether the storage of notes, coins and stamps in the bags and receptacles are satisfactory and protect them from injury by dampness, insects, etc.
 - (4) Are Counterpart Registers of Stamps, etc., kept by the Treasury ? If so, whether the entries in the original registers are made by the Treasury Officer (or any other official on his behalf other than the Treasurer/Asstt.-Treasurer.

The Inspecting Officers may direct their attention to the comprehensive questionnaire forming Appendix 'D' of the Punjab Sub-Treasury Manual for their guidance.

H.—INSPECTION BY ACCOUNTANT-GENERAL'S OFFICE

1.16 The inspection of Treasuries by a gazetted Government servant of the Indian Audit Department will ordinarily be once in a year unless special circumstances in any case justify more frequent inspections. Treasuries shall be inspected from time to time during the course of a year but as far as possible a treasury shall not be inspected during the first and the last five days of a month in order to enable it to compile the accounts for the month.

The primary object of the inspection of treasuries by the officers of the Audit Department is to assist the revenue authorities, and not to leave them of their responsibilities in

the matter of frequent check and supervision. The Audit Inspection is not a local audit of treasury accounts and will not, therefore, extend to the detailed examination of each and every item of receipt and disbursement. All that is intended is to check generally that the rules prescribed by the competent authorities, in the matter of financial transactions are duly observed, that the procedure observed at treasuries meets all the requirements of audit, that the accounts are properly maintained and that the orders in force regarding the custody and handling of treasury, etc., are observed. The inspecting officer from the Audit Department will not be required to verify by actual count the balance of cash stamps and opium, etc., which duty devolves upon the revenue authorities.

The procedure for the preparation and disposal of the inspection reports of the Commissioners as laid down in rule 1.14(c) above shall be observed *mutatis mutandis* in the case of inspection reports of the Accountant-General.

The first reply to the Inspection Reports issued by Audit should be given within one month from the date of issue of Inspection Reports.

SECTION II.—SUB-TREASURIES

(Rules issued under Treasury Rule 5)

A—GENERAL

1.17 The rules given in Treasury Rule 4 and Section I of this Chapter regarding the division of treasuries into two Departments the responsibility and general control of the Collector over the treasuries, the responsibility of the Treasury Officer, inspection of treasuries, verification of cash balances, etc. etc., apply *mutatis mutandis* to sub-treasuries also. Further instructions relating to arrangements made at sub-treasuries with respect to these matters are given in the following rules.

Note. For the detailed procedure followed at sub-treasuries see Sub-Treasury Manual.

B—STAFF

1.18 *Sub-Treasury Officers.*— (i) The Tehsildar or Assistant Treasury Officer is ordinarily the incharge of the sub-treasury and whenever he is away, whether on tour or otherwise, the Naib-Tehsildar or the A.S.T. or the Senior-most Assistant of the District Treasury as the case may be holds charge.