

CHAPTER III

WITHDRAWAL OF MONEY FROM GOVERNMENT ACCOUNT

I. GENERAL LIMITATIONS

28. No money shall be drawn from the Bank unless it is required for immediate disbursement. It is not permissible to draw money from the Bank in anticipation of demands or to prevent the lapse of budget grants.

II. MODE OF WITHDRAWAL

29. Save as otherwise specifically ordered by Government, money may not be withdrawn from the Government Account except by presentation of bills at the Pay and Accounts Office.

30. When a person not in Government employment claims payment for work done, service rendered or articles supplied, such claims shall, unless there are express orders of the Government to the contrary, be submitted through the head of the Department or other responsible Government officer under whose immediate order the service was done or equivalent was given for which payment is demanded.

31. Government officers may make such payments as are authorised to be paid out of permanent advances or imprests which they are permitted to hold under orders of competent authority subject to recoupment on presentation of bills.

32. General instructions regarding preparation and form of bills - The following instructions with regard to preparation and form of bills shall be observed :-

- (i) Printed forms of bills as far as possible in English should be adopted.
- (ii) All bills must be filled in and signed in ink. The amount of each bill should, as far as whole rupees are concerned, be written in words as well as in figures. The fractions of a rupee may, however, be written in figure after the words stating the number of rupees, but in case of there being no fraction of a rupee, the word "only" should be inserted after the number of whole rupees and care should be taken to leave no space for interpolation as in the following examples; "Rupees twenty six only," "Rupees thirty five and paise 25".

- (iii) All corrections and alterations in the total of a bill whether made in words or figure, should be attested by the full signature with date of the drawing officer as many times as such corrections and alterations are made.
- (iv) Erasures and overwriting in any bill should be avoided; if any correction be necessary, the incorrect entry should be cancelled neatly and the correct entry inserted. Each such correction, or any interpolation deemed necessary should be authenticated by the drawing officer setting his full signature with date against each.
- (v) The full accounts classification should be recorded on each bill by the drawing officer, the classification in the budget being taken as a guide. The classification should also show whether the expenditure is voted or charged (non-voted).
- (vi) Charges against two or more major heads should not be included in one bill as the items require different action in the Pay and Accounts Office, such as entry in different registers.
- (vii) In case of pay bills, the various sections comprising the establishment (such as UDC, LDC, Junior Accountant, Accountant etc.) should be shown separately the description of each section as well as the sanctioned numbers of posts included therein being prominently written in red ink at the top.
- (viii) The entries in all the money columns of the bill should be totaled separately under each section and the totals written in red ink. The totals should be checked by the drawing officer himself or by some responsible person other than the clerk preparing the bill.
- (ix) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charges should be quoted. Copies of sanctions accompanying a bill should be duly certified by a gazetted officer or by a responsible subordinate specially authorised in this behalf by the head of the office.
- (x) The space left blank either in the money column or in the columns for particulars of the bills should invariably be covered by oblique lines.
- (xi) A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees which is slightly in excess of the total amount of the bill should invariably be recorded on the body of the bill in red ink. For example, if the amount of the bill is Rs.29.50 the words “ Below Rs.30 (thirty)” should be recorded in red ink as a safeguard against any possible interpolation.

- (xii) In case of a bill passed by drawing officer/ controlling officer for presentation at the Pay and Accounts Office but lost either before payment or before presentation at that office, the Government officer who drew the original bill should ascertain from the Pay and Accounts Office 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 duplicate bill has been issued shall be immediately communicated to the Pay and Accounts Office with instructions to refuse payment on the original bill if presented.

Note:- For this purpose the Pay and Accounts Office on receipt of a request from any drawing/controlling officer shall, after due verification from its records, furnish a certificate in the following form:-

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

- (xiii) 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 duly initialed. Only the bill with full signature should be presented at the Pay and Accounts Office for payment.
- (xiv) Instruction for rounding off transaction in Government Account. The instruction is contained in Appendix 12

33. Duplicates and copies of bills etc. - No Government officer may issue duplicate or copies of bills or other documents for payment of money which has already been paid, on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day a certain sum was paid to a certain person.

34. Stamps for receipt -Receipts for all sums exceeding Rs.20 must be stamped unless they are exempted from stamp duty.

Note: The limit of Rs.20. up-to which a receipt is not required to be stamped should be applied to the net amount payable on a bill and not the gross claim preferred therein.

35. Specimen signature and other safeguards -Every Government officer who is authorised to draw cheques or sign or countersign bills payable at the Pay and Accounts Office/Bank shall send a specimen of his signature to the Director, Treasury, Pay and Accounts Office/Bank through some superior or other officer

whose specimen signature is already with the Pay and Accounts Office/Bank. When such an officer makes over charge of his office to another, he shall likewise send a specimen of the signature of the relieving officer to the Pay and Accounts Office/Bank.

III RESPONSIBILITY FOR MONEY WITHDRAWN

36. General - It is not sufficient that an officer's accounts should be correct to his own satisfaction. A disbursing officer has to satisfy not only himself, but also the Audit, 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. 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 a 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 must be so clear and self-contained as to be producible as satisfactory and convincing evidence of facts, if required, in a court of law.

37. Vouchers in support of payments -(1) A Government servant entrusted with the payment of money shall obtain for every payment he makes, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts.

Note - In case of works below rupees ten thousand sanctioned by a District Coordination Committee to a panchayat nominee, the Pay & Accounts Office will not insist on production of vouchers in support of purchase of cement, timber etc. from authorised dealers. The Pay & Accounts Office will pass the bills on production of a certificate by the nominee from the concerned officer to the effect that the work has been duly completed according to specifications.

(2) Every voucher must bear, or have attached to it an acknowledgment of the payment signed by the person by whom, or on whose behalf, the claim is put forward. The acknowledgment should be taken at the time of payment.

(3) In all cases in which it is not possible or expedient to support a payment by a voucher or by the payee's receipt, a certificate of payment duly signed by the disbursing officer together with a note explaining the circumstances should invariably be kept on record.

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

*Note 2:-*Cash memoranda which do not contain an acknowledgment of the receipt of money from persons named therein cannot be accepted as receipt. Cash memoranda will not, therefore, be regarded as sub-vouchers unless they contain an acknowledgment of the receipts of money from the persons named therein or, in cases where this is not practicable, they are stamped “paid” and initialed by the disbursing officer. The cash memoranda submitted in support of the claims for reimbursement of the cost of medicines purchased from the market under medical rules need not, however, be stamped or bear the suppliers acknowledgment.

(4) Every voucher must bear a pay order signed or initialed by the disbursing officer, specifying the amount payable, both in words and figures. All pay orders must be signed by hand and in ink.

(5) All paid vouchers must be stamped “paid” so that they cannot be used a second time.

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

39. An Accounts Officer of the Pay and Accounts Office may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to the Pay and Accounts Office for payment, but shall intimate to the drawing officer any correction which he makes.

40. First payment of pay, allowances etc. - When a Government servant present his pay bill for the first time or when the name of a Government servant appears for the first time in an establishment bill, the bill shall be supported by a last pay certificate in the prescribed form; or if he did not previously hold any post under the Government, a certificate of fitness from an appropriate medical authority in the prescribed form must accompany the bill.

41. Payment on quitting the service - The last payment of pay or allowances shall not be made to, or in respect of a Government servant finally quitting the service of the Government by retirement, resignation, dismissal, death or otherwise or placed under suspension until the disbursing officer has satisfied himself, by reference to the Director, Treasury, Pay and Accounts Office, the departmental authorities and his own records, that there are no demands outstanding against him.

42. Death of a payee - Pay and allowances can be drawn for the day of the man’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.

43. Subject to the provisions of rule 41, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without production of the usual legal authority -

- (i) If the gross amount of the claim does not exceed Rs.2,000, under orders of the head of the office in which the Government servant was employed at the time of his death provided that the head of the office is otherwise satisfied about the right and title of the claimant; and
- (ii) If the gross amount of the claim exceeds Rs.2,000, under orders of the head of the department, on execution of an indemnity bond in the prescribed form, duly stamped for the gross amount due for payment, with such sureties as may be deemed necessary.

44. Overtime allowances - Subject to any general or special orders issued by Government in this behalf, every bill in which overtime allowances are claimed shall contain a certificate of the head of the office to the following effect:-

“Certified that-

- (i) The men for whom overtime allowances are claimed in this bill have actually earned by working overtime;
- (ii) the periods for which overtime allowances are claimed in this bill have been checked with the initial records and found correct; and
- (iii) overtime allowances are claimed at rates sanctioned by competent authority.”

45. Arrear bill - Arrears of pay, fixed allowance or leave salary shall be drawn not in the ordinary monthly bill, but in a separate bill the amount claimed for each month being entered separately with quotation of the number and date together with date of encashment of the bill from which the charge was omitted or withheld or on which it was refunded by deduction, or of any special order of competent authority granting a new allowance or an increase in pay. A note of the arrear bill shall invariably be made in the office copy of the bills for the period to which the claim pertains over the dated initial of the drawer of the arrear bill, in order to avoid the risk of the arrears being claimed over again. The drawing officer shall also record a certificate on the arrear bill under his dated signature to the effect that -

- (i) *no part of the amount claimed has been drawn previously; and*
- (ii) *a note of the arrear claim has been made in the office copy of the bills for the period to which the claim pertains.*

46. Disbursement of pay and allowances - acquittance rolls -(1)The head of an office is personally responsible for the amount drawn by him or on his behalf until he has paid it to the person entitled to receive it, and obtained a legally valid acquittance on the copy of the bill. If, in any case, owing to the large size of an establishment or for any other reason, if it not found feasible or convenient to obtain the receipts of the payees on the office copy of the bill, the head of the office may maintain a separate acquittance roll.

(2) If for any reason, payment cannot be made within the course of the month, the amount drawn for the payee shall be refunded by short drawal in the next bill, his pay and allowances may be drawn anew under rule 45 when the occasion for making the payment arises. If, however in the opinion of the head of the office this restriction is likely to operate inconveniently, the amount of undisbursed pay or allowances, may at his option, be retained for any period not exceeding three months, but this concession shall not be availed of unless the head of office is satisfied that proper arrangements can be made for the safe custody of the sums retained.

47. Audit objections and recoveries -Every Government servant must attend promptly to all objections and orders communicated to him by the Accountant General.

48. When the Accountant General disallows a payment as unauthorised, the disbursing officer is bound not only to recover the amount disallowed without listening to any objection or protest but to refuse to pay it in future till the Accountant General authorises the payment to be resumed.

Note 1:- If a Government servant from whom a recovery is ordered is transferred to the jurisdiction of another disbursing officer, the order of recovery should be passed on to that disbursing officer without delay.

Note 2:- A disbursing officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accountant General or the Government servant concerned. It is his duty simply and promptly to carry out the orders he has received and to leave to the person agrieved to refer the case to the proper authority.

IV INSTRUCTIONS FOR HANDLING CASH

GENERAL RULE

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

- (i) Every officer receiving money on behalf of Government should maintain a cash book in the prescribed form (Appendix 2). The cash book should be treated as one of the most important accounts records of the department.
- (ii) All monetary transactions should be entered in the cash book on the date on which they actually occur and strictly in the order of occurrence and attested by the head of the department/office in token of check.
- (iii) The cash book should be closed regularly and completely checked. The head of the department/office should verify the totaling 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.
- (iv) At the end of each month the head of the department/office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.
- (v) When Government moneys in the custody of a Government officer are paid into the Bank, the head of the department / office making such payment should compare the Bank's receipt on the chalan 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 Bank.
- (vi) An erasure or overwriting of an entry 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 department/office should initial every such correction and invariable date his initials.

Note I :- The duties imposed by items (ii) to (vi) above on the head of the department/office may be entrusted to subordinate gazetted officer nominated by the head of the department/office for the purpose.

Note 2 :- The cash books should be bound in convenient volumes and their pages machine numbered. Before bringing a cash book into use the head of the department/office or the officer nominated by him under Note 1, should count the number of pages and record a certificate of count on the first page of cash book.

- (vii) Every entry in the cash book should be concise. The date, the number of voucher, if any, and such a brief narration as will indicate unmistakably the nature of the transaction must be entered against each item.
- (viii) The head of the department/office should make surprise physical verification of the cash balance at least once a month and record a certificate on the cash book indicating the results of such verification.