

## **FINANCIAL TRANSACTIONS**

### **KERALA TREASURY RULES – IMPORTANT ASPECTS**

#### **RECEIPTS AND REMITTANCE OF GOVERNMENT MONEY**

**1. Source Receipt**

The Departmental Officer will be receiving money due to Government from various sources. E.g. Licence fees, rent rates, proceeds, Fines forfeiture, refund of excess paid etc.

**2. Forms in which money can be received by Government Officers**

They are (1) Legal tender coins (2) Legal tender currency (3) Reserve Bank Draft drawn on the Treasury with which the government officer deals and made payable to him (4) crossed postal order drawn in the name of the Departmental Officer (5) Postal Money order in the name of the departmental officer (4&5 as per GO (P)No.648/88/Fin dtd.01-10-1988), (6) Bank Drafts and Cheques. Cheques shall not be accepted in payment of fines, compensation amounts etc. payable in Criminal Courts – Rule 89(a). In certain cases, Postal Orders are also accepted in lieu of cash. Rupee Traveller's Cheques can be accepted by officers in charge of Tourist Bungalows and Departmental Hostels.

**3. Rules for the receipt and custody of Government Money.**

The Department Officer who receives money on behalf of Government shall observe the following rules (Rules 90 to 93)

- a) He should receive money in one of the forms enumerated in Rule 89 (a)
- b) He should give the payee a receipt
- c) When a cheque is received, a preliminary acknowledgement need only be given. Final receipt should be given only after the amount has been realised.
- d) Every officer receiving money should maintain a cash book and he should observe the following rules;
  - i) All money transactions should be entered in it as soon as they occur under proper attestation.
  - ii) The pages of the cash book should be machine numbered. Before bringing a cash book into use, the Head of Office should count the number of pages and record a certificate of count on the first page.
  - iii) It should be checked and closed regularly.
- e) Erasing or overwriting of entries is strictly prohibited. Any mistake in entry should be corrected by a red ink entry under proper attestation.
- f) At the end of each month the Head of Office should verify the cash balance and record a certificate to this effect.
- g) Amount received as Departmental Receipts should not be appropriated for Departmental expenditure unless such expenditure is authorised in Rule 6.
- h) No officer should keep his private money in a cash chest for keeping money received in his official capacity.
- i) Money received should be remitted into the Treasury without undue delay.

**4. Payment of Money into the Treasuries**

Each payment of money into the Treasury for credit to Government shall be accompanied by a chalan containing all the particulars necessary – Rule 99(e)

## **5. Procedure in Remitting money**

In non-bank Treasuries, the remitter should appear before the Treasury, present the chalan, remit the amount at the counter and obtain original copy of chalan as receipt. The original chalan received back should contain (i) the number (ii) Date (iii) Seal of the treasury (iv) Signature of the Treasurer and (v) Signature of Head Accountant or Treasury Officer. All chalan of Rs.2.500/- and above should be signed by the Treasury Officer – Rule 120 (f).

In Bank Treasuries, the remitter should first present the chalan at the counter. The remitter should get back the chalan from the treasury after fixing Treasury seal. The person should then take the chalan to the agency bank. The Bank will receive the money and give an acknowledgement of receipt in the original chalan. The chalan received back from a Bank Treasury duly affixing dated seal, is valid only for a period of 10 days/. Rule 124. The time limit of 10 days fixed shall not apply to chalans in respect of tax payments for which a time limit has been prescribed and noted as such in the chalan by the Officer countersigning the chalan.

## **6. Chalans that can be presented at the Bank direct or without the intervention of treasuries**

In some case of Banking Treasuries, Departmental Officers can remit money direct at the Bank without the intervention of Treasuries – Rule 126. However, chalans for remittances towards loans and advances and revenue deposit should be routed through Treasuries, with a view to verify the classification furnished in such chalans. Rule 102 and Note to Rule 126.

Even if a chalan to be remitted by a private party is countersigned by a Departmental Officer, the remittance is treated as a private one.

## **7. Number of chalan to be used for remittance**

- a) Single chalan: A single chalan is sufficient when money is tendered for payment on account of State Excise Revenue or payment for Reserve Bank Draft or Cash Order or when money is tendered with a Pass Book or Remittance Book in which the Treasury Officer or the Bank is required to acknowledge the receipt of the money- Rule 102 9f).
- b) Duplicate Chalan: When a Departmental Officer is remitting money, in the Treasury to the credit of any Department, the chalan shall be presented in duplicate - Rule 102 (c).
- c) Triplicate Chalan: When a private party is remitting money, the chalan is generally presented in triplicate. The original chalan will be issued to the party, duplicate will be retained in the treasury and the triplicate will be forwarded to the concerned Departmental Officer.
- d) Quadruplicate Chalan: In regard to certain types of remittances there should be four copies to the chalan E.g. 1) Remittance under taxes on passenger and goods vehicles 2) Remittances towards inter-departmental adjustments.

## **8. Copies of Receipts of Chalans**

No government servant may issue a duplicate or copy of a receipt granted for money received by him on the plea that the original has been lost. Similarly, no copy of chalan will be issued from the Treasury even when the original is reported to be lost. But certificate of

remittance will be issued from the Treasury stating therein the details of remittance. A fine of Rs.2/- will be realised for this purpose. . But no fine is realised from Departmental Officers in such case - rules 94 to 120.

**9. When Mistakes are noticed in chalan in respect of classification**

In such cases, the matter should be reported to the Treasury Officer, vide Article 90 of KAC. Vol.II and mistakes rectified.

**10. Collection of Cheque**

The cheques received on behalf of Government by Departmental Officers should be sent to the Bank for credit to the Government Account. Each cheque so sent should be supported by a chalan. The departmental officers shall endorse the words Received payment by transfer credit to the Head of Account on the cheque and sign it Rule 101/. The original chalan will be returned to the Departmental Officers by the Bank.

**PAYMENT THROUGH BILLS**

The claims against Government shall be made by presenting at the Treasury, a bill or other document, in the prescribed form duly received. A bill is a statement of claims against the Government which contains the nature of the claim and the amount. - Rule 162 (a).

**1. Forms of Bills**

There are various forms of bills such as  
(1) Establishment pay bill (2) Salary bill (3) TA bill (4) Contingent bill (5) Refund bill etc.

Form TR 42 should be used in cases where any particular form has not been prescribed under the rules. Eg. Claims for H RA advance, purchase of motor cars etc. (Rule 163 (f) claims of Government Officer for advances of pay and TA shall be preferred in respective forms prescribed for claiming pay and TA - Note under R. 168 (f).

- (i) Every bill presented in Treasuries shall be printed and filled up, in ink, original copies of typewritten bills may, however be honoured at the Treasuries at the risk of the Drawing Officers the total amount claimed shall so far as the whole rupee are concerned be written in hand in word as well as in figure in ink. Every bill shall be signed in ink. The protective clause is the entry with below rupees should invariably be recorded in red ink in words and figures in the body of the bill. Care should be taken to leave no space that could be used for making an interpolation – Rule 163 (c ). Use of ball point pens shall also be permitted for the Treasuries – Cs No.4/77 to rule 163 9e). However cheque issued for Government payments will continue to be written and signed in indelible ink only – vide Government circular No.8/75/Fin dated 28-9-1975.
- (ii) The bill should contain full details as to the amount and the nature of the claim and all particulars for the proper classification in accounts.
- (iii) No copies of orders regarding promotions and similar charges regarding a claim shall be attached to any bill. Rule 163 (m).
- (iv) When a charge is debatable to more than one major head of account the drawer shall ordinary present separate bills for the amount debitable to each major head – Rule 163( c).

- (v) No bill or other document containing any erasure shall be presented at the Treasury. Each correction in the bill shall be attested by the full signature with the dates of correction who signed – rule 163 (d).

## **2. Specimen Signature**

Government Servant who is authorised to draw or countersign bills or cheques payable at a Treasury shall send specimen of his signature to the Treasury Officer/bank through some superior or other Government Servant whose specimen signature is already with the Treasury/the Bank. Rules 25 and 163 (t). It should be communicated to the Treasury Officer in the specimen signature card in Form TR.74A to be obtained from the concerned Treasury-Cs No.2/78.

## **3. Delegating a Subordinate to draw bills**

The head of office may authorise a gazetted Government servant working under him to sign bills. If he does so, he shall communicate the Government Servant 's name and specimen signature to the Treasury concerned vide Rules 163 (g) and 187 (b).

## **4. Duties and Responsibilities of Treasury Officer in making Payments:**

- i. A Treasury Officer has no authority to act even under an order of the Government sanctioning a payment, unless the order is an express order to him to make payment and even such special order should in the absence of urgency be sent through Accountant General- Rule 15.
- ii. 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. Rule 16. He is responsible to the Accountant General for the validity of all claims paid by him. Rule 20.
- iii. Normally a payment shall be made in the District in which the claim arises – rule 17.
- iv. The Treasury Officer may correct an arithmetical inaccuracy or an obvious mistake in any bill presented for payment, but shall intimate to the Drawing Officer any correction in which he makes – rules 22 and 210 (d).
- v. When a bill or other documents is presented for payment at a Treasury, the Treasury Officer shall observe the provisions in Rules 210 to 235 in addition to the above general provisions.
- vi. When a bill is presented at a District Treasury and payment is desired at a sub-treasury, the District Treasury Officer should endorse the bill making it payable at the sub-treasury Rule 213 (a) ( I ).

## **5. Presentation of bills in Treasuries**

- a) Tokens: When a bill/cheque or other document is presented at the Treasury for payment, a token will be issued. This token should be returned at the time of getting money. A penalty of Rs.5/- will be realised in cases where the token is lost from the party.
- b) Treasury Bill Book: Every Officer shall enter particulars of all bills in a book called Treasury Bill Book in form TR.47 which shall be presented at the Treasury along with each bill. The Treasury Officer shall not pass any bill for payment unless the bill book is presented with it – Rule 223. But the following types of bills need not to be entered in the bill book (i) TA of railway police and CID (ii) Bills relating to Bus

Owners claims from the Police Department (iii) Bills for personal claims of Gazetted Officers.

Treasury bill books should be obtained by Drawing Officers from the treasuries concerned on application and on proper acknowledgement. Only one bill book will be put into use at time by a Drawing Officer or for transactions with one Treasury. Another book will be issued by Treasury only on presentation of the prescribed requisition form appended in the book already in use.

A fresh bill book shall be brought into use at the beginning of each financial year. An officer drawing bills on more than one Treasury shall maintain separate Treasury Bill Books for entering bills. When the Drawing Officer hands over charge to another, the fact of handling over and assuming charge must be recorded in it by both officers immediately after the last entry in the book. It is the duty of the Drawing Officer to keep the book safely. The book should also contain the specimen signature card number with the date initials of the Treasury Officer.

### **USE OF BILL BOOK**

(i) It gives an abstract of the bills cashed from treasury. (ii) It facilitates reconciliation of expenditure (iii) It helps inspecting officers and audit officers to verify the cash book and (iv) It avoids fraud and unauthorised encashment of bills from the treasury.

### **CLAIMS OF NON-GAZETTED OFFICERS**

#### **1. Drawal of Claims**

The pay and allowances of an establishment should generally be drawn by the GO in charge of it. Non-gazetted officers who are declared as Drawing Officers shall also draw the pay and allowances of the establishment without counter-signature. (See appendix 10 of VI. II of KTC).

#### **2. Place where the claim becomes due**

The claims of non-gazetted personnel should be deemed to arise at the station where the drawing officer who draws the claim is stationed – Note to Rule 1698(a).

#### **3. Presentation of claims.**

- a) Establishment Bill Form: The pay and allowances of non-gazetted officers should generally be preferred in Establishment Bill Form (Form TR 51)
- b) Contingent Bill Form: The pay and allowances of the other classes of employees mentioned in Appendix II should be drawn in contingent bills.
- c) Cheques: In Forest and PW Departments claims are drawn from Treasuries/Bank through cheques and not by presenting bills at Treasuries.

The name of Government Servants of the following classes may be omitted from pay bills (I) Government Servants for whom service books are not required to be maintained and (ii) All Government Servants in the last grade – Rule 171. (Even though these provisions have not been amended the practice is to include the name of such Government Servants in pay bills).

#### **4. First Drawal of pay - Rule 174**

When the name of a Government Servant appointed to a post appears for the first time in the pay bill of the Estt. the previous post in Government Service if any, held by him shall be stated and a LPC attached showing the date of handing over charge, advance outstanding etc. If he was not holding any such appointment previously or is re-employed after resignation of forfeiture of past service. The drawing officer shall furnish a certificate in the bill to the effect that the Health Certificate required by Rule 13 of Part I KSR has been obtained from the competent authority and filed in the office.

#### **5. Claims on account of Increments**

Procedure prescribed in Rule 175 as mentioned in CS No,2/75 should be followed in such cases.

#### **6. Arrear Bills**

Arrears can be claimed along with the current claim attaching necessary statement and showing the claim as the distinct item. The drawing officer shall certify in every bill claiming arrear that no part of the amount claimed in it has been drawn previously. The details of the arrear bill shall be noted in the office copies of the bills for the period to which the claim pertains over the dated initials of the arrear bill in order to avoid the risk of the arrears being claimed over again Rule 176.

#### **7. Document to be attached with the Establishment pay bill**

The common documents are: (i) LPC (ii) NLC (iii) M O Form (iv) Application for RB Draft (v) Deduction Statements such as (a) PF (b) Insurance (c) Court Attachment (d) Conveyance Advance (e) Festival Advance (f) HBA (g) MV (h) Rent (I) Recovery towards advance pay and (j) Family Scheme Income Tax etc.

All these documents may not be necessary in all Estt. Pay bills. Documents which are essential to the particular bill alone need be attached to it. No copies of orders regarding promotions and similar changes or of correspondence etc. regarding claim shall be attached to any bill – Rule 163 (m)

#### **LAST PAY CERTIFICATE**

It is a certificate issued in favour of an officer when (1) he is transferred from one appointment to another or (2) finally quits service.

In the case of Non-gazetted officers, LPC is issued by the Head of Office or any other person who is drawing the Estt. bill of the office. The Head of Office should on no account disburse any pay or allowance to a Government Servant to whom he has granted a LPC, unless the certificate is first surrendered except in the following circumstances : (1) claim, if any, due to a Gazetted Officer deputed to foreign service can be paid without surrendering the LPC from the Treasury from which the LPC was issued on the strength of a specific authorization from the AG. A revised LPC can also be issued in such cases. (2) Claims due to a retired Government Servant can be paid without surrendering the LPC provided the bill is rechecked by the AG and a revised LPC can be issued, if necessary. (3) Arrears due to a retired Non-gazetted officer can be paid from the office from which the LPC was issued without surrendering the LPC. In such cases also revised LPC can be issued. (4) The arrears due to Non-gazetted Officer on deputation to foreign service can be paid by the head

of office from where the LPC was issued. The head of office will also issue a revised LPC – Rule 182. The form prescribed are contained in Appendix 12. The necessity for LPC is given below:

(i) To know the rate at which and the date from which pay and allowances are to be claimed and the details of recoveries to be effected at the new office (ii) to facilitate audit in the office of the AG; and (iii) to know the liability if any due from a retired officer at the time of payment of pension and DCRG from the treasury.

## **8. Responsibility of head of office in claiming and disbursing pay and allowances**

### **a) General**

In preparing bills the Head of office should follow the rules and the procedures laid down mainly in Rules 163. 169 to 176.181to183 etc. The Head of an office is personally responsible for all moneys drawn on an establishment bill until he has paid them to persons who are entitled to receive them and has obtained their dated acknowledgements. Duly stamped when necessary (Rule 163(s) read with appendix 8) and he shall follow the provisions in Rule 432 in connection with the disbursement of pay and allowances.

### **b) Attachment from pay**

When attachment from pay is to be effected, procedure laid down in Notes 1 and 2 of rule 163(i) as amended in CS No.6/75 should be followed.

### **c) Disbursement of pay of Government Servant through a messenger**

When the Government servant is on casual or other leave and when he cannot attend the office in person. the amount can be paid only to a Government servant belonging to the same office specified in the written request of the claimant. An acknowledgement for the amount should be obtained from the messenger also - para 2 of Rule 432(a).

### **d) When the claimant fails to claim the amount**

If a government servant who is entitled to receive any money drawn from the Treasury on his behalf fails to claim payment before the end of the month in which it was drawn, it shall ordinarily be refunded by short drawls in the next bill and drawn a fresh when he claims it. But the drawing officer may retain it for a period not exceeding three month if he desired. Undisbursed pay, allowances and leave salary shall not under any circumstances be placed in deposit – para 3 of Rule 412 (a).

### **e) In making last payment of pay and allowances**

The disbursing officer shall not effect payment until he has satisfied himself that no amount is due to government from the Government Servant Rule 432 (c ).

### **f) Pay and allowances of a Government Servant who is certified to be a lunatic.**

Subject to provision in the Indian Lunacy Act 1912 the Head of Office under whom the government was last employee should draw the amount and pay to the person(s) on the basis of orders of the appointing authority indicating the person(s) to whom and the proportion in which it may be disbursed – rule 18 60.

**g) claims of deceased Government Servants**

On receipt of claim from the heir(s) of the deceased government servant the Head of Office in which the government servant was last employed should draw the amount and disburse it as per provisions in Art.83 of KFC Rules 212 and 432 (a).

**CLAIMS OF GAZETTED GOVERNMENT SERVANTS**

1) Presentation of claims: A claim by gazetted government servant for pay and fixed allowances shall be in Form TR 47. A bill in Form TR.42 should be used in cases where any particular form has not been prescribed under the rules. Revenue stamp of Rs.1/- should be affixed in bills for net claims exceeding Rs.500/- Rule 163 (s) read with Appendix 8 to KTC. The bills which contain the claims of GOs need not be entered in the Treasury Bill Book – Rule 223. Amount due to a GO shall be paid from Treasury on his personal claims and personal receipt. He may however if he wishes, send a message to the Treasury or the Bank with a separate letter requesting that the moneys be sent through him. The moneys shall then be handed over to the messenger but Government will accept no responsibility for any fraud or misappropriation in respect of any moneys cheques or bill handed over to him-rule 165(a).

2) Pay Slip: Pay or other allowances to GOs working in Kerala government will not be paid from Treasuries until the Accountant General has intimated to the Treasury Officer, the rate at which payment should be made - Rule 18. But there are a few exceptions to the General provisions in Rule 18. They are:

- a) For payment of honorarium of an occasional nature
- b) For payment of honorarium by Kerala Public Service Commission
- c) For payment of overtime allowances
- d) For payment of honorarium to the teaching staff of Government engineering Colleges and Poly Techniques for conducting classes for particular courses/.
- e) For payment of honorarium or remuneration or allowance to teaching staff of Colleges for (i) taking classes under IAS Coaching Scheme. (ii) Special Remedial Coaching to students belonging to SC/ST subject to a maximum of Rs.150/- per month (iii) taking classes in the pre-examination training centres subject to a maximum of Rs.150/- per month (iv) taking evening classes by the teachers of day college (v) taking classes for Banking and Secretarial practices in Colleges where qualified staff are not available (vi) taking classes in English, Mathematics, Hindi etc. in Government Poly Techniques and Engineering Colleges or Colleges of Fine Arts.
- f) For payment of NCC Honorarium provided the bills are countersigned by the Head of the Institution concerned.

Amounts due to GOs are intimated to the Treasury Officer by the Accountant General through pay slips or other authorizations - Rule 164 (a). No GO may draw a changed rate of pay, leave salary or fixed allowance unless the bill in which he claims it is either pre-audited by the Accountant General or accompanied by a letter from the AG authorising the rate claimed – rule 165 (d). A fresh authority from the AG is also required when there is a change in designation of a GO even if there is no change in emoluments Rule 165 (d). However, transfers from one post to another in groups of posts like (a) Munsiff, Principal, Munsiff, Additional Munsiff (b) sub Judge, Additional Sub Judge and (c) Tahsildar,



Special Tahsildar etc. will be treated as involvement of a change of designation only in case of change in emoluments is involved- note 2 to 165.

### **3 Scrutiny of claims in the Treasury**

The admissibility and payment of pay and allowances of GOs are watched in Treasuries through combined register of pay slips and LPCs (form TR72) maintained in Treasuries. This register contains the names of all GOs who draw their pay from the Treasury. As soon as each pay slip or authorisation is received from the Accountant General the amount stated in it should be entered against the name of the concerned officer. Whenever the pay bill of a Gazetted Officer is presented for payment reference should be made to this Register to see that the rate claimed does not exceed the sanctioned rate. Every entry made in this register should be attested by the dated initial of the Treasury Officer – Note to Rule 210 (d). Hence inadmissible claims if any preferred can be objected by the Treasury Officer.

### **4. First Pay bill of a Gazetted Officer**

When a GO draw his first bill on being appoint to a post in Government Service for the first time or on being re-employed after resignation or forfeiture of past service he shall attach to the bill a certificate from the authority to whom he reported for duty on first appointment that the health certificate required by Rule 13m Part I of KSRs has been furnished by the Officer. His copy of pay slip also be attached to the bill Rule 164(b). Rule 164(a) was amended as per GO(P)381/88/Fin.dated 19.5.1998.

### **5. Claim of GOs transferred to a new place**

When a GO is transferred from one place to another the person should obtain his LPC from the former treasury. The LPC will not be issued without a request from the officer. The officer should attach this LPC along with his first bill presented at-the New Treasury. However, the Treasury Officer at the new station will not effect payment without getting a copy of LPC direct from the previous Treasury Officer. Rule 19, 182 and 183 read with Appendix 12.

### **6. Leave Salary**

Leave salary of a Gazetted government servant, when payable in India, shall be drawn from the Treasury for which his pay was being drawing immediately before proceeding on leave. In case where a period of leave is followed by transfer such portion of leave salary as could not be drawn at the old station may, however, be drawn at the treasury from witch the pay in respect of the new post is drawn -Rule 165(b). Leave salary cannot be claimed by a Gazetted Officer without getting a salary slip/certificate from the Accountant General Rule 164(a) and 165(b) and (d).

### **7. Duty pay after Rejoining duty**

Where on the expiry of leave, a GO is appointed to the same from which he proceeded on leave, he shall draw bills for his pay and allowances from the date of his assumption of such charge on the basis of the authority for pay and allowance he has validity for the period beyond the leave – Note to Rule 167 (d).

### **8. Provisional claim without pay slip**

Gazetted officers are authorised to draw their pay and allowances provisionally pay slip from the Accountant General up to a period of 3 months after the expiry of sanction to

the continuance of posts, at the same rate as they were drawing in their posts on the basis of the certificate of the Controlling Officer in Form TR 112 being attached to the pay bill – Note to Rule 164(a) Vide CS No.9/77. Dated.8.6.77.

**9. Arrears due to gazetted officers in respect of non-gazetted post held**

The arrears of pay and allowances. if any due to GO in respect of a non-gazetted post held by him prior to his promotion to the Gzatted post. should be paid to him by the Head of Office of previous Office.

**10. Arrears due to the government servant who is reverted**

A Government servant who is reverted from a Gazetted post to a non-gazetted post may draw his arrear claim for pay and allowances in respect of the period of Gazetted Service in bill in from TR 46. (Salary bill from) on the strength of pay slip/letter of authority issued by the Accountant General. Such bill should be countersigned by the Gazetted Controlling Officer. In such cases, the surrender of LPC as required in Rule 19 of KTC to the Treasury Officer is not necessary-exception 2 to Rule 169(a)(ii).

**11. The last claim of a gazetted government servant**

a) The last payment of pay, allowances. Etc; to the Gazetted Government Servant who finally quits the service of government on retirement. resignation or dismissal or is placed under suspension shall be paid by the Treasury Officer without pre-audit on the basis of certificate from the Head of the Department –Rule 212(a)

b) In case of GPs who are not governed by KSRs special audit by Accountant General is required for effecting such payments Rule 212(b).

**12. Claim of an officer absent from India**

When any pay is due in India to a Government Officer who is absent from India. he should make his own arrangements to receive in India. However when an Officer has finally quit India. payments can be made to him through the High Commissioner for India or through the Indian Office if it is not possible for him to make his own arrangement for receiving his pay and allowances in India-Rule 168(b).

**13. Recoveries from salary**

**A General**

In addition to usual recoveries and fund deduction Officer is bound to recover amounts if any (i) due to Co-operative Societies. (Art.89 of KFC) (ii) as per attachment. Orders of the court (Rules 195 and 211 read with Art. 89 of KFC) and (iii)as per retrenchment orders of Accountant General (Rules 424 and 425) (I ) Government have also issued orders to cover amounts. If any due to Kerala State Financial Enterprises Ltd. also on the basis of the details intimated by the Company Vide GO(P)26/76/TD.dated 9.3.79.As per recent orders of Government. Profession tax is to be deducted by the Drawing Officers and credited to the Local Authority concerned. There is no rule in KTC empowering the Treasury Officer to recover any other amount from the salary bill of a gazetted officer even if requested by superior and controlling officers of the concerned Gazetted Officer.

The Treasury Officer should not enter into any correspondence regarding any recovery ordered by the Accountant General. His duty is to recover promptly without regard to any representation to protest from the Government Officer (Rule4-4)

## **B Procedure when the officer does not present bill**

(i) Where the Government servant draws his own bills it shall be the duty of the Head of the Office receiving the requisition from the Co-operative Society to send the necessary intimation to the Treasury Officer or other Disbursing Officer concerned. On receipt of such intimation the Treasury Officer or other Disbursing Officer shall make recoveries from the salary of the officer and the amounts thus recovered shall be paid to the co-operative society without undue delay after deducting remittances charges, if any, in cases where the Government Servant concerned intentionally allows his pay to remain undisbursed or undrawn with a view to evading payment on account of dues of Co-operative societies, the administrative head of the Department concerned should draw the pay of the debtor employee under intimation to him, in satisfaction of the requisition received from the Co-operative Society without undue delay, after deducting the remittance charges if any Art. 89 (3) (b) and (d) of KFC 1976 Edition (ii). If a Treasury Officer has received court attachment order relating to the emoluments of any Government Servant who draws his pay on a separate bill and that the Government servant does not present his bill for pay due for the previous month by the third working day of the month. The Treasury Officer shall at once bring the facts to the notice of the Government Servant whose emoluments have been attached. When he consider it necessary to avoid delay in recording an amount attached by a court from the emoluments of a Government Servant working under him the Head of Office or in the case of Government whose emoluments of the Government Servant concerned to the extent to which they have been attached subject to the prescribed restriction and apply the amount so drawn in satisfaction of the attachment order by remitting it to the court Rule 211 (b) (ii) if a recovery has to be made as per retrenchment slip of Accountant General but no bill from which it be made is likely to be submitted by the Officer in the near future and if the Government Servant does not refund it promptly in cash when requested to do. The Treasury Officer should report the circumstances to the Accountant General and ask for his orders Rule 425 9b).

## CONTINGENT AND OTHER TYPES OF BILLS

### **A. Contingent Bills**

#### **I Types of Contingent Bills**

a) Contingent bills are broadly divided into three types. They are : (I) Bills for continent expenditure that requires counter signature before payment – Form TR 59. (ii) Bill for contingent expenditure that requires countersignature after payment. The drawer shall present abstract Contingent Bill in Form TR 60 and send monthly detailed bill in KFC Form No. 11 to the controlling officer for countersignature and transmission to the AG (iii) Bill for contingent expenditure that does not require countersignature – Form TR61 – sub paras b, d or e of Rule 187.

b) There are a few other types of contingent bills also. They are (I) works expenditure charges as Contingent expenditure bills for charges on accounts of petty works and repairs allotted to Department other than the PD shall be drawn in Form TR 62 Rule 190.

## **II Drawal of Contingent Bills**

a) Permanent Advance: Are granted to Government Officers to enable them to meet contingent charges relating to their offices before drawing bills for the amount. When a permanent advance is sanctioned, it shall be drawn from the Treasury I Form TR42 supported by Copy of the order sanctioning the Advance – Rule 187 (A).

b) Authority to Draw contingent Bills : The G O who is the head of an office may draw his office contingent bill. He may also delegate this power to a gazetted officer working under him – rule 187 (b) read with Rule 163 (g).

c) Minimum amount that can be claimed in a contingent bill

Treasury officer shall not pay any contingent bill for an amount less than one rupee except on the last working day of the month or when the drawing officer is about to hand over charge – Rule 210 (j).

d) Other important directions to be followed when preparing contingent bills

Drawing officer shall show full particulars of the charge in the bill and retain all sub-vouchers for verification during local audit by officers of Accountant General (Cir No.9/85/Fin dtd. 24-7-85)

e) Where countersignature is required

If the head of office is a NGO countersignature by a Gazetted officer in control over him is required in contingent bills before they are presented at the Treasury Rule 187 (b)

## **III ENDORCEMENT OF CONTINGENT BILL**

The procedure of endorsing contingent bill to the private parties has been dispensed with as per GO(P)No.548/87/Fin dated 23-6-1987. All payment exceeding Rs.1000/- to a private party have to be arranged by bank draft. MO or DD at the expense of the payee and payment upto Rs.1,000/- will have to be paid in cash by drawing the amount from the treasury entering the bill in the office bill book.

## **IV Treasury Advice**

It is an advice in Form TTR 105 issued in duplicate by the drawing officer of a contingent bill for the information of the Treasury Officer. It should contain the full particulars of the bill. In case of Banking Treasuries, it should be sent to the bank also. The treasury officer should return the duplicate copy of the payment to the drawing officer after payment is made.

In the case of grant-in-aid, scholarship, stipends, book allowance etc. of non-government institutions, vide rule 197 9a) the officer authorised to countersign or pass the bill shall, also simultaneously issue an advice to the Treasury officer,. The Treasury officer should order payment on such bills only after referring to the advice received – rule 188 (viii).

**Exceptions**: Grant – in-aid bills pertaining to the pay and allowances of Teachers and non teaching staff of the aided schools referred to in Rule 197 (a) do not require the advice referred to above – Rule (viii).

### **1. Payment of contingent bill by money order**

There is provision for payment of contingent bill even by money order. For this purpose, a bill should be presented at the Treasury along with a money order form duly filed up (except the date column). The amount of commission due should be shown as deduction in the bill – Rule 163. Commission de on it by transfer credit to the account. The treasury officer shall credit the amount of the money order with the P&T Department and send to MO form to the Post Office. The Post Office will issue the necessary receipt to the ‘Treasury Office and the amount as per MO will be sent to the party The receipt received from the post office will be transmitted to the Departmental officer from the Treasury – Rule 216 (b).

### **VI. Bill for service postage stamps**

Service postage stamps is not issued from the Treasury, Thiruvananthapuram. The procedure prescribed in Circular No.F3/18510/84 dated 03-08-85 is as follows:

The amount drawn from the treasury in Contingent Bill may be sent to Post Office with a duplicate indent of stamps of various denominations. The Post Master will return one copy of the indent and stamps. This indent is the voucher to be drawn to audit for inspection purpose. This procedure came into effect from 01-10-85.

### **VII. Rent bills of private buildings – Rule 191.**

#### **B. Other types of bills and claims**

1. Grant-in-aid bills – Rule 197 9a) & 306 9a) (2)
2. Survey Department Bills- Rule 202
3. Discount on stamp – Rule 193
4. Compensation awarded by courts out of fines to injured parties - Rule 199
5. Refunds of Revenue – rule 200
6. Repayments of Deposits as Revenue Deposits, personnel Deposits, Civil Courts Deposits – rule 204 to 210
7. Transfer payment – Rule 221.

### **PAYMENT THROUGH CHEQUES**

1. Officers who are authorised to draw cheques

Certain Departmental Officers are permitted to draw cheques on Treasuries Banks. Formerly cheques were issued only in regard to works expenditure. But now officers in PWD, PHED and Forest Department are permitted t0 draw cheques for the pay and allowance of the staff also.

No person is authorised to draw on a Treasury by means of cheques without the special orders of Government and before he has placed in account with the Treasury by the Accountant General – Rule 239 9a).

#### **2. How to obtain cheque books**

Cheque books is printed by the Superintendent of Government Presses. The Treasury officer should obtain cheque books from the Government Press. On receipt of the cheque

book the Treasury Officers should examine its forms carefully and count the number of forms in each book – Rule 252 9b)

A drawing officer who requires a new cheque book should sign and send to the Treasury Officer the printed requisition inserted towards the end of each cheque book. The treasury officer should never supply more than one cheque book on a single requisition from the drawing officer – Rule 252 9b). But to obtain a cheque book for the first time only a formal request is sufficient.

### **3. Disposal of unused cheque books.**

All unused cheque books and all blank cheque forms/leaf in the custody of Drawing Officers which are not required for use by them should be returned to the Treasury officer and acknowledgments obtained. Notes to Rule 252 and 253. Such books shall be destroyed by incineration under the orders of the Director of Treasuries – Note 2 to Rule 262 9a).

### **4. Duties of Departmental Officer in Drawing Cheques**

- a. The drawing officers should give intimation to the Treasury Bank the number of cheque book brought into use and the number of cheque book brought into and the number of cheques it contain – Rule 24.
- b. Cheques from cheque book obtained from a particular Treasury shall not be drawn on any other Treasury – rule 239 (b)
- c. All cheques shall be written and signed in indelible (unwashable) ink only which can be obtained from the Controller of Stationery – Para 3 to Rule 241. Ball point pen cannot be used in writing cheques. Cheques can also be typed in words with performed letter by special cheque writing machine – para 1 to rule 241.
- d. Cheque drawn by officers of forests, Public works and Barbour Engineering Departments may be presented at the Bank direct for payment in respect of Banking Treasuries – vide exception to Rule 267 in such cases, the drawing officers should give intimation to the Bank also when a new cheque book is brought into use – Rule 24.

### **5. Minimum amount for which cheque can be issued**

No cheque can be issued for a sum less than Rs.10/- except when it is done in order to comply with the provisions of law or a rule having the force of law. But these are three exceptions (vide Rule 245 9a)).

1. for remitting the insurance premium or contribution to a Provident Fund in respect of work establishment staff
  2. In respect of withdrawals from Personal Deposit Account.
  3. S.B. cheques vide O.S.No.8/73 to KTC.
6. Treasury Officer should bear in mind all the above duties of a drawing officer and see whether they have been observed in respect of all cheques presented. He should exercise certain additional checks also. When the intimation in regard to the cheque book brought into use is received, the details should be noted in the concerned registers of the Treasury. First of all the Treasury Officer should examine the number printed on the cheque to ensure that it is as taken from the book notified as in use by the drawing office – Rule 240. He should verify the signature contained in it with reference to the specimen signature of the Drawing

Officer available in the Treasury. He should see that is not a 'Stopped Cheque' Rule 250. He should see whether the cheque contains the 'Protective Clause' rule 163 (d) and 241. He should verify that the cheque contains no correction or alterations which are not attested by the full signature of the drawing officer Rule 163 (d). If the Treasury Officer feels any doubts to the genuineness of the cheque or identify of the payee he shall defer payment and refer to the drawing officer – rule 240.

In case of cheque issued by an Administrator of a personal Deposit Account the Treasury Officer should see whether the balance at credit in the P D Account is sufficient to meet payment – Rule 208. In regard to such accounts the administrators have to send a Closing Balance Certificate on March of every year to the Treasury Officer. If such a certificate is not received on or before 31<sup>st</sup> May of the succeeding financial year further withdrawal will not be permitted at the Treasury Note 6 to Rule 208.

#### **7. Period of currency of cheques**

A cheque issued is valid for 3 months from the date of its issue Rule 245 (b). The cheque issued in one financial year valid in the next financial year also, if three months have not been elapsed.

#### **8. Letter of Credit**

It is issued in favour of drawing officer. It shall specify the maximum amount upto which the officer shall have the authority to draw on the particular Treasury on which the letter of credit has been issued – Rule 257 (A). In such cases, the Treasury Officer should see that the total withdrawal does not exceed the amount so fixed. The balance of credit after each transaction must be recorded in the Register so that there can be no risk of over payment.

At places where the cash business of the Treasury is conducted by the bank any letter of credit issued to the Treasury should be communicated to the Bank also. Rule 257 (A).

#### **9. Procedure in special occasions**

1. Time expired cheques
2. Lost cheques
3. Cancellation of cheques
4. Endorsement in cheques
5. Crossing of cheques
6. Maintenance of pass book.

Note: the rules quoted above are not applicable to cheque drawn under TSB Scheme.

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