

**GOVERNMENT OF JAMMU & KASHMIR, FINANCE DEPARTMENT**

**JAMMU & KASHMIR FINANCIAL CODE  
VOLUME-I**

**6<sup>TH</sup> RE-PRINT EDITION**

**Incorporating Correction Slips upto ending June, 2006**

## PREFACE TO THE REVISED EDITION 1964

First Edition of Financial Code, Volume I was issued in 1937 in supersession of the Treasury Code, under Government Order No. 215/C of 1937. Its Second Edition was published in 1951 and incorporated amendments made up to that year. The rules and orders contained in this Volume were of executive character, to be observed by all Departments and authorities under Government except where it was indicated that any particular rule would not apply to a particular Department. The book had been out of print now for some time and there was a pressing demand from all quarters to have a new edition of this book.

2. With the coming into force of the Constitution of Jammu and Kashmir, and the subsequent changes in the financial set up of the State, it was not thought advisable to issue another edition of existing rules, as rules and orders contained therein had become in many cases obsolete. It was, therefore, felt that the rules describing the procedure to be followed in remitting moneys into and withdrawals of funds from the treasuries, as contained in "Financial Code, Volume I", be revised and brought up-to date in conformity with the constitutional provisions and present day requirements. Accordingly, the revised edition of "Jammu and Kashmir Financial Code, Volume I" has been prepared. An effort has also been made, in compiling this volume, to improve certain procedures and to rationalise certain rules and conditions applicable to common groups of expenditure like Advances, Grants-in-Aid etc.

3. These rules are issued under section 118 of the Constitution of Jammu and Kashmir and supersede the provisions contained in Financial Code, Volume I (1951 Edition). The appendices and the forms referred to in these rules are contained in Volume II of this compilation.

4. The rules in this book are to be observed by all Departments and authorities under the State Government except to the extent indicated in the rules themselves. In the matter of receipt, custody and disbursement of Government money these rules are supplementary to the rules contained in "Financial Code, Volume II" as amended from time to time (now entitled as "Jammu and Kashmir Treasury Code"-under revision) and should be applied in conjunction with them.

5. The various departmental codes and regulations, which have hitherto functioned as supplementary instructions to these rules, should now be modified to conform to the revised rules and orders in this book.

6. Errors and omissions noticed in these rules may kindly be communicated to the undersigned.

(Sd.) P. N. CHAKU,

Jammu,  
The 15th July, 1964.

Secretary to Government,  
Finance Department.

**JAMMU AND KASHMIR FINANCIAL CODE**

**VOLUME I**

**Preface to Second Reprint Edition**

**This reprint of the Jammu and Kashmir Financial Code, Volume I incorporates amendments ending September, 1976 and has been printed to meet the growing demand for up-to-date copies of the Rules.**

**Errors and omissions, if any found, may be communicated to Finance Department for further necessary action.**

**(Sd.) A. M. LANKAR,**

**Secretary to Government,  
Finance Department.**

**Srinagar,  
September, 1976**

JAMMU AND KASHMIR FINANCIAL CODE

VOLUME I

Preface to Third Reprint Edition

This reprint of the Jammu and Kashmir Financial Code, Volume I incorporates amendments ending May, 1980 and has been printed to meet the growing demand for up-to-date copies of the Rules.

Errors and omissions, if any found, may be communicated to Finance Department for further necessary action.

(Sd.) SUSHMA CHOUDHARY,

Secretary to Government,  
Finance Department.

Jammu,  
March, 1983

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JAMMU AND KASHMIR FINANCIAL CODE

VOLUME I

Preface to 4th Reprint Edition

This reprint of the Jammu and Kashmir Financial Code, Volume I incorporates amendments ending December, 1992 and has been printed to meet the growing demand for up-to-date copies of the Rules.

Errors and omissions, if any found, may be communicated to Finance Department for further necessary action.

(Sd.) J. A. KHAN

Addl. Chief Secretary to Government,  
Finance Department.

Jammu,  
December, 1992

**JAMMU AND KASHMIR FINANCIAL CODE**

**VOLUME I**

**Preface to 5th Reprint Edition.**

**This reprint of the Jammu and Kashmir Financial Code, Volume I incorporates amendments ending December, 1997 and has been printed to meet the growing demand for up-to-date copies of the Rules.**

**Errors and omissions, if any found, may be communicated to Finance Department for further necessary action.**

**(Sd.) AJIT KUMAR,**

**Addl. Chief Secretary to Government,  
Finance Department.**

**Srinagar,  
December, 1998**

**JAMMU AND KASHMIR FINANCIAL CODE**

**VOLUME I**

**Preface to 6th Reprint Edition**

This reprint of Jammu and Kashmir Financial Code, Volume I incorporates amendments ending June, 2006 and has been printed to meet the growing demand for up-to-date copies of the Rules.

Errors and omissions, if any found, may be communicated to Finance Department for further necessary action.

(B.B. Vyas) IAS

Commissioner Secretary to Govt.,  
Finance Department.

Srinagar,  
June, 2006

**JAMMU AND KASHMIR FINANCIAL CODE**

**VOLUME I**

**INTRODUCTION**

The Governor is pleased to issue the following rules under section 118 of the Constitution of Jammu and Kashmir.

**II. SHORT TITLE AND COMMENCEMENT**

These rules may be called "The Jammu and Kashmir Financial Code", and shall come into effect at once.

**III. SCOPE AND EXTENT**

These rules are to be observed by all Departments and authorities under the State Government except to the extent indicated in the rules themselves.



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## CHAPTER I

### DEFINITION

1-1. Unless there be anything repugnant in the subject or context, the terms defined in this Chapter are used in these rules in the sense hereby explained.

1-2. 'Accountant General' means the Head of the Office of Audit and Accounts who maintains the Accounts of the Jammu and Kashmir State and exercises Audit functions in relation to those accounts on behalf of the Government of Jammu and Kashmir.

1-3. 'Administrative approval' is the formal acceptance by the Administrative Department (defined below) of a proposal to incur expenditure on works initiated by or connected with requirements of that Department.

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

*Note 1.*—'Administrative Department' means a department of the Jammu and Kashmir Government.

*Note 2.*—The administrative approval accorded to a proposal prior to its inclusion in a schedule of New Expenditure or List of Major Works, as the case may be, should be treated merely as a formal acceptance by the department concerned of the proposal to incur expenditure and should, in no way, be treated as a financial sanction which should be issued and communicated to audit, in the usual course, after funds have been voted by the Legislature. The financial sanction will be communicated to him under the signatures of the authority competent to convey such sanction.

1-4. 'Appropriation' means the amount provided in the Budget Estimates for a Unit of Appropriation or the part of that amount placed at the disposal of Disbursing Officer.

1-5. 'The Bank' means the Reserve Bank of India or any office or agency of the Reserve Bank of India including any branch of the State Bank of India acting as the agent of the Reserve Bank of India in accordance with the provisions of the Reserve Bank of India Act, 1934.

*Note.*—Until agreement with the Reserve Bank of India is concluded for the establishment of Government chests the term as used in the rules refers to Banks functioning in the State entrusted with treasury business.

1-6. 'Book Transfer' denotes the process whereby financial transactions which do not involve the giving or receiving of cash or of stock materials, are brought to account. Such transactions usually represent liabilities and assets brought to account either by way of settlement or otherwise but they may also represent corrections and amendments made in Cash Stock or Book Transfer transactions previously taken to account.

1-7. 'Budget Estimates' are the detailed estimates of the receipts and expenditure of a financial year (refer to the Budget Manual).

1-8. 'Comptroller and Auditor General' means the Comptroller and Auditor General of India.

1-9. 'Competent Authority' means Government or any other authority to which the relevant powers may be delegated by the Government.

1-10. 'Consolidated Fund of the State' means the fund as defined in section 115(I) of the Constitution of Jammu and Kashmir into which all revenues received by the Government of the State, loans raised by the Government, by the issue of treasury bills, loans or ways and means advances and moneys received by that Government in repayment of loans are credited, and from which the expenditure of that State when authorised

by the appropriate Legislature is met.

*Note 1.*—All other public moneys received by or on behalf of the Government of Jammu and Kashmir shall be credited to the 'Public Account of the State of Jammu and Kashmir'.

*Note 2.*—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.'

1-11. 'Contingency Fund of the State' means the fund as defined in section 116 of the Constitution into which shall be paid from time to time, such sums as may be determined by law and placed at the disposal of the Governor to enable advances to be made out of such fund for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature of the State by Law under section 82 or 83 of the Constitution.

1-12. 'Constitution' means the Constitution of the State of Jammu and Kashmir.

1-13. 'Contract' means any kind of undertaking, written or verbal, express or implied, by a person, not being a Government servant, or by a syndicate or firm, for the construction, maintenance or repairs of one or more works, for the supply of materials, or for the performance of any service in connection with the execution of works or the supply of materials.

1-14. 'Contractor' means a person, syndicate or firm that has made a contract, but the use of this term is often restricted to contractors for the execution of works or for services in connection therewith.

1-15. 'Controlling Officer' means a head of a department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the authorities subordinate to the department.

In relation to receipts and expenditure under any head of account, this term denotes a Government servant designated as such in Kashmir Budget Manual.

1-16. 'Cash' includes legal tender coin, currency and Bank Notes, cheques payable on demand, Reserve Bank Government Drafts and demand drafts and also ten Paisa revenue stamps.

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

1-17. 'Cheque' means a written order (not expressed to be payable otherwise than on demand) addressed by a person called the 'drawer' to a bank or a treasury to pay a specified sum of money to himself or a third party known as 'payee' and includes a demand draft drawn on any specified bank or banker (including the Reserve Bank of India).

1-18. 'Detailed Contingent Bill' is a bill setting forth the detail of contingent expenditure. Such a bill can either be payable at the treasury termed white D. C. Bill or not payable at the treasury termed Red D. C. Bill. In the later case it is prepared in support of a charge already drawn and is subject to countersignature by a Controlling Authority.

1-19. 'Detailed Head' is a division of a minor head.

1-20. 'Disbursing Officer' means a Government servant who draws money from the treasury on bills or cheques, but excludes a Government servant who is not the Head of an office and draws only his own pay and allowances from the treasury.

1-21. 'Finance Department' means the Finance Department of the Government of Jammu and Kashmir.

1-22. 'Financial Year' means the year beginning on the 1st, of April and ending on the 31st March following.

1-23. 'Government' means the Government of Jammu and Kashmir.

1-24. 'Government Servant' means any person serving in connection with the affairs of the State, whether remunerated by salary or not, and includes every person who is authorized to receive, keep, carry or spend moneys on behalf of the Government.

1-25. 'Head of Department' means any authority declared to be such for purposes of delegation and exercise of administrative and financial powers.

1-26. 'Head of Office' means a Government servant designated as Disbursing Officer or any other Gazetted Government servant declared to be the Head of an office by competent authority.

1-27. 'Inspecting Officer' means a Government servant who is appointed solely or mainly for performing specified duties of inspection which involve touring the State and does not include a Government servant who performs inspection duties occasionally as part of his general supervision of his subordinates.

1-28. 'Local Body' means the authority legally entitled or specifically empowered by Government to administer a local fund and includes a District Board, Municipal Council, Village Panchayat, Trust Board or a Market Committee, constituted under proper authority.

1-29. 'Local Fund' see Chapter XI on local funds.

1-30. 'Major Head' is a main unit of classification of revenue and expenditure in the Government accounts.

1-31. 'Minor Head' is a sub-division of a major head.

1-32. 'Miscellaneous Expenditure' means all expenditure other than that falling under pay and allowances, contingencies and works.

1-33. 'Non-recurring Expenditure' means expenditure sanctioned as lump sum charge whether the money be paid as a lump sum or by instalments.

1-34. 'Proposition statement' means a statement to be submitted to Government setting forth the financial effects of a proposal for establishments.

1-35. 'Primary Units of Appropriation' is a portion of the supply under each minor head which is allotted to a prescribed sub-division of the head as representing one of the primary objects of the supply.

1-36. 'Public account of the State of Jammu and Kashmir' refer to notes below rule 1-10.

1-37. 'Re-appropriation' means the transfer of funds from one unit of appropriation to another such unit.

1-38. 'Recurring Expenditure' means all expenditure which is not non-recurring.

1-39. 'Revenue of the State/Receipts of Government' means and includes all moneys received by a Government servant on behalf of the government not only the proceeds of taxation and the yield of ordinary revenue but also capital receipts, such as, the proceeds of sales of Land, the proceeds of borrowing operations, unfunded debt, and such receipts of a banking or deposit nature as by virtue of any statutory provision or of any general or special executive order of the Government have to be held in the custody of the Government.

1-40. 'Governor' means the Governor of the State of Jammu and Kashmir.

1-41. 'State' means the State of Jammu and Kashmir.

1-42. 'Stores' means all articles and materials (other than cash and documents) which come into the possession of a Government servant for use in the public service.

1-43. 'Subordinate authority' means any authority subordinate to the Administrative Department of the Government.

1-44. 'Treasury' means any treasury in the State and includes a Muffasil Treasury.

1-45. 'Treasury Officer' means the officer in immediate executive charge of a Treasury.

1-46. 'Unit of Appropriation' means the lowest account head under which the Government place a specific appropriation at the disposal of the spending authority concerned. (Refer also to the Budget Manual).

## CHAPTER II— GENERAL PRINCIPLES AND RULES

### 1. DUTIES AS REGARDS CASH AND ACCOUNTS

2-1. (a) Every Government servant is personally responsible, for the money which passes through his hands and for the prompt record of receipts and payments in the relevant account as well as for the correctness of the account in every respect. The private cash or accounts of members of the office or department should not be mixed up with the public cash or accounts.

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

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

(b) Every Government servant should realise that the correct maintenance of his accounts is as important a part of his duties as his executive work. A knowledge of the accounts and financial rules relevant to his duties is a necessary part of the equipment of every Government servant through whose hands Government money passes, and he is expected to be sufficiently familiar with financial and accounts rules to keep an adequate check over the clerks or accountants in the office under his control. He should check the accounts as frequently as possible in order to see that his subordinates do not commit fraud, misappropriation of any other irregularity. The Government will hold him personally responsible for any loss that may be found to be due to any neglect of the duties laid upon him by the provisions of this Code. The fact that a Government servant has been misled or deceived by a subordinate, will in no way mitigate his personal responsibility, since every Government servant should be familiar with the financial rules laid down by the Government and exercise a specially

strict and close control over his subordinates in regard to the use of public funds and the maintenance of proper accounts.

## II. RECEIPT OF MONEY, ITS CUSTODY AND PAYMENT INTO THE TREASURY

### (i) Receipt of Money

2-2. (a) All sums of money which any State Officer receives in his official capacity must immediately be paid in full into the nearest treasury, without any deduction whatever and the amount must immediately be credited by the Treasury Officer to the appropriate head of account. The appropriation of departmental receipts for departmental expenditure is strictly prohibited.

This rule is relaxed in the following cases :—

(i) Money received in Civil, Revenue and Criminal courts on account of the service of summons, diet money of witnesses etc. may be kept for 3 months with the Nazir of the Court for disbursement but a complete account should be kept of such sums and a quarterly certificate in the following form furnished to the Accountant General by the District Judges of the Civil Districts for Civil Courts, the Additional District Magistrates or District Magistrates for the Courts of Revenue Magistrates and the Collectors for Revenue Courts :—

“I certify that I have verified the balance in the hand of the Nazir of my Court and checked the amount of receipts and payments up to and for the quarter ending ..... and that the balance with the Nazir does not include any sum received by him before the commencement of that quarter ; all such old items having either been paid to the claimants or deposited in the treasury. I also certify that a similar certificate has been received in my office from all mufasil and other Civil Courts, District and Tehsil Criminal Courts and Revenue Courts.”

<sup>1</sup>[(ii) In the case of Public Works Department where use of cash receipts temporarily for current expenditure is permitted in accordance

1. Inserted vide F. D. Notification SRO-36 dated 1-2-1975.

with the provisions of paragraph 61 of the Jammu and Kashmir Public Works Account Code.

(iii) In the case of Forest Department where under urgent necessity, forest revenue received locally is expended on departmental purposes, as prescribed under Art. 2 of the Code of Instructions, for regulation of Accounts in Forest Department.

<sup>1</sup>[(iv) In the case of Milk Supply Scheme revenue receipts may be utilised for refund if any required against the advance payments already realised.

<sup>2</sup>[(v) In the case of Educational Institutions the revenue realised by them on account of grazing charges from the Orchards and Fields attached to such Institutions may be utilised by the Department for the improvement of their fields and orchards.

<sup>3</sup>[(b) Money relating to the fees of students in Government educational institutions on extra-curricular activities as detailed below shall be kept within the Government account as deposits :—

1. Students Games Fund
2. Students Library/Reading Room Fund
3. Students Examination Fund
4. Students Union Fund
5. Students Caution Money Fund
6. Any other fund raised locally with the previous approval of the Government.

Each institution will keep one consolidated personal deposit account in the Treasury which will be operated upon by the Head of the Institution. The individual accounts of the fees realized from the students shall be maintained by the Head of the Institution, and expenditure therefrom regulated strictly in accordance with the provisions contained in the rules, if any, sanctioned by the Government for administration of such funds.

1. Inserted vide F. D. Notification SRO-468 dated 9-8-1978.  
2. Inserted vide F. D. Notification SRO-398 dated 9-9-1981.  
3. Inserted vide F. D. Notification SRO-99 dated 22-3-1966.

Notwithstanding the provisions if any contained in the rules, the fees shall not be utilised for any purpose other than that for which these have been received except with the sanction of Head of the Department concerned. The detailed account will also be subject to audit by the Accountant General.

(c) No Government servant may, unless authorised by general or special orders of Government, receive in his official capacity, moneys which are not creditable either to the Consolidated Fund or the Public Account. Where he is authorised to receive such moneys the following rules should be observed :—

- (i) He must open an account with the Jammu and Kashmir Bank Ltd. for their deposit. Such accounts may be opened without special sanction with a Bank entrusted with Treasury business in the State or its branch or with a Post Office Savings Bank. The prior approval of the Finance Department is required to their deposit elsewhere.
- (ii) The Government Officer receiving such moneys will be personally responsible for seeing that they are disbursed in strict conformity with the rules, regulations or orders governing the fund to which the moneys relate.
- (iii) A precise record of all the transactions should be kept in a form complying with the regulations of the Fund concerned.
- (iv) The accounts are subject to proper audit checks.

*Note 1.*—See also annexure to this Chapter.

*Note 2.*—<sup>1</sup>[Deleted.]

*Note 3.*—Moneys tendered as dues of the Government or for deposit in the custody of the Government shall not pass through the hands of a Departmental Officer unnecessarily. Direct payment into the treasury or into the bank by the person who tenders such money shall be insisted on and direct payments arranged whenever this is practicable.

1. Deleted vide F. D. Notification SRO-99 dated 22-3-1966.

## (ii) Receipt of Coin, Notes, etc.

2-3. Government dues or other moneys receivable on Government account may ordinarily be realised in legal tender coin or notes only. The conditions of legal tender and the currency of the various denominations of coin and notes are governed by the instructions embodied in the Jammu and Kashmir Treasury Code.

## (iii) Grant of Receipts to the Payer

2-4. (i) A Government Officer receiving money on behalf of the Government must give the payer a receipt in Form F. C. 1 unless any special form of receipt is prescribed by departmental regulations to suit the convenience of any particular department or office. The receipt shall be signed by a duly authorised officer who shall satisfy himself at the time of signing the receipt and initialling its counterfoil that the amount has been properly entered in the cash book.

(ii) Where money is realised not in cash but by recovery from a payment made on a bill setting forth full particulars of the deduction, a receipt may be granted only if specially desired by the payer, the fact of the recovery having been made by deduction from the bill being clearly recorded on the receipt.

<sup>1</sup>[(iii) All receipts must be written in words and figures and signed in full in the original and such other copies as are required to be given to the tenderer of moneys on challans in Form F. C. 2. Other copies of challans may however, be initialled alone against the amount shown to have been received therein.

## (iv) Custody of Receipt Books

2-5. The blank receipt books Form F. C. 1 duly machine numbered must be kept under lock and key in the personal custody of the officer authorised to sign the receipt on behalf of the Government.

2-6. Before a receipt book is brought into use, the number of forms contained therein shall be counted and the result recorded in a

1. Recast vide F. D. Notification SRO-268 dated 8-4-1972.

conspicuous place in the book over the signature of the Government officer incharge of the book. Counterfoils of used receipt book shall be kept in his personal custody.

**(v) Cheques tendered in payment of Government dues**

2-7. (a) Payment of money into treasury may ordinarily be made in cash but at places where treasury business is conducted by a branch of the Jammu and Kashmir Bank Ltd., cheques on Banks which have clearing accounts with the Jammu and Kashmir Bank Ltd., will be accepted in payment of Government dues or in settlement of other transactions. Such cheques should always be crossed. Until a cheque has been cleared, the Government cannot admit that payment has been received and consequently final receipts will not be granted when a cheque is tendered. A receipt for the actual cheque only will be given in the first instance in the form of preliminary acknowledgement (see Jammu and Kashmir Treasury Code) but if the person making the payment in this manner so desires, a formal receipt will be sent by post to his address after the cheque has been cleared. Collection charges of the Bank, if any, will be recovered by or under instructions of the Bank from party presenting the cheque.

*Note.*—An Officer remitting a cheque to the Treasury or the Bank for transfer credit in the Consolidated Fund or Public Account must endorse the words 'Received payment by transfer credit to 1[..... on the document. The officer who endorse a cheque in blank shall be held responsible for the loss if by any chance such a cheque is paid in cash.

(b) In the event of the cheque being dishonoured by the bank on presentation, the fact shall be reported at once to the tenderer with a demand for payment in cash and the dishonoured cheque should be returned to the tenderer on surrendering the preliminary acknowledgement of the cheque or any token previously granted. The Government cannot, however, accept any liability for loss or damage which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

1. The Head of Account to which the amount of cheque is creditable be inserted here.

*Note.*—The challan accompanying the cheque should not be returned to the tenderer when the dishonoured cheque is returned to him but should be retained and destroyed in due course.

(c) Special arrangements will be necessary when Government dues which have to be paid by certain fixed dates are paid by cheque and persons desiring to make such payments in this manner without risk should take all precautions to ensure that their cheques reach the Treasury sufficiently in advance. Cheques received on the last day of payment for Government dues will be liable to be refused and those received late will not be accepted.

<sup>1</sup>2-7. (A)—Cheques which are tendered in payments of Government dues and are accepted and honoured on presentation, the payment thereof shall be deemed to have been made—

- (i) if the cheque is handed over to a Government Officer authorised to receive money on behalf of the Government, on the date on which it is so handed over ; or
- (ii) if it is sent by post in pursuance of an instruction to make payment by post, on the date on which the cover containing it is put into the post :

Provide that where a cheque is marked as not payable before a certain date the payment shall not be deemed to have been made until the date on which it becomes due.

**(vi) Deposit in the Treasury of Cash Chests and valuables of other Departments.**

2-8. No department may require that funds pertaining to it be kept apart from the general treasury balance, or be received for safe custody and kept out of account or be received at all except under ordinary rules.

1. Inserted vide F. D. Notification SRO-370 dated 3-7-1979.



Detailed rules regarding the receipt of departmental cash chest etc. in the treasury for safe custody and the registers to be maintained in this connection are given in Appendix (I).

### (vii) Payment of Moneys into the Treasury

2-9. Any person paying money into Government Treasury will present with it a memorandum/Arzirsal in Form F. C. 2 (except where a different form is prescribed under any departmental Regulations) which will show distinctly the nature of the payment and the person or the officer on whose account it is made, and will thus contain all the information necessary for the preparation of the receipt to be given in exchange. The memorandum should be duly classified by officer on whose account the money is paid into the treasury and the receipt should be signed by all the three Accountant, Treasurer and the Treasury Officer.

1. Bound books which contain forms in duplicate should be intended for from the Press. Both copies should be filled and presented at the Treasury. One copy will be returned to the tenderer duly signed as a receipt, and the other retained in the treasury for further action. In cases in which challans in triplicate are required to be presented at the treasury, loose forms should be intended from the Press to supplement the challan book.

2. Duplicate challans are not required when remittances are made to a treasury for obtaining hundies, or when such remittances are accompanied by Remittance and Pass Books in which the Treasury Officer is required to acknowledge the receipt of the remittance.

3. If a person has to pay several sums of money, creditable to the same head of account they may all be entered in a single Arzirsal, provided each item is separately entered, and the nature of each is clearly stated. When moneys are creditable to several heads of accounts separate challans shall as far as possible be used.

*Note.*—In the case of remittance by money orders to the Treasury the money order coupon, which contains full details of remittances will be the challan in support of the credit and a separate challan is not necessary.

4. If any sum is paid into the treasury on account of the refund of an advance, or excess drawal, full particulars must be given of the date etc. of the original payment, and the challans for such remittances presented in the treasury in triplicate.

5. When money is paid by a private person into a treasury located in the same place as the departmental officer concerned in the payment, the challan will, before presentation to the treasury, be signed by the departmental officer to whose account the money is to be credited. Otherwise the challan shall be tendered in triplicate, one copy of the challan being forwarded by the treasury to the departmental officer.

*Note.*—A special form of challan has been prescribed for the payment of income-tax into treasuries. The portion which is marked "Original" should be send to the Income-tax Officer concerned.

6. If any unnecessary delay occurs in the receipt of money by a treasury, the fact should be reported by the presenter to the Administrative Officer of the Treasury.

7. No mismatched or mutilated currency Notes or Cheques on Banks will be received by a Treasury, and no coin or notes will be received other than those current from time to time.

*Note.*—Note 3 under rule 2-2 shall apply here also.

### III. MAINTENANCE OF ACCOUNTS CASH BOOKS.

2-10. Save as otherwise expressly provided in these rules or in any authorised departmental regulations, the following rules shall be observed by all Government officers who are required to receive and handle cash :—

(i) Every officer receiving money on behalf of the Government should maintain a cash book in Form F. C. 3.

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

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

<sup>1</sup>[*Note.*—In cases where cash or cheque for payment to third party is obtained by a drawing officer by presentation of bills in the Treasury and when it is again remitted into the Treasury/Bank for obtaining a demand draft in favour of the third party, the entries in the Cash Book should relate to the Cash or Cheque received by the drawing officer on presentation of the bill at the Treasury (on receipt side of the Cash Book) and the remittance made into the Treasury or Bank for obtaining demand draft (on the payment side of the Cash Book). The Demand Draft when received, should be entered in a "Register of valuables" to be maintained in Form F. C. 57 and its disposal watched through the said Register. Receipt of the Demand Draft and the payment to the third party through the Demand Draft need not be entered in the Cash Book.]

(iii) The cash book should be closed regularly and completely checked. The head of the office should verify the totalling 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 office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.

During the absence of the head of the office from headquarters, he may delegate the duty of attesting the cash book and verifying the

cash balance to another Gazetted Officer subordinate to him, or, if there be no such Gazetted Officer under him to his Office Superintendent, Head Clerk or other similar ministerial official or corresponding rank; but he should personally verify the cash balance on his return to headquarters and sign the cash book.

*Note.*—Whenever, on the contents of the cash chest being counted, the balance as per cash book is found to be incorrect, it must, unless the error can be detected and set right at once, be rectified forthwith by making the necessary receipt or payment entry in the cash book. "To cash found surplus in Chest" or "By cash found deficient in Chest".

The administrative action to be taken on the occurrence of a deficiency and the report to the departmental superior must depend on the nature of each case.

(v) When Government moneys in the custody of Government officer are paid into the Treasury or the Bank, the head of the office making such payments should compare the Treasury Officer's Receipt on the challan with the entry in the cash book before attesting it, and satisfy himself that the amounts have been actually credited into the Treasury or the Bank.

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

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

(viii) The employment of orderlies to fetch or carry money should be discouraged. When it is absolutely necessary to employ them for this

purpose, a man of some length of service and proved trustworthiness should only be selected and, in all cases, when the amount to be handled is large, one or more officials of the Department or guards where available should be sent to accompany the messenger.

*Note.*—The duties imposed by clauses (ii) to (vi) of this rule on the head of office may be entrusted to a subordinate Gazetted officer nominated by the head of the office for the purpose.

2-11. The counting should be made on the last working day of each month immediately after closing the cash book of the month, but where this is not possible, the cash balance may be counted on the first working day of the following month before any disbursement is made on the date.

*Note 1.*—The periodical verification of cash in Government treasuries and sub-treasuries is governed by the rules in the Jammu and Kashmir Treasury Code.

*Note 2.*—In offices having more than one chest the actual balance of cash in each chest should be counted simultaneously. In the case of subordinate offices at out-stations, the head of office or any other Gazetted Government servant named by him will count it whenever he may visit them, and will record a note in the cash book, showing the date of examination and the amount (in words) found.

2-12. At the close of the day while signing the cash book, the head of the office should see that the departmental receipts collected during the day, the utilisation of which towards expenditure is strictly prohibited under rule 2-2(a) *ibid*, are credited into the treasury on the same day or on the morning of the next day at the latest and that there is corresponding entry on the payment side of the cash book.

2-13. When a cheque is drawn by an officer in favour of self or order to replenish the cash chest, its amount should at once be entered as a receipt. This entry must not be delayed until the money has been received after the encashment of the cheque at the treasury.

2-14. All receipts, disbursement and charges of whatever sort, connected with the Public Service, must be and no other may be, shown in the cash book. Sufficient details should be given in the column "particulars" to admit of the main points of each transaction being readily ascertained without reference to the detailed vouchers.

2-15. If a Government servant, who is not in charge of a cash book, receives money on behalf of Government at exceptional times, he should not mix it up with the imprest or any other cash in his charge, but pay or remit, it at the earliest opportunity, to the nearest Government servant having a cash book or direct to a treasury. The acknowledgement of the treasury (with an intimation of the full particulars of the receipt including the date of its realisation) should be forwarded immediately to the next superior officer having a cash book to enable him to make the necessary entries therein. The record of the transactions will be in the correspondence and not in the imprest or other cash account of receiving officer.

#### IV. PAYMENTS

##### (i) General Principles and Restrictions relating to Expenditure

2-16. (a) Every Government servant incurring or sanctioning expenditure from the revenues of the State should be guided by high standards of financial propriety. Each Head of Department is responsible for enforcing financial order of strict economy at every step. He is responsible for the observance of all financial rules and regulations both by his own office and by subordinate disbursing offices. Among the principles on which emphasis is generally laid are the following :—

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

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

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

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

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

- (i) the amount of expenditure involved is significant, or
- (ii) a claim for the amount could be enforced in a court of law, or
- (iii) the expenditure is in pursuance of a recognised policy or custom.

(6) No authority should sanction any expenditure which is likely to involve, at a later date, expenditure beyond its own powers of sanction.

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

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

(1) that special or general sanction of the competent authority for the expenditure exists ;

(2) that necessary funds to cover the charge exists, that expenditure does not exceed these funds, that the authority incurring the expenditure will be responsible for any excess over the sanctioned funds and that expenditure in anticipation of funds is incurred only in authorised cases ;

(3) that all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year ; that money indisputably payable, should not, as

far as possible, be left unpaid ; and that all inevitable payments are ascertained and liquidated at the earliest possible date ;

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

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

**(ii) Payment of money at a Treasury**

2.17 (a) A Treasury Officer has no general authority to deal with the demands presented at the treasury, his authority to make payment being strictly limited by the provisions of the prescribed financial rules and orders. If a demand of any kind is presented at a treasury which is not provided for by the rules referred to above or is not covered by a special authority received from the Accountant General, the duty of the Treasury Officer is to decline payment. A Treasury Officer has no authority to act under an order of Government sanctioning payment unless it 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 Account General.

*Note.*—The rule in clause (a) above does not authorise the Treasury Officer to refuse payment of bills which do not comply with the provisions of certain articles of this Code, requiring that sanction to certain specified charges should be quoted on the bill ; the omission to comply with these provisions being due to the fact that the necessary sanction has not been obtained. The responsibility for incurring such unsanctioned charges rests with the drawing officer, and the Treasury Officer is not authorised to refuse the payment of such bills on the ground that the charges have not been sanctioned.

<sup>1</sup>[(b) Grants-in-aid, Contributions etc. sanctioned by Government or by a Head of Department or any other subordinate authority under the

1. Recast vide F. D. Notification SR0-243 dated 9-7-1965-effective from 1-4-1965.

powers delegated to him, should be disbursed at the treasury without the specific authority of the Accountant General, provided that the bills, quoting order sanctioning the grant, are prepared by the grantee and bear signature or countersignature of the sanctioning authority or such other Government officer as may have been nominated in this behalf.

<sup>1</sup>[*Note 1.*—The relief bills in favour of dependents of persons killed and those permanently disabled as a result of border raids and bomb explosions shall be prepared by the Secretary to Government, Home Department (and not by the grantee) and shall be disbursed by the Deputy Commissioner concerned.

*Note 2.*—The term grants-in-aid, contributions etc., includes such class of expenditure as grants to local bodies, religious, charitable or educational institutions, stipends, scholarships, contribution to public exhibitions and fairs and compensations to Government servants for accidental losses etc.

### (iii) Drawal of money from the Treasury

#### (a) Bills

2-18. General instructions regarding the preparation of the bills on which the different classes of charges are drawn, are given in rule 2-27 and the rules regarding method of obtaining money from the Treasury on travelling allowance and contingent bills have been laid down in the relevant chapters.

#### (b) Cheques

2-19. All payments, which Government servants authorised to draw cheques have to make, should as far as possible, be made by cheques. (See also rule 2-22).

2-20. The following rules relate to cheques :—

(a) <sup>2</sup>[The cheque books shall be stocked by the Accountant General who shall on requisition supply these to the Treasury Officers.] Cheque books required by Disbursing Officers authorised to draw on treasuries and sub-treasuries should be obtained by them direct from the treasury concerned. The Treasury Officer, shall supply a cheque book only on receipt of the printed requisition which is inserted in the cheque book towards the end, and never shall more than one cheque book be supplied

1. Inserted vide F. D. Notification SRO-297 dated 15-9-1964 and SRO-425 dated 21-12-1964—effective from 15-9-1964.
2. Inserted vide F. D. Notification SRO-339 dated 19-7-1975

on a single requisition. The requisition must be signed by the officer authorised to draw cheques on the treasury and the cheque books shall, on receipt, be carefully examined by the drawing officer who should count the number of forms contained in each and record a certificate of count on the flyleaf.

(b) Cheques from books obtained from a particular treasury should not be drawn on other treasuries or sub-treasuries of other districts. Before a cheque book is brought into use, all the cheque forms in it shall be marked by a distinguishing letter. Cheques drawn by a drawing officer on a particular treasury shall be distinguished by a different letter from those drawn by the subordinate officers against his drawing accounts on that treasury and also from those drawn by himself on any other treasury or sub-treasury.

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

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

<sup>1</sup>(e). All cheques should be written and signed in indelible ink only.

<sup>2</sup>[There is no objection to preparing and signing a cheque in ball pen.]

<sup>3</sup>[2-20-A. Where as a result of abolition of an office or re-organisation or withdrawal of cheque drawing powers or otherwise, cheque books containing unused cheque forms are left over, these should be cancelled prominently across each cheque form and counterfoil without the signature of the drawing and disbursing officer and thereafter returned to the Treasury Officer concerned under intimation to the next higher authority. The Treasury Officer shall destroy them by incineration in the presence of Deputy Commissioner after keeping a note of the fact in the relevant records of the treasury under proper attestation and also keep the concerned departmental authority informed.

1. Inserted vide F. D. Notification SRO-91 dated 15-3-1966.
2. Inserted vide F. D. Notification SRO-257 dated 15-5-1980.
3. Inserted vide F. D. Notification SRO-341 dated 30-6-1977.

2-21. As a rule, no cheque should be drawn until it is intended to be paid away, and cheques drawn in favour of contractors and others should be made over to them by the disbursing officer direct ; but the disbursing officer may be assisted in making disbursements by a cashier appointed for the purpose. The occasional delivery of cheques through a subordinate may be permitted at the discretion and on the responsibility of the disbursing officer.

In such cases, the subordinate should make no entry in any accounts which he keeps, as a payment made by cheque should appear only in the cash account of the disbursing officer who draws the cheque, and the subordinate record will be in his correspondence.

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

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

2-22. As a general rule, cheques shall not be issued for sums less than twenty-five rupees, unless it is permissible under the provisions of any law or a rule having the force of law for the disbursement of these and other charges which naturally are paid in cash e.g., the wages of labourers and of establishment charged directly to works and value payable postage, etc., it is permissible to draw money from time to time from the treasury by cheques to replenish the cash chest. Whether there be a guard or not, the disbursing officer must draw cheques for the minimum of cash actually required to meet current disbursements and if it is found at any time that the balance in hand is larger than is required to meet anticipated expenditure of the next month, or of the next fifteen days, if the treasury is not situated at an inconvenient distance the surplus should be returned into the nearest treasury.

2-23. Cheques remain current for three months only after the month of issue. Thus a cheque bearing date and time in January is payable at any time up to 30th April. If the currency of a cheque should expire owing to its not being presented at the treasury for payment within the period specified above, it may be received back by the drawer who should destroy it and issue a new cheque in lieu of it. The fact of the destruction and the number

and date of the new cheque should be recorded on the counterfoil of the old cheque, and the number and date of the old cheque that is destroyed should be entered on the counterfoil of the new one. The fact of the new cheque having been issued should be entered on the date of issue in red ink in the cash book but not in the column for payment, a note being made at the same time against the original entry in the cash book.

2-24. When it is necessary to cancel a cheque, the cancellation should be recorded on the counterfoil, and the cheque if in the drawer's possession, should be destroyed. If the cheque is not in the drawer's possession, he must promptly request the Treasury Officer to stop payment of the cheque and, on ascertaining that payment has been stopped, shall write back the entry in his cash book by exhibiting the amount of the cheque as a minus figure on the payment side in the bank or treasury column. A counter reference should be given in the cash book, against the original, to the second entry of the cheque. A cheque remaining unpaid from any cause for twelve months from the date of its issue should be cancelled and its amount written back in a similar manner.

*Note.*—Rules 2-23 and 2-24 above apply to Forest, Public Works and other departments which draw money by cheques to the extent these are not repugnant with the provisions contained in the departmental regulations or where it has been specifically so laid down.

2-25. (i) If a Drawing Officer be informed that a cheque drawn by him, has been lost, he shall address the Treasury Officer drawn on, forwarding for signature a certificate in the following form "Certified that Cheque No. .... dated.....  
Rs.....reported by the (the Drawing Officer)  
to have been drawn by him on this treasury in favour  
.....has not been paid, and will not be  
paid if presented hereafter.

.....Treasury.  
.....20.....

Treasury Officer"

(ii) If, after search through the lists of cheques paid, the Treasury Officer finds that the cheque has not been cashed, he will sign and return the certificate taking care to note the stoppage of the cheque, a board showing the particulars of stopped cheques being hung up before the clerk concerned. If the original cheque be presented afterwards, the Treasury Officer shall refuse payment and return the cheque to the person presenting it after writing across it "payment stopped".

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

<sup>1</sup>[Note.—The second cheque issued on the treasury in lieu of a cheque alleged to have been lost should not be superscribed by the Drawing Officers with the words such as "Duplicate".

2-26. If a cheque is issued by Government in payment of any sum due by Government and that cheque is honoured on presentation to Government's bankers, payment shall be deemed to be made :—

(a) if the cheque is handed over to the payee or his authorised messenger on the date it is so handed over, or

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

Note 1.—The provisions of clause (b) above apply *mutatis mutandis* to payment made by Government by postal money order or by any other recognised mode of remitting money by post.

Note 2.—Cheques marked as not payable before a particular date should not be charged to the accounts until the date on which they become payable.

#### (iv) General Instructions regarding preparations and Form of Bill and Vouchers :

2-27. The following general instructions regarding the preparation

1. Inserted vide F. D. Notification SRO-614 dated 4-9-1972.

and form of vouchers should be observed :—

(a) A bill or other voucher presented at the treasury as a claim for the payment of any amount by the Government shall contain particulars of :—

- (1) the nature of the claim,
- (2) the amount claimed,
- (3) the period to which the claim relates if it arises periodically, e.g. a claim for pay and fixed allowances,
- (4) the orders sanctioning the charge, if it was incurred under special orders,
- (5) the authority for any deduction made in the bill,
- (6) the major head, minor head, sub-head and detailed account head to which the charge (or each part of it) is debitible, and
- (7) the allocation of the charge between Governments and Departments, if any, such allocation is necessary.

(b) Vouchers should, as far as possible, be in printed forms in English or Urdu. Where no special form is prescribed, Form F. C. 4 (Payee's receipt) should be used.

When the use of a voucher in any other language is unavoidable a brief abstract should be endorsed in English or Urdu under the signature of the preferring officer stating the amount, the name of the payee and the nature of the payment.

All vouchers must be filled in and signed in ink. <sup>1</sup>[There is no objection to preparing and signing a vouchers in ball pen].

Note.—Bills affixed with the facsimile signature of the authorised officer presented by the following departments and institutions, forming sub-vouchers of the Contingent bills, may be accepted for payment, if otherwise in order :—

1. Posts and Telegraphs Departments, for telegram and trunkcall charges and telephone bills.

1. Inserted vide F. D. Notification SRO-25 dated 15-5-1980.

2. Water Works Department, for water charges.
3. The State Electric Department, for electricity charges.
4. Municipalities, Town and Notified Area and other Local Bodies for any tax, water and electricity charges.

(c) The amount of each voucher (Rupees and Paise) should be always written in words as well as in figures. Care should be taken to have no space for interpolation. When writing the amount in words "Paise" should always be prefixed to the amount as illustrated below :-

- (1) Rs. 600.09 should be written as Rupees six hundred and paise nine only.
- (2) Rs. 38.23 should be written as Rupees thirty-eight and Paise twenty-three only.

(d) All corrections and alterations in the total of a voucher whether made in words or figures should be attested by the full signature of drawing officer with date as many times as such corrections and alterations are made ; similarly, corrections and alterations in the order of payment must be attested in the same way by the Treasury Officer. The space left blank either in the money column or in the column for particulars of the bill should invariably be covered by oblique lines. A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees should invariably be recorded in the body of the bill in red ink. The amount so specified should be a sum slightly in excess of the total amount of the bill. Erasures and overwritings in any bill are absolutely forbidden and must be avoided ; if any correction, be necessary, the incorrect entry should be cancelled neatly in red ink and the correct entry inserted. Each such correction or any interpolation deemed necessary should be authenticated by the drawing officer setting his dated initials against each.

Note .-Important corrections in all encagements for payment at the treasuries, such as changes in the name of the payee, amount payable and the treasury of payment, should be attested by the full signature of the drawing or countersigning officers.

(e) Except when specifically ordered by the Accountant General otherwise, charges against two major heads should not be included in one voucher but the Treasury Officer will not take exception to a voucher on this ground unless the items require different action by him, such as entry in different registers. This order does not apply to the allowances of a Government servant, or of an establishment, as in such a case the whole of the allowances, even if belonging to two or more major heads of account should be drawn on a single bill if they are chargeable wholly to the revenues of the State.

(f) Unless the Government have expressly authorised it in the case of any specified office, no bill or other voucher and no payment order shall be signed by a clerk for the head of the office, even if it is customary for the clerk to sign letters for him when he is absent. No bill or other voucher and no payment order shall be signed with a stamp.

When a claimant or payee is unable to sign his name he may furnish his signature on a bill or other vouchers in the form of a mark or preferably a thumb impression. No payment shall be made on any bill or other voucher so signed unless some person known to the Treasury or Bank, as the case may be, appears with the payee and identifies him and attested his mark or thumb impression in token of its genuineness. Signatures in a vernacular other than Urdu must always be translated.

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

(h) When the payee sends a messenger to receive payment on a voucher, the signature of the messenger or his thumb impression, if illiterate should also be taken on the voucher as a proof of the messenger having actually received the money on behalf of the payee.

(i) When a rule or order requires that bills of a certain kind shall be countersigned before payment, no such bill shall be presented at the treasury until it has been duly countersigned.



(j) When a bill relates to a charge incurred under a special order of sanction, the particulars of the order shall be entered in the bill, and a copy of it shall be attached to the bill and duly certified to be a true copy by the Government servant who signs the bill.

(k) Dates of payment should, whenever possible, be noted by payees in their acknowledgements on sub- vouchers, acquittance rolls, etc. If, for any reason such as illiteracy or the presentation of receipts in anticipation of payment it is not possible for dates of payments to be noted by the payees the dates, of actual payment should be noted by disbursing officers on the documents under their initials, either separately for each payment or by groups as may be found convenient.

(l) In case in which the endorsement on a bill is unauthorised, incomplete or otherwise irregular, the treasury officer should refuse payment of the bill and return it to the person with a memorandum explaining why payment is refused.

(m) When the drawing officer desires to draw money through a messenger, who is an employee of the office, he should invariably record a separate and clear authority in the following manner to receive payment on his behalf on the body of the bill :-

Pay to ..... (designation) whose specimen signature below, is hereby attested.

Signature of the Messenger.

Signature of the Drawing Officer.

Note 1.—The above endorsement should not be combined with other endorsements on the bills as for example, "Received payment" or "received contents" usually recorded by the drawing officer at the end of the bill. In other words, the drawing officers discharge should be quite separate from the authority to receive payment on their behalf.

Note 2.—The procedure laid down in clause (m) should be followed also when payment has to be made to a firm or private party for service rendered or supplies made to Government.

**(v) Vouchers for Departmental Payments (Payments made out of Departmental Chests) :-**

2-28. As a general rule, every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification in the accounts. As far as practicable, the particular form of voucher applicable to the case should be used.

2-29. Every voucher must bear a pay order, signed or initialled and dated by the responsible disbursing officer, specifying the amount payable both in words and figures. All pay orders must be signed by hand and in ink.

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

2-30. Every voucher should also bear, or have attached to it, an acknowledgment of the payment, signed by the person by whom, or in whose behalf, the claim is put forward. The acknowledgment shall be taken at the time of the payment.

2-31. 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 prepared in manuscript, signed by the disbursing officer and countersigned,

if necessary, by his superior officer, together with a memorandum explaining the circumstances, should invariably be placed on record and submitted to the Accountant General, where necessary. Full particulars of the claims should invariably be set forth ; and where this necessitates the use of a regular bill form, the certificate itself may be recorded thereon :

Provided however, the obligation to obtain an acknowledgment shall not arise in cases where merely an adjustment bill for 'nil' amount is presented. The Treasury Officers in such cases can incorporate the bill for 'nil' amount in the treasury accounts without obtaining any acknowledgment of payment from the Drawing Officers.

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 a voucher. The disbursing officer should endorse a note on the cover to the effect that the payment was made through the Post Office and this also covers charges for the money order commission.

Note 2.—A certified copy (marked 'duplicate') of a receipted voucher may be retained by the disbursing officer, should this be necessary to complete the record of his office, but the payee should not be required to sign such a copy or give a duplicate acknowledgment of the payment.

(vi) **Affixation of Receipt Stamp on Vouchers :**

2-32. Receipts for all sums exceeding Rs. 20 must be stamped unless they are exempt from stamp duty in accordance with the provisions of Stamp Act as applicable to Jammu and Kashmir.

The following classes of payments are exempt from stamp duty :—

- (a) Receipts given by or on behalf of Government.
- (b) Receipts on cheques sufficiently stamped.
- (c) Receipts for any payment of money without consideration, such as receipts for grants-in-aid bills, and for fees paid to Barristers-at-law.
- (d) Money paid to a State Officer for State purposes.
- (e) Hundies.
- (f) Cheques drawn by State Public Works and Forest Officers.
- (g) Pay and Travelling allowance bills of Establishment. (For these stamped receipts where necessary or taken on the acquittance rolls or separately) and contingent bills.
- (h) Payment for Indian Government and to other Indian States.
- (i) Money paid to the Co-operative Societies.
- (j) Money paid to Kashmir Valley Food Control Department.
- (k) Receipts endorsed by payees on postal money orders.

Note 1.—In determining whether the receipt obtained in respect of an amount drawn on a bill preferred against Government should be stamped or not, the net amount of the bill and not the gross amount payable should be taken into account.

Note 2.—Cash memoranda which do not contain acknowledgment of the receipt of money from persons named therein are not receipts within the meaning of Stamp Act. Further the mere writing of the purchasers name and address on a cash memo for delivery purposes does not transform it into an acknowledgment

to the purchaser that the money has been paid. Cash memoranda will not therefore be regarded as sub-vouchers in Audit unless they contain an acknowledgment of the receipt of money from the person named therein with stamps affixed when the amount exceeds Rs.20.

(vii) **Withdrawal of Moneys from the Treasury on Government Account :**

2-33. Unless otherwise expressly authorized by any law or rule or order having the force of law, moneys may not be removed from the Public Account for investment or deposit elsewhere without the consent of the Government. Where permission to open a separate account is given, the accounts must be opened with an office of the Jammu and Kashmir Bank Ltd., and where there is no such office, with the post office saving bank or with the previous approval of the Finance Department with any other Bank.

Funds can be withdrawn only if required for immediate disbursement and the expenditure or disbursement authorized under any rule or general or special order of a competent authority.

The practice of withdrawing funds with a view of avoiding lapse of Budget grant and placing such moneys in deposits in the Public Account or with a Bank, is forbidden.

<sup>1</sup>[*Exception.*—The Tehsil Education Officers/ Additional Tehsil Education Officers/Principals of Higher Secondary Schools/Colleges of the Education Department may endorse the establishment bills of the staff to the nearest branch of the Jammu and Kashmir Bank for credit of the amount to their official account (current account) with the bank for subsequent drawal by cheques in favour of the Officers Incharge ( Head Masters/Head Mistresses) of various pay centers and payees in respect of Colleges/Higher Secondary Schools.

1. Inserted vide F. D. Notification SRO-369 dated : 18-8-1981.

This shall be deemed to have come into effect from 1st June, 1977.

(viii) **Arrears claims.**

<sup>1</sup>[2-34

} Deleted

<sup>1</sup>[2-35

<sup>2</sup>[2-36. Delay in payments are opposed to all rules and highly inconvenient and objectionable. Payments of pay and allowances or miscellaneous claims should be preferred immediately after these become due and disbursed to the concerned without any delay. Unless there are cogent reasons to be recorded in writing, no payment should be delayed beyond period of six months after the date of its becoming due. Any payment that may be made by drawing officer six months after its becoming due should invariably be brought to the notice of the controlling officer and reasons of delay explained in detail. The Controlling Officer will watch all such payments and where the reasons explained for delay are not satisfactory the Controlling Officer should bring the same to the notice of the Administrative Department for appropriate action against the concerned. The Administrative Department shall take serious notice of delay in payments and initiate disciplinary action against the concerned and penalise the delinquent officers after observing required formalities.

<sup>3</sup>*Government Instructions.*—Notwithstanding the deletion of Rules 2-34, 2-35 and other relevant rules relating to pre-audit of arrear claims, there shall be no objection to have any claim of pay, T.A. or miscellaneous nature, where a Head of Office/ Drawing Officer or an individual officer is doubtful about the entitlement to have it pre-audited by the Accountant General before its drawal from the treasury, so as to

1. Deleted *ibid*.

2. Recast vide F. D. Notification SRO-368 dated : 18-8-1981.

3. Inserted vide F. D. Notification SRO-438 dated . 18-10-1982.

avoid any excess drawal which might be retrenched by the A. G. in post audit.

(b) Where an arrear claim is presented at the treasury for payment beyond 6 months from the date it actually fall due, the drawing officer should invariably record a certificate thereon that he has separately explained in detail to controlling officer the reasons for the delay in payment.

<sup>1</sup>2.37 All sanctioning authorities should bear in mind the inadvisability of sanctioning claims with retrospective effect. Provision of Rule 17-13 should be observed before issuing of any such sanction which may have retrospective effect.

<sup>2</sup>2-38. Deleted.

<sup>3</sup>[2-39. The right of a Government servant travelling allowance including daily allowance is forfeited or deemed to have been relinquished if the claim for it is not preferred within one year from the date on which it became due.

<sup>4</sup>[Note.—Government Instructions No. 2 below article 368 of the J&K C. S. R., apply here also.]

2-40. Claims against Government which are barred by time under any provisions contained in section 3 read with the first schedule of the Jammu and Kashmir Limitation Act IX of 1995 or under any other provision of Law relating to limitation should ordinarily be refused and no claim on account of such a time-barred item should be paid without the sanction of Government. The onus is upon the claimant to establish a claim to special treatment for a time-barred item and it is the duty of the authority against which such a claim is made to refuse the claim until a case for other treatment is made out. All time-barred petty claims are to be rejected forthwith and only important claims of this nature considered.

1 Recast vide F. D. Notification SRO-368 dated : 18-8-1981.

2. Deleted *ibid*.

3. Recast vide F. D. Notification SRO-67 dated : 15-2-1967.

4. Inserted vide F. D. Notification SRO-262 dated : 3-4-1972

<sup>1</sup>Deleted.

2-41. All petty claims of Government servants more than three years old other than those affecting his pension and all such claims for whose delayed submission an adequate explanation is not forthcoming should be rejected forthwith.

<sup>1</sup>42. Deleted.

2-43. The re-opening of old cases should be deprecated as a fundamental principal. Where, however, such cases are opened as a special case as for instance in relation to the refixation of initial pay in time-scale, the arrears should not be allowed.

1. Explanations deleted.

<sup>2</sup>*Government Instructions.*—A question has arisen as to what should be the determining factor for treating a case to be an “Old One” for purposes of rule 2-43. It has been decided that a case which has been under correspondence throughout and in which the question of payment arises only when it is decided and final orders passed thereon, will not attract the provisions of rule 2-43. In such cases the payment of arrears if any, due may be paid retrospectively provided that the competent authority who has issued final orders on the disposal of the case specifically mentions the date from which the arrears due as a result of retrospective sanction are to be paid and also records briefly the reasons for payment of such arrears. Such sanction shall not be issued by the competent authority without the previous consent of the Finance Department and in case of disagreement by the Finance Department with the approval of the Cabinet.

1 Deleted vide F. D. Notification SRO-368 dated : 18-8-1981.

2. Inserted vide F. D. Notification SRO-437 dated : 2-9-1974.

Cases may arise where a claim for payment is taken up suddenly after a considerable period, either because the claim was lost sight of before or because the circumstances under which it was withheld and the relevant orders in force at the time to which it pertains are stated to have escaped notice at that time. Such like cases shall be treated as "Old Cases" for purposes of rule 2-43 and their re-opening shall be deprecated. Provided that if any such case affects the future emoluments of an official the case will be re-opened and the pay refixed retrospectively but without payment, of arrears up to the date of refixation.

12.44. Deleted.

**(ix) Check of Charges.**

2.45. Every charge comes up for audit or disposal by the Accountant General/<sup>2</sup>Director Audit & Inspections Organization of Finance Department who, if the charge is irregular, or is in excess, proceeds to remove the irregularity or recover the excess through the Treasury Officer, usually, however, issuing a warning slip to the Government servant concerned; and, if anything more is due (unless the amount be insignificant) informs the Government servant accordingly, leaving him to prefer the additional claim or not as he thinks proper.

**(x) Audit Objections and Recoveries :**

2.46 (a) Every Government servant must attend promptly to all objections and orders communicated to him by the Accountant General/<sup>2</sup>Director, Audit and Inspections Organisation of Finance Department by letters, audit memoranda, objection statements etc and return the audit memoranda or reply to objections within a fortnight or send a letter explaining the cause of delay.

1. Deleted vide F. D. Notification SRO-368 dated : 18-8-1981.

2. Substituted vide Notification SRO-54 dated : 9-2-1999

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

(b) (1) When the Accountant General/<sup>1</sup>Director, Audit and Inspections Organisation of Finance Department disallows a payment as un-authorized, the Treasury 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/<sup>1</sup>Director, Audit and Inspections Organisation of Finance Department authorises the payment to be resumed. That no warning slip has been received by the officer retrenched, or that, being received, it has been answered, are facts with which the Treasury Officer has no concern.

(2) If a Government servant from whom 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.

(3) A disbursing officer must not, when a retrenchment is ordered enter into any correspondence with either the Accountant General/<sup>1</sup>Director, Audit and Inspections Organisation of Finance Department or the officer against whom retrenchment slip has been issued; it is his duty simply and promptly to carry out the orders he has received and to leave the person aggrieved to refer the case to competent authority.

(4) Representations and protests against retrenchment ordered by the Accountant General/<sup>1</sup>Director, Audit and Inspections Organisation of Finance Department, will not ordinarily be considered, by the administrative authorities, if submitted later than three months after the date of receipt of the intimation by the aggrieved officer.

(5) Recoveries of excess drawals are ordinarily made at once in full, but if the officer affected has not acted contrary to orders or without due justification, the Accountant General/<sup>1</sup>Director, Audit and Inspections, Organisation of Finance Department may recover the excess by instalments of not less than 1/3rd of the salary.

1. Substituted vide Notification SRO-54 dated : 9-2-1999

(6) A register should be maintained at the Treasury and by every other disbursing officer for recording all retrenchments ordered by the Accountant General/<sup>1</sup>Director, Audit and Inspections Organisation of Finance Department. It should contain columns specifying the name and office of the person from whom the recovery is to be effected, the nature and amount of the over payment and the method by which the over payment has been adjusted.

(7) If considered desirable, the recovery of a sum retrenched from a pay bill need only be made from the next pay bill and of a sum retrenched from a travelling allowance bill from the next bill of travelling allowance ; but retrenchments of travelling allowances must be recovered in cash or from pay bill when the officer concerned does not within a month present, a travelling allowance claim from which they can be recovered.

**(xi) Responsibility for overcharges :**

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

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

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

1. Substituted vide F. D. Notification SRO-54 dated : 9-2-1999

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

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

Note.—When bills presented for payment contain obvious arithmetical mistakes or trifling mistakes which can easily be corrected, the Treasury Officer should not return such bills but should correct them and pay the corrected amount of the bill. Similarly, where bills contain doubtful items which can easily be eliminated, the Treasury Officer should disallow the doubtful items and pay the remainder of the bill. In all cases the corrections made and the reasons therefor should be intimated to the presenter of the bill and, if necessary, to the Accountant General.

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

**(xii) Control over accounts :**

2-48. (a) It is not sufficient that a Government servant's accounts should be correct to his own satisfaction. He has to satisfy not only himself but also the Accountant General, that a claim which has been accepted is valid, that a voucher is a complete proof of the payment which it supports, and that an account is correct in all respects. It is necessary that all accounts should be so kept and the details so fully recorded as to afford the

requisite means for satisfying any enquiry that may be made into the particulars of any case, even though such enquiry may be as to the economy or the *bona fides* of the transactions. It is further essential that the records of payment, measurement and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts, if required in a court of law.

(b) The responsibilities of disbursing officers, controlling officers and Heads of Departments in regard to the control over expenditure incurred against the grants allotted to them are laid down in the Kashmir Budget Manual.

**(xiii) Internal check against irregularities, waste and fraud :**

2-49. In the discharge of his ultimate responsibilities for the administration of the appropriation placed at his disposal, every Controlling Officer, must satisfy himself not only that adequate provisions exist within the departmental organizations for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores, but also that the prescribed checks are effectively applied.

## V. DEFALCATIONS AND LOSSES

**(i) Responsibility for losses sustained through Fraud or Negligence of Individuals :**

2-50. Every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence [see rule 2-16 (a) (i)]. A memorandum regarding (i) general principles to regulate the enforcement of responsibility for losses sustained by Government through fraud or negligence of individuals (ii) the procedure to be followed in prosecutions in respect of the embezzlement of Government money,

and (iii) the procedure to be observed for conducting departmental enquiry is attached as Appendix (2) to this Code.

**[(i-a) Exhibition of losses in Government Accounts :**

2-50-A. If an amount, once drawn from Treasury is lost through misappropriation, defalcation, embezzlement etc. the same or a part of it cannot be redrawn from any treasury without the sanction of the Government in the Administrative Department concerned with prior concurrence of the Finance Department, pending further action regarding investigation, etc. and its recovery, if any. In each case the amount so sanctioned shall be drawn on Form F. C. 56 without any prior authority of the Accountant General to the Treasury Officer.

In the accounts the amount so redrawn will be classified as a "Special Advance" under the major Head "Departmental Advance in Section T-deposits and Advances Part III advances not bearing interest". The amount, if any, recovered subsequently shall be credited to the above head and the balance, if any under that head, if found irrecoverable shall be written off with the sanction of the authority who sanctioned redrawal and adjusted as a loss under the head of account to which the expenditure of the Department concerned is ordinarily debitable.]

**(ii) Report to the Accountant General and the Departmental Superior Authority :**

2-51. (a) With the exception noted below, any defalcation or loss of public money, departmental revenue or receipts, stamps, opium stores, or other property, discovered in a Government Treasury or other office or department, which is under the audit of the Accountant General/<sup>2</sup>Director, Audit and Inspections Organisation of Finance Department should

1. Inserted vide F. D. Notification SRO-133 dated : 12-3-1969

2. Substituted vide F. D. Notification SRO-54 dated : 9-2-1999

immediately be reported by the officer concerned to his immediate superior official as well as to the Accountant General/<sup>1</sup>Director, Audit and Inspections, Organisation of Finance Department even when such loss has been made good by the persons responsible for it. It will usually be sufficient if the officer reporting the defalcation or loss to higher authority sends to the Accountant General/<sup>1</sup>Director, Audit and inspections, Organisation of Finance Department either a copy of his report or such relevant extracts from it as are sufficient to explain the exact nature of the defalcation or loss and the circumstances which made it possible. Such reports must be submitted as soon as a suspicion arises that there has been a loss ; they must not be delayed while detailed enquiries are made. When the matter has been fully investigated a further and complete report should be submitted of the nature and extent of the loss showing the errors or neglect of rules, by which such loss was rendered possible, and the prospects of effecting recovery. The submission of such report does not debar the local authorities from taking any further action which may be deemed necessary.

If the irregularity be detected by Audit in the first instance, the Accountant General /<sup>1</sup>Director, Audit and Inspections, Organisation of Finance Department will report it immediately to the administrative authority concerned, and if he considers necessary to Government as well.

(b) (i) Reports of losses exceeding Rs. 300 should be submitted through the proper channel to the Head of the Department. These reports will be necessary even in cases where the amount involved is less than the limit up to which the officer concerned is competent to write off the loss under Kashmir Book of Financial Powers. The Head of the Department may deal with those reports finally in cases in which the loss involved does not exceed the amount up to which he is competent to write off the loss.

(ii) Reports of a Head of Department for all losses exceeding Rs. 300 each and the reports received by him which he cannot dispose off finally under (i) above should be submitted to Government.

1. Substituted vide F. D. Notification SRO-54 dated : 9-2-1999.

(iii) The above procedure will not apply to cases of losses which disclose defect in rules or procedure the amendment of which would require the orders of higher authorities or the Finance Department and those which disclose serious negligence on the part of any Government servant which may call for disciplinary action by a higher authority or cases which involve any important features which need investigation.

(iv) The submission of reports contemplated in rule 2-50 and clause (a) of this rule will be necessary even in cases of shortages discovered during physical verification of stores made under rule 8-29.

Exemption.—Petty cases that is cases involving losses not exceeding Rs. <sup>1</sup>[500] each need not be reported to the Accountant General/<sup>2</sup>Director, Audit and Inspections, Organisation of Finance Department unless there are, in any case, important features which merit detailed investigation and consideration.

Note.—The procedure to be followed for investigation of cases of defalcation or losses of public money, departmental revenue etc. instructions as laid down in General Department Circular No. GDB-464/61 (iii) dated 13th September, 1961 are reproduced below for the guidance of Departments :—

- (i) When material losses due to suspected theft, fraud, fire etc., occur in any office/ institution, such cases should invariably be reported to the Police keeping in view the fact that the Police investigation will be increasingly handicapped with lapse of time.
- (ii) For the purpose of above instructions, all losses (excepting the losses due to suspected sabotage) of the assessed value of Rs. 10,000 and more shall be regarded as "material". All cases of suspected sabotage shall be reported to the Police promptly irrespective of the value of loss involved. Losses below Rs. 10,000 should also be sent for Police investigation if departmental action is not effective.

1. Substituted vide F. D. Notification SRO-100 dated . 22-3-1966.

2. Substituted vide F. D. Notification SRO-54 dated . 9-2-1999



- (iii) Once the matter is reported to the Police authorities all concerned should assist the Police in their investigation. A formal investigation report should be obtained from the Police authorities in all cases which are referred to them as above.

**(iii) Losses due to natural calamities :**

2-52. Any serious loss of the immovable property such as buildings, communication or other works, caused by fire, flood, cyclone, earthquake or any other natural cause, should be reported at once by the departmental officer to the Head of the Department and by the latter to Government. When a full enquiry as to the cause and extent of loss has been made, the detailed report should be sent by the departmental officer concerned to the Head of the Department, a copy of the report or an abstract thereof being simultaneously forwarded to the Accountant General.

Explanation.—(1) (i) For purposes of this rule all losses of immovable property such as buildings etc. caused by fire, flood or any other natural cause exceeding Rs. 5,000 should be treated as “Serious” and that (ii) while losses not exceeding Rs. 5,000 in value should continue to be reported to the Head of the Department (and the Police etc. where necessary), they need not be reported to Government or to the Accountant General whether the cost of restoration is chargeable to maintenance estimates or to some other Head of Account.

- (2) The term “value” for purposes of explanation (i) above will be the book value of the property.

## VI. INTER-GOVERNMENT AND INTER-DEPARTMENTAL TRANSACTIONS

2-53. The conditions under which a department of a Government may make charges for services rendered or articles supplied by it and the procedure to be observed in recording such charges in the accounts of the Government concerned are given in Appendix (3) to these rules.

## VII. MISCELLANEOUS RULES AND ORDERS

### (i) Erasures, Overwriting and Corrections :

2-54. Erasures and overwritings in any account register, schedule or cash book are absolutely forbidden. If any correction be necessary, the incorrect entry should be cancelled neatly in red ink and the correct entry inserted.

Each such correction, or any interpolation deemed necessary should be authenticated by the head of the office setting his dated initials against each.

Special care should be taken by the Treasury Officer as regards all vouchers and accounts showing signs of alterations and if such documents be frequently received from any office, the attention of the head of the office, should be formally drawn to the irregularity (see rule 2-27).

### (ii) Issue of Duplicates or Copies of Documents :

2-55. No Government Officer may issue duplicates or copies of receipts granted for money received, or duplicates or copies of bills or other documents for the payment of money which has already been paid, on the allegation that the original have been lost. If any necessity arises for such a document, a certificate may be given that on specified day a certain sum on a certain account was received from or paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost and does not apply to cases in which by existing rules, duplicates are prepared and tendered with the originals. In the case of a bill or deposit repayment voucher passed by the Drawing Officer/Controlling Officer for presentation at a treasury but lost either before payment or before presentation at a treasury the Government servant who drew the original bill or voucher shall ascertain from the treasury that payment has not been made on the original before he issues a duplicate thereof. The duplicate copy, if issued, must bear distinctly on its face the word “duplicate” written in red ink. If, however, a bill lost had been preaudited by the Accountant General or borne pay order by that officer but was lost before its encashment from the treasury, a detailed report

should be made to the Accountant General who will after ascertaining non-payment of the original pay order issue a fresh pay order by a special letter but such fresh pay orders will not be given within six months from the date of the original pay orders, except in special cases in which payment of the original can be guarded against to the satisfaction of the Accountant General.

<sup>1</sup> [Note.—Note below rule 2-25 applies here also.]

**(iii) Prohibition regarding sending of communications at public expenses :**

2-56. (a) All references by Government servants on personal matters such as leave, leave salary, pay, increments, funds subscriptions, house-rent, posting etc., must be submitted in covers stamped with ordinarily postage and not with service postage stamps. This rule applies only to the letters of Government servants regarding their own personal matters. When, however, references, are forwarded officially by a superior officer, the letter should be treated like any other official communication.

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

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

(d) When it comes to the notice of audit that a letter, telegram or trunk call has been made at Government expense instead of at the expense of the officer concerned, recovery should be made from the next pay bill of the officer who should be informed of the reasons for the recovery. If the officer wishes to object to the recovery, he must take up the matter with the Accountant General through his controlling officer, who may, if he desires, obtain the orders of Government through the Head of the Department.

**(iv) Call of vouchers from Audit Office :**

2-57. Vouchers once received in the Accounts Office will not be returned to the Department except when these are required for investigation purposes

1. Inserted vide F. D. Notification SRO-614 dated : 4-9-1972.

by an investigating officer and a requisition to this effect is received from the Police Department or a Court of Law.

<sup>1</sup> [Explanation 1.—Such documents shall be supplied to the Police Department by the Accounts Officer only on receipt of a requisition from the Inspector General of Police or Dy. Inspector General of Police (Anti-Corruption Department), who will address the Accountant General to handover the documents in original to the Investigating Officer, indicating that the photostat copies would not serve his purposes.]

<sup>2</sup> [Explanation No. 2.—Where any departmental proceedings have been initiated against a Government servant in respect of any charge criminal or otherwise and the Inquiry Officer requires a copy of the original voucher for the purpose he may address the Accountant General to supply him photostat copy of the required voucher duly attested.

**(v) Claims against the Railway for goods lost in transit :**

2-58. Government Officers should take due care when ordering goods from or consigning goods to destinations outside the State on Government account and which have to be booked through Railway, to see that the goods so ordered or consigned are, as far as possible, booked at Railway risk by complying with the relevant Railway Rules. Claims for any losses or shortages, should be lodged with the Railway Department immediately and within time. Any default in this respect will render the Government Officer concerned responsible for the loss.

**(vi) Departmental check of receipts and disbursements :**

2-59. The check of receipts consists in seeing (a) that sums due are received and checked against demand, and (b) that all sums received are brought to credit in the accounts.

As regards (a) it is the revenue collecting authorities alone which can by maintaining proper demand registers ensure that Government receives all sums of money due to it. For (b) also the departmental officers are mainly responsible, the duty of the Audit Office being merely to intimate

1. Inserted vide F. D. Notification SRO-318 dated : 16-6-1969.

2. Inserted vide Notification SRO-410 dated : 21-9-1982.