

CHAPTER XIX

CASH AND PAY DEPARTMENT

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CHAPTER XIX
CASH AND PAY DEPARTMENT
A. GENERAL

1901. Introductory. – Introductory. – The Cash and Pay Department is headed by a Dy CAO/C&P. The banking of all cash received by the railway and the disbursements of all payments on behalf of the railway (except for payments arranged through cheque by the Cheque Disbursement cell) are mainly the responsibilities of the Dy CAO/C&P. On the divisions there are Divisional Cashiers who function in the same way as, and subordinate to the Chief Cashier. Unless the contrary is clear from the context, the term “Cashier” includes the Dy CAO/C&P , ACC, Divisional Cashier, Senior Cashier and Cashier. (Authority: Board’s Letter No. 2015/ACII/21/13 dated 18.10.2016)

1902. The Chief Cashier and his staff will work under the administrative control of the Financial Adviser and Chief Accounts Officer, who is to prescribe detailed rules of procedure for the internal check and inspection of the cash and pay work subject to the general rules regarding cash, cheques, vouchers, disposal of pay and allowances and the witnessing of payments laid down in this Chapter or elsewhere in the Indian Railway Codes.

1903. (1) The rules prescribed in this Chapter are generally designed to ensure correctness & promptness in dealing with cash receipts and payments and avoidance of risks of misappropriation or loss. If in the actual application of these rules there are practical difficulties, there is no objection to any minor deviation from the rules or to the forms being modified to suit local conditions, provided the essential requirements of the rules or the forms prescribed in the Code are not overlooked. All such modifications should be approved by the Financial Adviser and Chief Accounts Officer and embodied in an office manual which should specifically give the particulars of deviation from the rules in the Codes.

(2) The detailed rules of procedure prescribed by the Financial Adviser and Chief Accounts Officer for the conduct of business of the Cash and Pay Department should inter alia provide for:-

- (a) the systematic internal check over the accounts of the moneys passing through the hands of the Cashier and other officials concerned;
- (b) a continuous review of the arrangements for the expeditious disbursement of the moneys, for the custody thereof, and for the prompt and correct disposal of un-disbursed balances and of sums otherwise payable into the Bank/Treasury;
- (c) the adequate, reconciliation preferably without previous notice of cash balances with the accounts outstanding against the custodians of the balances; and
- (d) the periodical inspection by the Executive Engineer/Security Officer

of the strong room and other parts of the cash office for ensuring the safety of the building.

It is a responsibility of the Financial Adviser and Chief Accounts Officer to satisfy himself, at irregular intervals by inspections and surprise checks, that the system of supervision, as prescribed by him or in the Codes or special orders is carried out efficiently, and to see that, if there is any defect in supervision, it is corrected and any necessary amendment of the rules receives the sanction of the competent authority. The arrangements for the safety of the cash while in the cash office should receive the personal attention of the Financial Adviser and Chief Accounts Officer during his inspection of the Cash Office.

1904. Treasury Rules.— The General rule is that all money received by the railway should be paid promptly into Bank/Treasuries and that funds required for payments should be obtained from Bank/Treasuries by cheques drawn by the Accounts Officer or by Officers authorised by him. The appropriation of departmental receipts to departmental expenditure or any other purpose is strictly prohibited, except in the circumstances specified below

- (i) The Financial Adviser and Chief Accounts Officer is permitted to cash cheques issued by him in favour of the Cashier against the drawing account of the railway from traffic receipts, the former being paid into the Treasury or the Bank in lieu.
- (ii) The Financial Adviser and Chief Accounts Officer, with the prior approval of the Ministry of Railways (Railways Board), is empowered to employ a system under which cash receipts at stations are utilized to a limited extent for the payment of expenditure of the railway (e.g., payment of claims for compensation of goods lost or damaged, disbursement of pay and traveling allowances with a view to accelerate payment of such charges, payment of wages in certain specified cases under the Payment of Wages Act).
- (iii) In any other case, with the prior approval, general or special, of the President only.

Note. - The General Manager of a Railway Administration, if he considers it absolutely necessary, may, in consultation with his financial Adviser and Chief Account Officer order the appropriation of departmental receipts for urgent departmental expenditure necessitated by floods, earth-quakes and accident.

1905. Withdrawals from Station Earnings.- Pay Orders (and not cheques) issued by the Employees Co-operative Credit Society/Bank in the name of railway servants in whose favour loans, etc. have been granted by it may be encashed from station earnings provided such Society/ Bank deposits in cash with the F.A. & C.A.O./ Accounts Officer concerned in advance, the amount which would be required to cover about a fortnight's

transaction and provided that the pay orders are sealed by the F.A. & C.A. O./Accounts Officer with special seal mentioned in paragraph 1134.

1906. The treasury business of the Central Government is conducted by the Reserve Bank of India at its head office and branches receiving revenues and making payments under the orders of the competent Government officers. The Government treasury business is also conducted by the State Bank of India, if one exists at that station, or any other bank duly authorized by the Government of India (e.g. Nationalized banks) serving as agents of the Reserve Bank. In this Code, therefore, wherever the terms "Treasury" and "Treasury Officer" occur they include the treasury branch of the Reserve Bank of the State Bank and the local agents of the Nationalized banks. The Treasury Rules of the Central Government specially applicable to the Railway Department are printed as Appendix VII to this Code.

B. CASH DEPARTMENT

1907. Cash is usually received in the Cash Office either from the railway stations which realise the traffic and miscellaneous receipts or at the counter in the Cash Office from outsiders making payments of dues to the railways. Railway dues or other money receivable on railway account may ordinarily be realised only in legal tender coins or notes. The conditions of legal tender and the currency of the various denominations of coins and notes are governed by the instructions embodied in Part XIV of the Central Government Treasury Rules.

1908. **Acceptance of local cheques in payment of Government dues** - Stations must not accept cheques in payment of passenger fares. In the case of goods and parcels traffic, cheques on banks which have clearing accounts with the Reserve Bank or the State Bank may be accepted in payment of railway freight at the discretion of the General Manager, from well-known firms subject to the condition that the firm concerned deposits with Government, as security, a sum equivalent to an amount not less than a month's freight transactions with the railway. The security deposit may be made in cash, Government Promissory Notes or a Guarantee Bond in accordance with the instructions contained in Chapter XVIII. The deposit should be made for each booking or receiving point where a firm desires to pay by cheques. Cheques on clearing banks may also be accepted in payment of other dues to the railway or in settlement of other transactions, at places where Government treasury business is conducted by the Bank. Such cheques should, in all cases, be crossed. Until however, a cheque has been cleared, the Railway Administration cannot admit that payment has been received and consequently final receipt will not be granted when a cheque is tendered. A receipt for the cheques (only) will be given in the first instance, but if the person making payment so desires, a formal payment receipt should be sent by post to his address after the cheque has been cleared.

1909. In the event of such a cheque being dishonoured by the bank concerned on presentation, the fact will be intimated at once to the tenderer, but Government cannot accept any liability for loss or damage which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

HANDLING OF CASH

1910. The following rules should be observed by all railway servants who are required to receive and handle cash.

1911. **Cash Book.** - Each railway servant receiving money on behalf of Government should maintain a CashBook. All cash transactions should be entered in the CashBook as soon as they occur, and attested in token of check. The CashBook should be closed regularly and completely checked. At the end of each month, the officer-in-charge of the CashBook should personally verify the cash balance in the CashBook and record a certificate to that effect under his dated signatures.

1912. **Receipts** - When money is received by Railway servant, a receipt should be granted to the payee in the form prescribed for the purpose, except that in the case of Railway freight the receipts may be granted only when asked for. The receipt should be signed only by a responsible officer who should satisfy himself at the time of signing the receipts that the amount has been entered in the CashBook.

1913. **Transport of Cash.** - Normally, peons should not be employed for the transport of cash i.e. to fetch or carry money. When it is absolutely necessary to employ a Class IV staff for this purpose, men of some length of service and proved trustworthiness should only be selected and, in all cases, when the amount to be handled is large, more than one messenger should be employed.

1914. **Custody of Cash.** - A railway servant 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 Government. Where under any special sanction, a railway servant 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.

1915. In the case of payments into Banks/Treasuries, the disbursing officer should compare the Bank/Treasury Officer's receipts on the challan with the entry in the Cash Book before attesting it, and when such payments are appreciable he should obtain from the Bank/Treasury a monthly list of payments which should be compared with the postings in the Cash Book.

1916. (a) Public money not in the custody of a Bank/Treasury should be kept in strong treasure chests and secured by two locks of different patterns. All keys of the same lock should be kept in the same person's custody and as a general rule, the keys of one lock should be kept apart from the keys of the other lock and in a different person's

custody when practicable. When there is a police/ security guard the officer-in-charge of such guard should be entrusted with the custody of the keys of one lock. The chest should never be opened without both the custodians of the keys being present. The officer-in-charge of the police/security guard (where such guard is provided) should always be present when the treasure chest is opened and until it is again locked.

(b) Custody of duplicate keys of safes and/or strong rooms. – The following procedure should be observed for the custody of duplicate keys of safes and/or Strong Rooms :

- (i) All safes and/or strong rooms should have duplicate keys, one of the keys being in the possession of the person responsible for the safe and or strong rooms as the case may be and the other (duplicate) key being in the possession of the departmental superior, not below the rank of a Gazetted Officer, of such person in whose custody the safe and/or strong rooms is.
- (ii) Each duplicate key of the safe and/or strong room should be placed in a packet and sealed with the seal of the person in charge of the safe or strong room to which the key relates, the packet showing the full particulars of the key which it contained should be handed over under signature to the departmental officer entrusted with the responsibility for the custody of the duplicate key packets.
- (iii) A register should be maintained in the office in which the safe and/or strong room is situated, indicating full particulars of the duplicate keys in existence and in whose custody they have been place. A register should also be maintained by the officer nominated for the custody of the duplicate keys packets, indicating full particulars of the safe or strong room to which the key in each packet relates.
- (iv) Every year during the month of April each office which has deposited the duplicate keys with the nominated officer, should call for the sealed packets containing the duplicate, key of the safe and/or strong room in his charge, check it and return it again duly packed, sealed and properly labelled and marked to the nominated officer, Before returning the duplicate keys he should make an entry in the register maintained in his office of the fact of verification and return of the duplicate keys under his dated signature. The nominated officer in whose custody the duplicate key packets are, should also make suitable entries in the registers maintained in his office regarding the fact of annual verification under his dated signature. He should also ensure that all key packets in his custody are verified by the parties concerned every year.
- (v) The office in which the duplicate key packets are maintained is responsible only for the packets with the seal intact condition and not for the contents and consequently the office or party to which the duplicate keys in question relate will be responsible for the contents. They should, therefore, ensure that the packets are properly sealed and that the seals are in tact when they are being sent for safe custody and also when it is received back either for annual verification or otherwise.

1917. **Cashier's CashBook (Receipts).** - The Cashier should maintain a Cash Book in Form A.1917 in which should be recorded the receipt and disposal of cash (see paragraph 1943 and 1944)

Form A. 1917

1918. Balancing the Cashier's Cash Book. - At the close of business each day, the Cashier should balance his cash book (A. 1917) and enter in red ink at the foot of the page a statement showing the details of all the cheques and cash he has in hand and the purpose for which they are held. The total of this statement should agree with his cash balance each day. (For the purpose of detailing the balances on hand, a separate manuscript "Asset Register" may, if found more convenient, be maintained).

1919. Accounts Check of Cash Book. - The cash book, with all vouchers and supporting documents, should be submitted daily for examination and check by an Accounts Officer (nominated by the Financial Adviser and Chief Accounts Officer), who should sign the cash book in token of his having checked it. The Accounts Officer is also responsible for seeing that the whole day's cash collections are duly remitted to the Treasury/ Bank.

1920. Verification of Cash Balance by Actual Count. - The Accounts Officer nominated by the Financial Adviser and Chief Accounts Officer should verify the cash balance by actual count once every calendar month, preferably without prior notice. The verification for the month of March should be made on the 31st of that month.

1921. Remittances of Station Receipts to the Cash Office /Banks. – Under arrangements with the local Banks/Treasuries, the collections of certain stations may be arranged to be paid by Station Masters direct into the local Banks/Treasuries. The collections of stations which cannot be deposited in to the Banks/Treasuries direct should be required to be remitted daily to the Cash Office. In the former case, the Chief Commercial Superintendent in consultation with the Financial Adviser and Chief Accounts Officer will, subject to the rules in paragraphs 2441 to 2444 of the India Railway Commercial Manual, issue detailed instructions to the stations regarding the procedure to be followed in the matter (including precautions to safeguard loss of the remittances) and in accounting. In the latter case, the procedure outlined in the following paragraphs should be followed.

1922. Travelling Safes. - Station remittances to the Cash Office should be made in travelling Safes every day by train under arrangements with the Traffic (Commercial) Department which remains responsible for the money until it is taken over by the Cashier or his representative.

1923. The safes should on arrival at the station, be placed under the charge of the station police guard or otherwise properly secured, is may be locally arranged, until the contents are made over to the Cashier, or his authorized representative, who should attend at the station daily to take delivery of the cash bags at such times as may be arranged by the Financial Adviser and Chief Accounts Officer and the Chief Commercial Superintendent.

1924. Cash Witnesses. - In order that the interests of the station staff may be sufficiently protected, the Traffic (Commercial) Department should furnish sufficient number of Cash Witnesses daily, as may be necessary to witness all operations connected with the remittances, from the time the bags are made over to the Chief Cashier or his representative at the station till the cash has been counted out of them.

Note. The staff selected to work as cash witness in the Cash Office should be of proven integrity having good record of service.

1925. Cash Witnesses should not, in any way, assist in the work of counting the cash but they may count the cash in the circumstances stated in para 1931. They should sign the counterfoils of the Cash Remittance Notes (Form Com./C-9 Rev.) received with the station earnings, and see that the entries of the amounts of Cash Remittance Notes (Form Com./C-9 Rev.) in the Cash Check Sheet (A. 1943) are correctly made, and sign the document (A. 1943). The same men should not be regularly told off as "Cash Witness".

RECEIPT OF STATION REMITTANCE BY CASHIER

1926. Subject to any modifications, which may be authorized by the Financial Adviser and Chief Accounts Officer, the procedure detailed in the following paragraphs should be followed in dealing with station remittances.

1927. Cash Bags. - The safes should be opened in the presence of the Chief Cashier (or his representative), the Traffic Cash Witness or the Station Master on duty and the Head Constable of the police guard (or the Sainik of the Railway Protection Force or other armed guard) provided at the station, and the particulars of the contents should be posted into a register of cash bags (Form No. A. 1927) to be kept jointly by the Cashier and the Cash Witness or Station Master. In his register (A. 1927) the total number of cash bags received from each station should be entered against that station in the column "Total No. of bags" and the serial number of each bag, as given on the outside, should be entered in the column "No. of bags". Should any of the cash bags be found to be torn, or the locks or seals damaged, a note of the fact should be made in the column "Remarks". The number of each safe, the station from which it started, and the total number of bags found in it should also be entered in the register. It should then be signed by the Chief Cashier or his representative, the traffic Cash Witness and the Head Rakshak in token of the correctness of the entries made therein.

REGISTER OF CASH BAGS RECEIVED AT ON 20 . BY TRAIN....

Station From	No. of safe	Total No. of bags	No. on bags	Names of the counters	Signature of counters	Remarks

.....
Chief Cashier's
representative

.....
Traffic Cash
Witness

.....
Police Head
Constable/Head
Rakshak

.....
Chief Cashier

1928. The cash bags should then, under the personal supervision of the Chief Cashier, or his representative and a Cash Witness be taken into the counting room in the cash office under a police/ R.P.F. (or other suitable) escort. From the time the cash bags are taken over by the Chief Cashier or his representative till the time of the final counting out of the contents, the cash should not be touched except in the presence of the Cash Witnesses.

1929. Opening the Cash Bags and Counting the Cash. - On arrival at the counting room, the Chief Cash Witness will make over the cash bags, station by station to the Shroffs whose duty it is to count the cash in the bags on behalf of the Chief Cashier. The acknowledgement of the Shroffs will be obtained either on Form A. 1927 in the column "Signature of Counters" or in a separate register showing the names of Counters. (ii) number of bags and (iii) signature of the counters. The bags should then station by station be opened by the Shroff (the Cash Witness and the Chief Cashier or his representative looking on), and the contents emptied on a carpet or table quite clear of everything which might hide coins if they rolled under it.

1930. Not more than one Shroff should be employed in dealing with the bags from one station, and until these are finally disposed of the bags of another station should not be touched by that Shroff. On opening a cash bag the Shroff should first take out the Cash Remittance Note (Form Com. /C-9 Rev.) and hand it over without unfolding to the Cash Witness and then proceed to count the cash. The Shroff should call out the total amount of cash of each description and the Cash Witness should verify with the entries in the Remittance Note (Form Com. /C-9 Rev.).

1931. Discrepancies. - If the cash agrees exactly with the Remittance Note (Form Com/C-9 Rev.) the Cash Witness and the Chief Cashier or his representative should initial the counterfoil of that document. If a discrepancy be discovered between the cash

and the Remittance Note, a recount should first be made by the Cash Witness, and if that fails to settle the matter, the Chief Cashier should be apprised forthwith. Further action to establish the bonafides or otherwise of the discrepancy should be taken by the Chief Cashier in accordance with the detailed instructions prescribed by the Financial Adviser and Chief Accounts Officer on this behalf. In all such cases, however, the matter should be immediately reported to the Officer-in-charge of the cash office who should cause such investigations to be made as he considers necessary and should fix responsibility.

1932. Telegraph Message Drafts. - Covers containing telegraph message drafts with stamps affixed vide paragraph 2439 of the Indian Railway Commercial Manual, should not be opened in the cash office, but should be made over with the station cash check sheet (A. 1943) to a responsible official of the Traffic Accounts Branch, who should open them check the value of the stamps with the entries in the Cash Remittance Note (Form Com. /C-9 Rev.) and personally make over the message drafts to the Clerk who checks telegraph earnings, by whom they should be retained under lock and key until dealt with in internal check (see paragraph 2246 to 2248)

1933. Shroffing. – The Chief Cashier is responsible for seeing that the cash in each bag is closely examined by the Shroff during the verification so that uncurrent coins, oiled and spurious notes, etc. may be detected. If, when the cash remittances of the railway are subsequently tendered at the Bank/Treasury, uncurrent-coins, oiled and spurious notes etc. are detected therein in addition to those already discovered by the cash office at the time of verification of station cash, the loss should be made good by the Cash Office Shroffs.

1934. In eliminating uncurrent from current coins, it is necessary that the uncurrent coins of each station should be placed in separate covers for each station and the covers indexed so that in the event of the liability for the loss being placed on stations, the particular coins received from each station may be returned thereto; in practice this can be conveniently done by making up small paper bags in the cash office of about 65 mm.

1935. Uncurrent Coins. – Uncurrent coins may be either counterfeit or light or defaced coins; and the liability for the loss arising therefrom and also the loss on soldered coins, whether it should be borne by the railway or the remitting station, should be fixed by the rules in the following paragraphs.

1936. Counterfeit coins which the Chief Cashier may consider to be exceptionally well executed should so far as remitting stations are concerned, be treated as current. They should not be cut but sent to the Mint to be assayed. Counterfeit coins which in the Chief Cashier's opinion do not fulfil this condition should be cut or broken after which they should be returned to the remitting station to be replaced by current coins of equal face value by the person responsible for their acceptance on behalf of the railway. The discretion referred to in this exercised by the Financial Adviser and Chief Accounts Office or by paragraph must be one of the Senior Officers of the Accounts Office or the

Chief Cashier on a personal inspection of each coin. The duty should not under any circumstances, be delegated to any one else.

Note – The following persons have been authorised to cut or break counterfeit silver or nickel coins under Section 20 of the Indian Coinage Act. 1966 :--

The Financial Adviser and Chief Accounts Officer, the Deputy Chief Accounts Officers, and the Chief Cashier of the Railway.

1937. Sending Uncurrent Coins to the Mint. – The Accounts Officer should bring to the notice of the General Manager, for the information of the Railway Board, any case of the appearance of such coin at particular place in such quantity as to give rise to the suspicion that some new fraudulent agency is at work. Counterfeit coins which are exceptionally well executed should be sent to the Mint either through the State Government or the Inspector General of Police, as the State Government may direct and in the event of there being more than one coin of the same die or of similar moulds, the State Government or the Inspector General of Police may keep one, in-forming the Mint Master of the fact.

1938. A quarterly return should be sent in duplicate not later than the 10th of the month following the quarter to which it relates to the Mint showing the total number of coins remitted by stations during the quarter, including both the coins cut in the cash Office and those sent to the Mint.

1939. Should the Mint Master consider that any of the counterfeit coins sent to him by the railway are not sufficiently good imitations, he will return them, and on receipt in the cash office, they will be cut and will then be disposed of to the best advantage in such manner as the Accounts Officer may direct. Counterfeit coins accepted by the Mint as being exceptionally well executed will be assayed, and credit afforded to the railway through the out-turn statement for the value of silver obtained.

1940. Light Coins. – Light coins consist of those which have become light through ordinary wear and tear and those which have been fraudulently reduced. They and defaced coins, which have not been fraudulently defaced, will be dealt with by the Treasury under the rules in Chapter III of Part XIV of the Treasury Rules and Executive Instructions.

1941. Counterfeit Currency Notes. – Spurious currency notes will be handed over to the Police authorities for investigations, a special report of the case being made to the Chief Commercial Superintendent. Their value will be placed to the debit of Stations concerned and where the notes are palpable forgeries, the amount will have to be made good at once by the Station Staff responsible. When, however, they are classed by the Chief Cashier as good imitations which could not be recognized by the Station Staff as forgeries with the exercise of reasonable care during the ordinary course of business; the value may be permitted to remain at debit of stations till the completion of the

investigations, when the General Manager or the authority to whom the Power is delegated will decide on a consideration of the facts of the case whether the loss should be made good by the station or borne by the Railway. Half mutilated, mismatched, or altered notes will be returned to stations by the Cash Office. The amount should be made good at once by the party responsible for its acceptance.

1942. Acknowledgement of Station Remittances. – The cash received from stations having been compared with the amounts shown in the Cash Remittance Notes (Form Com. /C-9 Rev) and examined, the correct amount with which each station is to be credited should be entered in the second and third foils of the Cash Remittance Note (Form Com. /C-9 Rev.). Both the foils should be signed by the Chief Cashier or his representative and the Cash Witness. One foil should be passed on to the Accounts Office with the Cash Check Sheet. (A. 1943) and the other returned to the station concerned as an acknowledgement. Any corrections necessitated by short remittances or remittances of uncurrent coins and oiled and spurious notes, for which the station has been declared liable should be made in red ink with suitable explanatory remarks by the Cash Witness and initialed by him. On railway where explanatory remarks are not given on the Cash Remittance Notes for the corrections made by the Cash Witness, the liability of the station should be intimated through a separate debit memo in Form A. 1942.

Form A. 1942.

1943. Cash Check Sheet. – The particulars of the cash remittances of each day should be tabulated in Form A. 1943, Traffic Cash Check Sheet, which should show the total amount of cash acknowledged to have been received from each station and the grand total of cash received from all stations and remitted by the Chief Cashier into the Treasury/Bank. It will be found convenient to prepare the Cash Check Sheet by sections of the line, the names of stations being arranged according to their geographical position. The total of the Cash Check Sheet (A. 1943), representing the cash receipt of the day, should be entered in the Chief Cashier's Cash Book (Receipts) ([A. 1917](#)). The Cash Check Sheet should be sent daily, along with the Cash Remittance Notes (Form Com./C-9 Rev) received from the stations by the cash office, to the Traffic Accounts Branch for check.

Form A.1943

1944. Remittance to Banks/Treasuries. – Payment into the Bank/Treasury of station remittances and other miscellaneous receipts should be made in Treasury Remittance Notes (Form A. 1944) and as a general rule, daily. Form a. 1944 should be printed on the blue paper and should have the name of the railway stamped or printed on the top in bold letters so as to enable the Bank/Treasury to classify the receipts against the railway correctly. Form A. 1944 should be in three foils. The first foil is intended to be retained by the Bank/Treasury, the second, which will bear the receipt of the Bank/Treasury, will be the voucher in support of the credit entry in the Chief Cashier's

Cash Book (Receipts); and the third foil will form the office record. The greatest care should be taken that these daily receipts are stamped or obliterated to such an extent as to render a second use of them impossible; and like other vouchers of the Cash Book, they should be carefully filed.

Form A.1944

C. PAY DEPARTMENT

1945. Pay Districts. – For the expeditious payment of claims, the railway should be divided into “Pay Districts,” the location of which should be fixed by the Financial Adviser and Chief Accounts Officer with reference to the location of the territorial jurisdiction of the Engineering, Mechanical and Traffic Departments.

1946. Chief Cashier’s Cash Book (Payments). – No payment can be made by the Pay Department normally without a pay authority from the Accounts Office. The Account Office will forward to the pay office daily all bills requiring to be paid, accompanied by abstract of bills ([A. 1107](#)), cheque requisitions ([A. 1111](#)) and cheques corresponding to the total amount of abstracts, for all of which the Cashier should grant suitable acknowledgement. The accounts of the Pay Department should be based on bills and cheques received from the Account Office. All bills received in the Pay Office for Payment should be numbered serially. The number thus given in the pay office is referred to hereafter as the Pay Office Number. The Cashier should then enter the particulars and amounts of the bills on the receipt side of the Chief Cashier’s Cash Book (payments)(A. 1946), taking care to see that the postings made agree with the Abstract of bills. As disbursements are made by actual payments to payees at headquarters or by the issue of cheques or money to Cashiers for payment, they should be entered on the expenditure side of the chief Cashier’s Cash Book (Payments).

Form A. 1946

1947. In urgent cases where the Accounts Department adopt the Post-check system, (see paras, [813](#) and [814](#)) bills may be received by the Chief Cashier or Cashier directly from the Executive Officers, but no payment should be made by the Chief Cashier/Cashier on such bills until after the receipt of the corresponding Abstracts passed by the Accounts Officer. On receipt of a passed Abstract, the Cashier should link up the corresponding bill, if received separately, by him, and make payments on the dates specified on the Abstract. The paid bills together with the connected Abstracts should be returned so as to reach the Accounts Office within ten days of their receipt by the Cashier.

If any items included in such bills remain unpaid, the unpaid amounts should be dealt with in the usual way, a copy of the Unpaid Wages List ([A. 1959](#)) being furnished to the Accounts Officer and to the authority who prepared the bill.

1948. Cashier's Ledger Account. – The Chief Cashier should maintain a Cashier's Ledger Account in which the Cashier is debtor for the amount of bills sent to him for arranging disbursement, and is creditor for the paid bills returned by him and for the cash returned by him with the unpaid vouchers. From such Ledger the Chief Cashier should be able to determine the liability of the Cashier on any day.

Form A.1948

1949. Providing Funds to Cashiers . – All cheques received with the passed bills in the pay office should be made over to the Cashiers concerned. Where a cheque has been received for bills relating to more than one Cashier, it should be cashed and the requisite amounts distributed to the Cashiers concerned. Alternatively separate cheques in favour of each of the Cashiers concerned should be requisitioned for, vide paragraph 1950. The signature of the Cashiers, for the cheques and amounts received should be obtained in a separate register (Form A.1949) or in the Chief Cashier's Cash Book (Payments) under a suitable column, in token of their acknowledgement. When cheques are sent to Cashiers at outstations, the acknowledgements of the Cashiers should be obtained on the Advice Notes should be quoted in the Register (A. 1949) or in the Chief Cashier's Cash Book. The total of the cheques made over to Cashiers should agree with the total of cheque requisitions ([A. 1111](#)) received every day.

Form A. 1949

1950. Such of the Cheques as have been omitted to be drawn or are required for placing Cashiers at outstations in funds, should be entered up in a register Form A. 1950 and the register sent to the Accounts Office of the necessary cheques. The amount of these cheques should be deducted from the Chief Cashier's cheques for the day.

Form A.1950

REGISTER OF CHEQUES TO BE DRAWN BY THE ACCOUNTS DEPARTMENT

Date20

Reference to A.B.No. and Abstract	Treasury/Bank on which required	Name of person in whose favour Cheque is required	Amount	Remarks
			Rs. P.	

1951. Bills Distribution Register. – After the posting of the Cashier's Cash Book (Payments) (A. 1946) is completed, the bills should be sorted for distribution to the Cashiers by whom the payments are to be made. They should then be entered in the Bill Distribution Register (A. 1951). Bills intended for Cashiers stationed at the headquarters of the Chief Cashier should be delivered to them and their acknowledgement obtained on

this register. The acknowledgement of Cashiers at outstations should be obtained on an Advice Note (A. 1952), reference to which should be quoted under the column “Signature of Cashier” in the Bills Distribution Register (A. 1951).

Form A. 1951.

REGISTER SHOWING OF BILLS MADE OVER TO CASHIERS

A.B. No.	Pay Office No.	Amount	Signature of Cashier for having received the bills and amount	A.B. No.	Pay Office No.	Amount	Signature of Cashier for having received the bills and amount	And so on

1952. Advice Notes of Bills and Cheques dispatched. – Bills intended for Cashiers located at outstations should be entered in an Advice Note, Form A. 1952, to be prepared in triplicate. The original and duplicates of the advice Note (A. 1952), together with the bills and cheques should be dispatched the same day, if possible, as they are received in the Pay Office. The dispatch of the bills and cheques should be intimated to the Cashiers concerned by telegram. Immediately on receipt, the Cashier should verify that the bills and cheques stated to be enclosed with the Advice Note (A. 1952) have been correctly received and return the duplicate copy of the Advice Note duly acknowledged to the Pay Office. Any difference between the amount advised and that actually received should be brought to the notice of the Chief Cashier by telegram. The copy of the Advice Note which bears the acknowledgement of the Cashier should be filed in the Pay Office by attaching it to the office copy of the Advice Note. If any Advice Note remains unacknowledged, the Chief Cashier should promptly call for its acknowledgement.

1953. Return of Abstract of bills A. 1107 and Cheques requisition A-1111 to Accounts Office. – The Abstract of bills ([A. 1107](#)) and Cheque requisition ([A. 1111](#)) should, after completion of the Pay Office record in the manner indicated in the preceding paragraphs, be returned to the Accounts Office. These should not ordinarily be retained in the Pay Office for more than one day.

1954. Cashier’s Cash Books (Payments). – Each Cashier should maintain a cash Book in Form A. 1954. The “Receipt” side of the Cash Book should be posted from the bills received from the Chief Cashier or transferred by other Cashiers for payment. The total amount to be disbursed by a Cashier in connection with the bills received by him,

according to his cash book postings, should agree with the total amount of cash and cheques received by him. The “Payment” side of the cash book should be posted from paid vouchers and from acknowledgements of the Chief Cashier and other Cashiers on account of amounts transferred for payment.

[Form A. 1954](#)

1955. Balancing the Chief Cashier’s and Cashier’s Cash Books. – The cash books of the Chief Cashier and the Cashiers (A. 1946 and A. 1954) should be closed and balanced daily and the details of the balance after actual count noted at foot. Any deficiency must at once be made good and brought on to the cash book of the following day, while an excess found in chest should be paid to the Cashier as a credit to “Deposits-Unpaid Wages.” If at any subsequent time the mistake as to the excess or deficiency already entered in the Cash Book is discovered and the amount is found to be refundable, this should be done on a pay order issued by the Cash Office and passed by the Account Office. Erasures of any kind in cash Book, receipts and bills are strictly prohibited; corrections in the Cash Book should always be made in ink and attested by the officer-in-charge. The Cash Book should be checked and signed by the Officer-in-Charge.

1956. The rule requiring the cash books of Cashiers to be closed and balanced daily may be waived by the Accounts Officer in cases in which compliance therewith is difficult, or impracticable. Cashier should, however, be required to close and balance their cash books daily whenever they are at headquarters and in any case not less frequently than once a week.

1957. Return of bills to Chief Cashier. – All paid bills and bills on which no more payments can be made should be returned as early as possible but within one month at the most (see para [1988](#)) by the Cashiers to the Chief Cashier under cover of an advice list (Form A. 1957) together with a copy of the Unpaid Wages List ([see para 1959](#)) showing the name and designations of the payees and the amounts unpaid with reasons for non-payment. This advice slip, after being checked by the Chief Cashier with the unpaid money and the bills returned therewith, should be returned, duly acknowledged, to the Cashiers concerned.

[Form A. 1957](#)

1958. Cashiers should not the following information on all returned bills :-

- (1) Date of receipt
- (2) Dates on which payments were commenced and finished
- (3) Date of return to Chief Cashier
- (4) Amount unpaid
- (5) Reference to Unpaid Wages List
- (6) Particulars of Remittance of the Unpaid amount

Cashiers should always quote the number of the bill and of the relevant abstract ([A. 1107](#)) on separate receipts, or on extracts and authorities attached to a bill to which they refer, as without this information it is difficult to trace the bill to which they pertain. When extracts (Form A. 1975) or receipts are attached to a bill a remark to the effect “extract attached” or “receipt attached” should always be made in the bill opposite the names of the persons concerned.

1959. Unpaid Wages Lists. – A complete list of items unpaid should accompany each bill returned by the Cashier to the Chief Cashier. The list should be prepared in Form a 1959 in triplicate. One copy should be retained as the Cashier’s record and of the other two copies, one should be submitted to the Chief Cashier for transmission to the Accounts Office and the other sent to the departmental Officer concerned for such action as he may consider necessary.

[Form A. 1959](#)

1960. Disposal of Unpaid Wages. – Immediately after receipt of unpaid money, the Chief Cashier should enter the amount in his cash book on the receipt side. If it is evident that no more payments can be made, the money should either be returned to the Cashier with a deposit slip or paid into the Bank Treasury to the credit of the railway, as may be prescribed by the Accounts Officer and the expenditure side of the Chief Cashier’s cash book posted. In the former case, the Cashier should acknowledge the receipt of the amount on the deposit slip, indicating thereon the date of remittance to the Bank/Treasury and return it to the pay office for submission with the Unpaid Wages Lists to the Accounts Office. In the latter case the Bank/Treasury receipt should be submitted with the ‘Unpaid Wages Lists to the Accounts Office. All amounts received as “unpaid” by the Cashier should be paid into the Bank/Treasury to the credit of the railway and the Bank/Treasury receipt should be submitted to the Accounts Office as supporting voucher to his Cash Book ([A. 1917](#)).

1961. Return of Bills to Accounts Office. – All paid and unpaid bills should be carefully examined by the Chief Cashier, and completed in every respect before they are returned to the Accounts Office. They should then be posted under the column “particulars of return” in the Chief Cashier’s Cash Book (A. 1946), and forwarded to the Accounts Office with the cash book. The acknowledgement of the Accounts Clerk may be obtained on the advice slip of bills returned (A. 1957). (In the Accounts Office, the bills returned by the Pay Department should, after the checks prescribed in the next paragraph, be dealt with in accordance with paragraphs 817 and 818).

1962. Check of Chief Cashier’s Cash Book (Payments). – The Chief Cashier’s Cash Book should be submitted to the Accounts Office for check at least once in a month. The Chief Cashier’s Cash Book and the bills (paid and unpaid) should, on receipt in the Accounts Office, be examined to see that:

- (i) all the cheques issued in favour of the Chief Cashier for the disbursement of bills and in favour of other parties included in the

- Abstracts of bills ([A. 1107](#)) passed during the month have been correctly taken to account in the Chief Cashier's Cash Book;
- (ii) the receipts of the payees are forthcoming in all cases where payments have been made;
 - (iii) the necessary Unpaid Wages Lists and Treasury/Bank receipts have been received for the amounts returned as unpaid; and
 - (iv) there are no bills outstanding with the Chief Cashier beyond the period permitted under paragraph 1988.

In cases where payee's receipts are not attached with the bills, the Chief Cashier should be called upon to submit the required receipts within a fortnight. Such receipts, when subsequently submitted by the Chief Cashier should also be attached with the bills. Delays in the submission of payee's receipts or in the return of bills (paid or unpaid) to the Accounts Office should be reported to the Financial Adviser and Chief Accounts Officer for such action as he may deem necessary.

1963. Accounts Officer's Acquittance. – After check in the manner indicated above, an acquittance certificate should be recorded on the Chief Cashier's cash book in the following form (suitable modification being made, when necessary) and the cash book returned to the Chief Cashier for record.

[Form A. 1963](#)

ACCOUNT OFFICER ACQUITTANCE CERTIFICATE ON CHIEF CASHIER'S CASH BOOK

(1) This is to certify that all bills for Rsrelating to the month ofhave been received back from the Chief Cashier and there is no outstanding regarding objectionable vouchers, Payee's receipt, acknowledgements, etc. Hence the Chief Cashier's Cash Book is passed finally

(2) The amount of Rs.returned as unpaid has been deposited into the Bank/Treasury as detailed below :-

Bank/Treasury receipt		Amount	
No.	Date		
		Rs.	P.

.....
Accounts Officer

PAYMENT PROCEDURE

1964. Notice of Payment. – Consistent with the provisions of the Payment of Wages Act and the Rules made thereunder, the Accounts Officer should notify, at least two months in advance, the dates on which payment of various classes of bills will be made, and see that the dates are adhered to. As a matter of convenience to departmental officers in mustering payees and furnishing witness to payments, Cashiers should give previous notice of the date, and hour of intended payments.

WITNESSING OF PAYMENTS

1965. All payments by Cashiers should be made in the presence of witnesses appointed by the officers drawing the bill. The general rules relating to witnessing of payments are given in paragraphs 1966-69 below.

1966. Officers submitting bills for internal check should mention therein the place of payment and name of the officer or subordinate before whom payment should be made. It should, however, be ensured that the staff that prepare a particular bill are not nominated to witness payments for the same bill and that, as far as possible, the staff nominated for the purpose are other than the staff of the Bill preparing Sections.

1967. If the witnessing officer or subordinate is unable to write English or Hindi, he should give the required certificate in his own language, which will be translated into English or Hindi (below the certificate) by the disbursing cashier. An illiterate person should not be authorized to witness payments.

1968. When a railway servant named in a bill to witness payment thereof is from some cause or other unable to witness the payment, the officer-in-charge should authorise the disbursing cashier in writing to pay the bill in the presence of another railway servant whom he wishes to depute for the purpose. This authority will be attached by the cashier to the bill concerned.

1969. If an officer is unable to depute a man for witnessing the payment the disbursing cashier will not pay the bill except on the written authority of the officer signing the bill or one of his assistant, who must be a Gazetted Officer to whom intimation of the fact should be given by the Cashier.

1970. Though witnessing officials are responsible for the identity of their men, and for the correct payment of the amount entered in their favour in the bills, Cashiers should take care to see that persons who present themselves for payment are, as far as they know, really, those mentioned in the bills. If they entertain any doubt they should refuse payment until the doubt is removed. A case of one man answering to another man's name should, in no circumstances, be passed over, but should be reported to the Accounts Officer through the Chief Cashier.

1971. Dates of Payment. – Dates of Payment should when possible, be noted by the payees in their acknowledgements in sub-vouchers, acquittance rolls, etc. If, for any reason, such as illiteracy, on the presentation of receipts in anticipation of payment, it is

not possible for the dates of payment to be noted by the payees the dates of actual payment should be noted by disbursing officer on the document under their initials, either separately for each payment or by groups as may be found convenient.

1972. Method of payment. – (a) Except as provided below the pay, leave-salary and other allowances drawn in a pay bill can be paid only on the personal claim of the railway servant concerned and to his personal receipt and not otherwise.

(b) Pay and allowances of a railway servant, when he is unable to present himself in person to receive payment can be paid to any person duly authorized by him to receive the money and give legal quittance, provided that the later holds a legally valid power of attorney to act in his behalf.

(c) The pay and allowances of a railway servant can also be paid on his behalf to another railway servant on his furnishing the later with a legal quittance for the money claimed, signed by himself (and stamped where necessary) which will have to be surrendered to the Cashier, with a letter of authority for the payment to be made. The railway servant receiving the pay and allowances of the absentee employee on his behalf should also furnish a formal receipt (which need not be stamped) on the pay sheet as per example below. –

“A.B. Signaller
for B.C. Station Master.....
vide authority attached.”
to show that the money has actually been received by him.

The personal receipt and the authority for payment given by the absentee employee should be in the form given below.

(d) When the Railway servant is on leave, it will also be necessary for his agent to produce a life certificate duly countersigned either by the Controlling Supervisory officials or by a Gazetted Officer before the payment can be made to him.

(Authority: Railway Board's letter No. 96/ACII/9/3 Dated 1.5, 98)

[Form A.1972](#)

1973 The following rules should be observed in making payments on “authorities” :

- (a) Unless specially ordered, no countersignature of any one will be required on the authority given by an employee who can read and write English or Hindi. But in such cases, the Cashiers are responsible as to the genuineness of the authority and payment to the correct party. In cases, therefore, where they have any reasonable doubt as to the identity of the payee, the countersignature of the immediate superior of the employee or of

some other responsible witness in the service of the railway should be demanded.

- (b) Railway servants unable to write in English/Hindi, including labourers, workmen and other Class IV staff should produce an authority countersigned by the officer named in the bill, to witness the payment or by their immediate superior.

1974. Inter-District Payment. – With a view to accelerate payments in the case of staff transferred from one station to another during the pay period, the departmental officer or a subordinate superior should send intimation to the District Cashier of such transfer so that payment can be arranged to the staff at their new headquarters.

1975. As soon as it comes to the notice of a Cashier that a person whose money is in his hand for payment, has been transferred from his district to that of another Cashier, he should immediately send to the other Cashier an extract from the bill in Form A. 1975 and authorise him to make the payment to the payee concerned. A cashier authorizing payment in this manner should send an advice to the Chief Cashier making the payment (of paragraph 1950). The extracts with the payee's receipt thereon should, after payment, be sent direct to the pay office by the disbursing Cashier. In urgent cases, advises may be sent by telegrams followed by a written authority in confirmation of the telegram.

Form A.1975

EXTRACT OF BILL ON WHICH PAYMENT IS MADE
Pay District

.....
.....

A.B.No Dated Pay
Office No..... Dated..... for Rs
.....Rs. Received from
the Accounts OfficerRailway Rs
..... being.....

Station

.....
Signature of Payee

Dated

The above payment has been to and received by the payee and signed by him in my presence.

.....
Signature of Witness

Note. – Payees who cannot write must have their thumb impressions attested by one witness.

1976. Inter-Divisional and Inter-Railway Payment. – In the case of payments due to an employee transferred to another division or another railway, the Cashier should be instructed to return the net amount payable as “unpaid” and the Accounts Officer of the division or the railway to which the employee has been transferred should be authorized to arrange payment of that amount to the employee and to raise the necessary debit against the division or railway issuing the authority (See paragraphs [1132 to 1136](#)).

Note. – The Financial Adviser and Chief Accounts Officer may authorise a procedure similar to that outlined in paragraph 1975, by which inter-divisional payments will be arranged by Divisional Cashiers without the interference of the Accounts Officer, if such a procedure would suit the organisation of the pay department.

1977. Postal Payments. – Where payments have been made to person outside the limits of railway and where it is not possible to resort to the procedure outlined in paragraphs [1132 to 1136](#) or to issue cheques in favour of the payees, drafts(s) should be used when obtainable from the bank/treasury under the rules in paragraph [1127 to 1131](#) of the Indian Railway General Code. When draft(s) cannot be obtained, payments should be made by money order, the cost of the money order being borne by the payee except in cases where the railway is clearly liable to arrange for the payment outside the railway limits, e.g., payments of bills for stores purchased, electric charges, municipal and other taxes, salaries of staff working outside the railway limits, advertisement charges, etc. Payments to persons who are at a place where there is neither a Treasury/ Bank nor a money order office may be made by currency notes and postage stamps of small value. This method of payment should be resorted to only in exceptional cases under the orders of the Accounts Officer. Government draft (a) and all remittances whether by cheques, currency notes, stamps, etc. should always be forwarded under registered cover, insured where necessary. The receipts of the Post Office should be carefully filed as vouchers.

1978. (1) Postal Payments of Provident Fund and Gratuity. – Where, for any reason, payment of Settlement dues cannot be made personally to the payees, after proper identification, by the Pay Department, i.e., if the payees cannot be called upon to receive payment personally without serious inconvenience to them, remittance should be made by Government draft(s) if possible otherwise by postal money order or cheque, special care being taken in such a case in consultation with the head of the office concerned – to ensure that the money is sent to the proper persons (and address) and that there is no risk of receipt by unauthorized persons. Remittance of money on account of Provident Fund or Gratuity etc, or both by postal money order or cheque or Government draft(s) is subject to the condition that a letter of authority in the following form has been obtained from the payees through the head of the office or department concerned.

(2) Payment of Provident Fund dues to another person holding power of attorney.
– Where, for any reason, payee is unable to receive himself the payment of his Provident Fund dues, including Special Contribution to Provident Fund etc., and desires payment may be made to such holder of a power of attorney, if the disbursing officer is satisfied as to the validity of its execution and the identity of the person presenting it. As the power

of attorney is valid only so long as the subscriber is alive, an indemnity bond should be obtained from the holder of power of attorney to indemnify the railway, in case it is found later that the holder had received the payment subsequent to the death of the subscriber. The disbursing officer should also take care to ascertain, as far as possible, before the payment is made to a holder of a power of attorney, that the subscriber is alive on the date when payment is made.

Form A. 1978

PAYEE'S LETTER OF AUTHORITY

To,

The Financial Adviser and Chief Accounts Officer Railway.

Dear Sir,

I request that my Provident Fund, Special Contribution to Provident Fund or/and gratuity moneys etc. may be remitted to me by postal money order or by cheque/bank draft on Bank sent by registered post at the following address.

I agree that the remittance made in the aforesaid manner shall be at my sole risk and shall be a complete discharge of government from all liability on the money being remitted by money order or in the cheque or bank draft being forwarded by registered post as the case may be. I herewith enclose a receipt for the amount.

Your faithfully,

.....
(Signature or thumb impression)

Full name of the payee

Father's name

Designation, if any

Full address

Note. – In forwarding the above form of the letter of authority to the payee, his father's name should invariably be shown on the covering letter and in address on the envelope

RECEIPT

Received fromthe sum of rupees
.....in full and final satisfaction of my claim to Provident Fund
account/Special Contribution to Provident Fund/ Gratuity.

Station

Date.....

.....
Signature of Payee

1979. Receipts for Payments. – The value of the revenue stamp should be deducted for all payments exceeding rupees twenty except in the following cases which are exempt from stamp duty and a receipt stamp affixed on the receipt obtained from the payee. In cases of remittances by Government drafts, cheques, currency notes, etc., the payees should be called upon to furnish, stamped receipts on the receipt portion of the Remittance Note A. 1982 (which should be sent to the payees for signature and return). Should the payee neglect to furnish the stamped receipt, further action need not be taken (as in that event the receipt of the Post Office will be treated as the voucher for the remittance, vide paragraph 1977). When an amount is remitted by money order the purpose of remittance, should be briefly stated by the sender on the acknowledgement portion of the money order form in continuation of the printed entry “Received the sum specified above, sufficient space being left below the manuscript entry thus made for the signature or thumb impression of the payee. The payee’s receipt furnished by the Post Office should be accepted as a voucher and duly preserved for production, if necessary, as evidence of payment,

Voucher exempt from Stamp Duty :-

- (a) Receipts given by Government in respect of the transactions relating to an Indian Railway.
- (b) Receipts on cheques.
- (c) Receipts for interest on Government securities.
- (d) Receipts for withdrawals from Government Savings Banks.
- (e) Receipts on Postal Money Orders.
- (f) Receipts given by a Railway or an Inland Steamer Company for payments made to it on account of freight and fares and for incidental charges such as loading, unloading, delivery, carnage, haulage, wharfage, demurrage, etc.
- (g) Receipts given by or on behalf of any society registered under the Cooperative Societies Act, or by any officer or member of any such society and relating to the business of the society.

Note. – Receipts for Payments made outside India should be obtained from the payees and stamped in accordance with the local laws, if any, governing the stamping of such receipts.

All cheques and Government drafts are exempted from stamp duty. For other documents which are free from stamp duty, the list of exemptions in Schedule I of the Stamp Act, should be consulted.

Vouchers requiring stamp duty. – Receipts for advances taken by railway servants do not come under any of the exemptions mentioned above, and are, therefore, chargeable with stamp duty under the general rules.

1980. When an Officer's dues are paid to him by cheque or paid into a bank, the pay office should, on receipt of such a cheque send it with a Remittance Note Form A. 1982, direct to the Agent of the Bank. The Bank's receipt (which must be stamped if the payment exceeds Rs. 20) should be attached to the bill concerned. No countersignature of the officer for whom the payment is made should be required on the receipt; the Bank's receipts should be considered sufficient for the purposes of internal check of the pay office account. In cases where the cheques are to be sent to the officers (and not paid into banks), the receipts of the officers may, if it is not possible to obtain it on the pay bills, be obtained on the Remittance Note (A. 1982) as laid down in (paragraph 1979).

Note. – Where the salary and allowances of several officers are disbursed by issuing one consolidated cheque to a Bank, a single stamped receipt from the Bank in respect of the total amount of the cheque may be accepted as a proper acquittance for all officers. This receipt should clearly show, the number, date and the total amounts of the consolidated cheque, together with the name of the Officers and the amounts credited to the account of each officer concerned.

1981. All paid vouchers must be stamped "paid" and so cancelled that they cannot be used a second time. Stamps affixed to vouchers must also be cancelled so that they may not be used again. Vouchers should then be sent to the Accounts Office through the Chief Cashier.

1982. Remittance Notes. – The Remittance Notes which should accompany all remittances of Government drafts, cheques, currency notes etc., should be in Form A. 1982

[Form A. 1982](#)

1983. General Instructions to Cashiers . – If any Cashier receives an attachment order from a court against the dues of a railway employee or others, he should not make any deductions at all, but send the same to the Chief Cashier, who will forward the same to the Accounts Office for necessary action.

The Cashiers are prohibited from making any deduction from the dues of an employee for payments to private individuals.

1984. Payment of Departmental Labour Pay Sheets. – The following procedure should be followed in the payment of all departmental labour pay sheets :

- (a) The thumb impression of the payees should be obtained on the pay sheets.
- (b) The initials of the witnessing officer should be entered against the names of all men paid and his certificate of payments to all the parties included in a bill should be given at the foot of the pay sheet in the manner described below:

“All” Paid in my presence

.....
Signature and Designation (in Full)

Date of payment.....

(c) If any employees had not been paid, the certificate should be as below :-

“All paid in my presence, except

men, wages amounting to Rs.

(d) The witnessing officer should, at the same time, give appropriate remarks against the unpaid items to indicate the reason for non-payment (e.g., “absent”, “dead” discharged”, & c.).

(e) Subsequent payments (to unpaid men) should be certified by the witnessing officer in the following manner: -

“Since paid.....Men, Rs

.....
Signature and Designation (in full)

The date of the payment and the word ‘paid’ should be written and initialed against the name of the payee.

1985. The detailed system of payment to employees of the Workshops on the Railways has been laid down in the Indian Railway Code for the Mechanical Department (Workshops). The detailed procedure for the payment of the staff of the other departments on the line should be laid down by the Accounts Officer in consultation with the heads of such departments.

1986. Payment to Contractors.--- All payments to contractors, should, as far as possible, be made by cheques, but no cheque should be issued for a sum less than Rs. 10. The payment should be made in the presence of the officer or subordinate mentioned in the bills submitted for internal check by the drawing officer, who should clearly write thereon. –

“Pay in the presence of at”

The Certificate for payment should be given by the witnessing officer in the following manner :-

“Paid in my presence”

.....
**Signature and designation
(in full)**

Date of payment

1987. (1) Payment due to a contractor may be made to his authorised agent or to a Bank, instead of direct to them, provided that the railway concerned obtains;

- (i) an authorisation from the contractor/suppliers in the form of a legally valid document such as a power of attorney or transfer deed, conferring authority on the bank to receive payment and
- (ii) the contractor's/supplier's own acceptance of the correctness of the amount made out as being due to him by the Railway on his signatures on the bill or other claim preferred against the Railway before settlement of the account or claim by payment to the said bank. While the acknowledgement by a bank of cheque or draft received towards payment shall constitute a full and sufficient discharge for the payment contractors/suppliers should wherever possible, be induced to present their bills duly receipted and discharged through their hankers. Nothing herein contained shall operate to create in favour of the bank any right or equity vis-à-vis the Government.

(2) In the case of payment to party not in Government/Railway employment the cashier shall make precautions for satisfying himself about the identity of the applicant for payment.

(3) Unless specially mentioned in a bill, no witness need be required for payments made by cheque to contractor/supplier able to sign in English /Hindi.

1988. Time limit for retention for Bills. – Cashiers should not retain in their hands, any bills for more than one month from the date of their receipt, but should return them to the Chief Cashier with any amounts remaining unpaid. Where lower limits have been prescribed locally, the same should continue. Any tendency to retain the bills for longer periods than is allowed should be viewed seriously by the Accounts Officer and enquiries should be instituted in all cases of delay in the returning of vouchers after payment.

1989. Surprise Checks. – The Officers in charge and the Inspectors attached to the Cash and Pay department should exercise a surprise check on the accounts of the Cashier both at headquarters and on the line and such check should embrace a census of the bills in the possession of the Cashiers and the counting of the cash in their hand. A similar surprise check should be carried out by an Accounts Officer nominated by the Financial Adviser and Chief Accounts Officer.

1990. Imprests of District Cashiers . – (1) A District Cashier may be provided, when necessary (i.e., when the floating cash with him is not sufficient to meet urgent payments), with an imprest to meet urgent payments to employees whose accounts are to be settled up, or to whom payments are considered urgent by the officers authorised by the General Manager to issue pay orders against the imprest. This imprest will also be available for the purpose of making payments on account of unpaid wages subsequent to the return of the money to the Accounts Officer, up to a period (to be prescribed by the Financial Adviser and Chief Accounts Officer) not exceeding three months from the first of the month in which the bill in question was passed for payments. Items of older date than the specified above should only be paid upon authority from the Accounts Office.

(2) In arranging payments from Cashier's imprests, the following rules should be observed :-

- (a) The word "emergent" should be written on the top of each pay order and the "Head of account chargeable to" fill in by the officer drawing a pay order who should also fill in the name of the witnessing officer and the place of payment, etc., in the same manner as is required for ordinary bills. Cashiers should, not cash any pay order not having this information.
- (b) "Emergent" pay orders against the imprest of Cashiers signed as "for the officers duly authorised to issue pay orders" should not be honoured unless signed by a Gazetted Officer.
- (c) The amount of each "Emergent" pay order should not, except in cases of breach of the line and the like exceed Rs. 100. Drawing officers should be responsible for money drawn on pay orders.
- (d) The District Cashiers at the headquarters of the Accounts Offices, need not be allowed an imprest, as all pay orders, both "Emergent" and for "Unpaid Wages" to be paid there will be forwarded by the drawing officers to the Accounts Officer in order that arrangement may be made for their payment.
- (e) In case of a serious emergency, such as a breach in the open line from floods etc., it may be found necessary to place funds at the disposal of a departmental officer for immediate and frequent payment to workmen. In such a case, a Cashier should be sent to the spot with a sufficient imprest and the departmental officer should be authorised to draw upon the Cashier for the necessary funds. But a voucher giving the correct allocation must in every instance be furnished to the Cashier who alone should hold the cash and make all disbursements and who should submit his imprest account, supported by voucher received by him, to the pay office in order to have the expenditure checked and his imprest recouped. As soon as the emergency has passed, the special Cashier with his imprest must be withdrawn and the ordinary procedure of pre-check and payment of bills resumed.

1991. Cashiers should cash pay orders against their imprests as soon after their receipt as possible. When they have not got sufficient balance in their hands to meet the demands, they should ask the Chief Cashier by wire for early recoupment of the imprests; the latter should send the original telegram to the Accounts Office if the imprest account be there, so that the Cashier may be placed in funds as early as possible.

1992. Cashiers should send their imprest accounts for recoupment at convenient intervals or when about half of the imprest amounts have been spent, to the payoffice, whence, immediately after their receipt, they should be transmitted with vouchers to the

Accounts Office. All vouchers in support of payments shown in imprest accounts should be numbered consecutively and submitted with the account concerned.

1993. Custody of Cash – Detailed rules for the custody and protection of cash with the Cashiers, while at their headquarters, when traveling, or while stopping at stations, should be laid down by the Financial Adviser and Chief Accounts Officer. Where treasure guards are employed, the rules should define clearly their duties and responsibilities.

1994. Cashiers should be held personally responsible for all moneys made over to them and for any loss accruing to the railway from want of precautions for the protection of the railway money. Under no circumstances should Cashiers keep railway money at their private residence, nor should private money be mixed with railway funds on any pretext whatever.

1995. Transfers of Charge of Cashiers . – The relieving Cashier should receive the cash and bills as per relieved Cashier's cash and imprest books as on the day on which the charge is made over, entering the details of these in Form A. 1998. This form as well as the cash and imprest books should be signed both by the relieved and the relieving Cashiers. The form should be prepared in duplicate, one copy being sent by the relieved Cashier to the pay office and the other retained by him.

[Form A. 1995](#)

1996. Both the relieved and the relieving Cashiers should, immediately after making and taking over charge, respectively, send a telegram to the pay office on the following lines :-

“Made over Rs. 200.25 P. as per cash book and Rs. 50 as per imprest to Mr. X.”
“Received Rs. 250.25 P. from Mr. Z.”

1997. The relieving Cashier should send to the pay office a list for the tools and plant, furniture, books and other railway property received by him from the relieved Cashier, and give the latter a receipt for the same.
