

# **Treasury & Subsidiary Treasury Rules (Application)**

**Summer-2022**



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### Solutions – Treasury & Subsidiary Treasury Rules (Application)

- Q.1.** Unless the Government, after consultation with the Accountant-General, otherwise directs in any special case, there shall be a Treasury in every district. If moneys standing in the Consolidated Fund or Public Account of the Province are, in any district, not deposited in the Bank, the Treasury of that district shall be divided into two departments; a department of accounts, under the charge of an Accountant, and a cash department undercharge of a Treasurer.

The Treasury shall be under the general charge of the Collector, who may entrust the immediate executive control to a Treasury Officer subordinate to him but may not divest himself of administrative control. The Collector shall be responsible for the proper observance of the procedure prescribed by or under these rules and for the punctual submission of all returns required from the Treasury by the Government, the Accountant General/Director-General, Audit & Accounts (Works) and the State Bank of Pakistan.

Subject to this rule, the respective responsibilities of the Collector and the Treasury Officer for business of the Treasury shall be regulated by Chapter I of the Subsidiary Treasury Rules----- Part II of this Hand Book.

Duty of verifying and certifying the cash balance, if any, in the Treasury and of submitting the monthly accounts of such balance in such form and after verification as the Accountant-General/ Director-General, Audit and Accounts (Works), Punjab, may require, shall be undertaken by the Collector or by such other officer as the Government may specify. It must be performed by the Collector in person at least once in a period of 6 months.

When a new Collector is appointed to a district, he shall at once report his appointment to the Accountant-General and shall certify to the Accountant-General the amount of the cash balance if any, which he has taken over. The certificate shall be submitted after physical verification of the cash.

No portion of the responsibility for the proper management and working of Treasuries shall devolve upon the officers of the Pakistan Audit Department.

**Total Marks 10**

- Q.2.** Rule 4.7(d) of the Subsidiary Rules provides that all corrections and alterations in the total of a voucher should be attested by the dated initials of the person signing the receipt as many times as such corrections and alterations are made; any corrections or alterations in the orders of payment must be attested in the same way by the Treasury Officer. No documents bearing an erasure can be accepted and payments drawn by Treasury Officers on the Bank should be attested by their full signature.

Rule 4.11 further elaborates the instructions by saying that erasures and overwriting in any bill or voucher 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 alteration; 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.

**Total Marks 10**

- Q.3.** There is no objection to the drawer of a bill endorsing it for payment to a messenger and, when a bill is endorsed, the bank will be responsible for seeing that the endorsement is signed by the drawer of the bill and for taking the acknowledgment of the messenger in token of payment to him.



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A mere second signature of the Drawing Officer is not sufficient nor is the endorsement “received payment through so and so” in order. The Drawing Officer must, in such cases, specially endorse an order in the bill to pay to a specified person as “pay to so and so”. In such a case, when the payment is made to the person specified in the endorsement, the signature of the Government servant is a good discharge and the Government is protected. The bank will also be protected if it pays the money to the person specified in the endorsement and takes his signature in token of payment.

When a Drawing Officer, say “A”, is or is likely to be away from his headquarters on tour and does not know beforehand which particular peon or messenger will be sent to bank on the particular date to receive payment and endorses the bill to “B”, the manager or other chief officer or cashier or nazir or other ministerial Government servant “B” cannot re-endorse the bill in favour of “C”, a peon and cannot receive payment through him. If the bank pays to the peon “C” and obtains his receipt and the peon “C” misappropriates the money, the bank would be liable to make good to the Drawing Officer “A” the amount so misappropriated by the peon “C” for “A” had no hand in endorsing the bill to “C”. The endorsing of bills in this manner is not, therefore, in order.

**Total Marks 10**

#### Q.4. INSTRUCTIONS FOR PREPARING TRAVELLING ALLOWANCE BILLS

1. Journey of different kinds and journey and halts should not be entered OB the same line.
2. Number of miles /Kilometer traveled should be entered in column 7 all in cases of journey by road or by boat. They may not be entered in case of journey by rail.
3. Permanent travelling, conveyance and horse allowances should be drawn along with the pay of the Government Servant and not in traveling allowance bills.
4. Fractions of a mile/Kilometer for any one Journey should not be charged for.
5. When the first item of a travelling allowance bill is a halt, the date of commencement of this halt should be stated in the "Remarks" column.
6. A suitable note should always be made in remarks column against the relevant entries of days for which daily allowance at enhanced rate (including Hill tract, ordinary or special) is claimed.
7. Hours of journey should be mentioned only —
  - a. When for an absence from headquarters of not more than two consecutive days daily allowance is claimed for two days.
  - b. When mileage or actual expenses in lieu thereof are claimed.
  - c. When both Rail or Steamer {are and daily allowance are claimed in respect of a journey by Rail or Steamer immediately preceded or followed by a journey by road or halt.
8. A certificate of attendance given by the court or authority should be attached to the bill, if travelling allowance is drawn under Rule 4.9 (4) of Punjab Travelling Allowance Rules.

**Total Marks 10**

- Q.5.** 1. Save as provided hereafter in this Section, no transactions of the Province with another Government shall be adjusted against the balance of the Province except in accordance with such directions as may be given by the Auditor-General of Pakistan with the approval of the President of Pakistan to regulate the procedure for the accounting of transactions between different Governments.



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2. Money presented within the jurisdiction of another Government for credit to the Consolidated Fund or the Public Account of the Province or a payment made by another Government as a withdrawal affecting the balance of the Consolidated Fund or the Public Account of the Province shall not be credited or debited to the Consolidated Fund or the Public Account of the Province except under express authority of the Accountant General/ Director General, Audit and Accounts (Works) or any other Accounting Officer authorized in this behalf by the Auditor-General of Pakistan.
3. All adjustments against the balance of the Province by debit or credit to another Government shall be made through the Central Accounts Office of the State Bank of Pakistan.

**Total Marks 10**

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