

## CHAPTER 13

# BANK RECONCILIATION - EXPENDITURE ACCOUNTS TRANSACTIONS

### 13.1 General

**13.1** With the departmentalization of accounts, the monetary transactions of the various Central Government offices take place either at the branches of the R.B.I. or the authorized Banks, instead of treasuries. The various receipt and expenditure transactions including revenue transactions of CBEC and CBDT are finally included in the Government accounts, through the existing accounting channels. At the same time, the effect of these transactions on the cash balance of the Government of India is reflected at the Reserve Bank of India, Central Accounts Section (CAS), Nagpur, through the banking channels. The reconciliation of the cash balance of Government of India is done through the accounting information worked out by the office of Controller General of Accounts on the one side, and the cash balance of Government worked out by the RBI with reference to information received from the various banks including its own branches, on the other.

This reconciliation is necessary for the following reasons:

- (i) The reconciliation will bring out any mistake committed by the accounting authorities or by the banks in working out the cash balance;
- (ii) To ensure that the payments by the R.B.I. and authorized Banks on account of Government of India, are authorized and correct;
- (iii) To ensure similarly that every item of receipt accounted for by the branches of the R.B.I. and authorized Banks are duly accounted for and the amount credited by the bank is correct with reference to the amount shown in the challans; and
- (iv) The settlement effected by the authorized Banks with R.B.I. through Put Through is done within permitted time limits, is for the correct amount and includes only the actual transactions of Government for both payments and receipts arising at the banks, and that double/excess or less adjustment do not take place for these transactions.

### 13.2 Categories of transactions

The transactions passing through the banking channels and reported to the accounts organisation of Ministries/Departments of Government of India, can be broadly divided into the following two categories:

- (i) Expenditure and Receipt transactions other than those relating to Direct and Indirect Taxes; and
- (ii) Revenue Account transactions pertaining to collection and accounting of tax receipts and refunds there from administered by CBEC and CBDT.

### 13.3 Revised scheme of Reporting Government Transactions

The procedure of payment and reporting of expenditure transactions of Ministries/Departments

introduced at the time of departmentalization of accounts in April, 1976, has undergone a change with the introduction of Focal Point System.

#### **13.4 REVISED SCHEME OF REPORTING, ACCOUNTING AND RECONCILIATION OF EXPENDITURE ACCOUNTS AS INTRODUCED FROM 1-5-1989.**

(i) All PAOs/Cheque Drawing DDOs continue to be in account with the branches of bank(s) accredited to the Ministry/Department;

(ii) Payment/receipt scrolls are to be prepared on daily basis in quadruplicate by the dealing branch of the bank, separately for each Ministry/Department in the prescribed form. It will be prepared separately for each Account holder whether it is a PAO or cheque drawing DDO etc, giving the daily scrolls a running serial number for each accounting year from 1st April, to 31st March. These numbers on the scrolls shall bear the prefix DMA(E) for 'Payments' and DMA(R) for 'Receipts'. The serial number of each entry in the respective scrolls will be recorded on the corresponding cheque/challan for the purpose of identification;

(iii) The dealing bank branch will send two copies of Receipt/Payment scrolls to the designated Focal Point branch of the bank on daily basis, along with the paid cheques/challans. In case of CDDOs third copy of the scroll without paid cheques/challans will be sent to cheque drawing DDO, while the fourth copy will be retained by the branch for its own record. In case of PAOs the dealing branch will not send any copy of scroll directly to the PAO and retain 2 copies themselves;

(iv) The Focal Point branch may also act as a dealing branch in addition to being the Focal Point branch. As a focal point branch, It will check the accuracy of the scrolls/paid cheques/challans rendered to it by the dealing branches linked to it. The Focal Point branch will prepare PAO wise Main Scroll in triplicate, as per Annexure 1 in case of State Bank of India and as per Annexure 1A in case of Reserve Bank of India and other Public/Private Sector Banks. It will be prepared separately for each Ministry/Department on a daily basis. The Focal Point branch will send two copies of the Main Scroll along with original copy of the scroll with relative instruments received from various dealing branches, including its own, to the PAO on a daily basis. The scrolls of dealing branches along with documents attached to the original Main Scroll should be in the same order, in which entries are listed in the Main Scroll. The Focal Point branch will stitch and retain the duplicate copy of scrolls for its record without the instrument, received from dealing branches. After verification, the PAO will certify and return the second copy of Main Scroll (without documents) to the Focal Point branch, within 24 hours of its receipt.

#### **Procedure for submission of certificates in lieu of challans/paid cheques or duplicate copy of scrolls lost/misplaced in transit :**

(a) Since the challans/paid cheques are important documents of evidence for receipt/payments from Government account, dealing/Focal Point Branch should take utmost care to ensure these are not lost or misplaced during the handling of documents. However, in the event of loss or misplacement of documents during transit, the Focal Point branch should obtain certificate from the dealing branch against such challan/paid cheques in Annexure 8 & 9 respectively, and attach it with the scroll. These certificates should also be serially numbered and indicated against the entry in the relevant scroll. Such scrolls of the dealing branch should not be included in the Main scroll unless a certificate as mentioned above supports it.

(b) Similarly, in the event of loss/misplacement of scroll along with the documents during transit, the Focal Point branch should obtain duplicate copy of the scroll along with Certificates in lieu of challans/paid cheques and include them in the Main Scrolls.

(c) If the lost/misplaced challans/paid cheques/scrolls are recovered subsequently, they should be sent to the Accounting Authority through a covering letter giving reference to the corresponding certificates/scrolls. The scroll/documents should be marked "for record and not for accounting" in order to avoid double accounting.

(v) In case of State Bank of India, the Focal Point branches will report the total of transactions as per daily Main Scroll to Govt. Accounts Department (GAD), Mumbai for monetary settlement with R.B.I., CAS, Nagpur and the adjustment in the accounts of the concerned Ministry/Department. The Focal Point branches of other Banks will report to their respective Link Cells at Nagpur for monetary settlement with RBI, Central Accounts Section, Nagpur. While reporting these transactions, the Focal Point branches will furnish a certificate to GAD/Link Cells that necessary scrolls/paid cheques/challans etc have already been submitted to the concerned Pay & Accounts Office. Similar certificate will be given by GAD/Link Cells while settling transactions with RBI, CAS, Nagpur.

(vi) After the close of the month, the Focal Point branches will prepare the Date wise Monthly Statement (DMS) in quintuplicate as per Annexure 2 in case of SBI and as per Annexure 2A in respect of Reserve Bank of India and other authorized Banks. It will be prepared PAO wise for each Ministry/Department based on the daily Main Scrolls already sent to PAO. Four copies of DMS will be sent to PAO for verification by 3rd of the succeeding month. Two copies of the duly verified statement will be returned by the PAO to the Focal Point branch within three days of receiving it, while one copy of the duly verified statement will be sent to his Principal Accounts Office by 8th of following month. The fourth copy will be retained by the PAO for his record.

(vii) The Focal Point branch will be responsible for reconciliation of accounts with the respective PAOs and rectification of discrepancies pointed out by the PAO. The Focal Point branch will carry this out through a separate 'Error Scroll' and report it to PAO/Link Cell for necessary action.

#### **Methodology for adjustment of wrong debit/credit :**

The mistakes and discrepancies caused by erroneous debit/credit entry in the scroll will be rectified by withdrawal of the erroneous debit/credit by minus debit or minus credit, as the case may be. Rectification should not be done by passing of contra credit/debit adjustment by the banks. The methodology for adjustment carried out through error scroll is illustrated below :

- a. The Focal Point branch will incorporate the Receipt and Payment figures of the dealing branches from the branch scroll and carry out minus or plus entry as required, in the main scroll. The aggregate receipt and payment figure arrived at in the Main Scroll after carrying out minus or plus entry should be reported to RBI, CAS for settlement.
- b. For the purpose of inter-branch settlement, the minus "Receipt" will be treated as "Payment" and minus "Payment as "Receipt", and the branch account will be debited or credited accordingly.
- c. If the overall position arrived in the Main Scroll after carrying out all the Receipt and Payment transactions reveals a minus figure, it should be reported as such. However, for the purpose of inter-branch adjustment/settlement, the minus Receipt will imply Payment while minus Payment would mean Receipt.

An illustration of the minus adjustments is furnished below :

**Illustration:** A particular bank branch had effected Receipt transactions of Rs.1,54,000 and Payment transactions of Rs.2,60,000 on 5th March in respect of PAO "B". These transactions had been wrongly reported as 5,14,000 & 6,20,000 as receipt and payment respectively. The bank carried out corrections on 9th March, 2007. The Receipt and Payment transactions of PAO "B" at that branch on that date were Rs. 48,00,000 (R) and Rs. 78,00,000(P).

Adjustment entries would appear in the scroll as under:

**PARTICULARS IN THE ERROR SCROLL**

	R	P
Correct transactions of 5th March, 2007	1,54,000	2,60,000
Withdrawal of wrong figures reported earlier	(-)5,14,000	(-)6,20,000
<b>Total</b>	<b>(-)3,60,000</b>	<b>(-)3,60,000</b>

These minus figures will be adjusted in the day's scrolls (Receipts or Payments as the case may be) on 9th March, 2007 as follows :

	R	P
Total transactions of 9th March,2007 (as shown in the respective Scrolls)	48,00,000	78,00,000
Adjustment of errors as shown in error scrolls	(-) 3,60,000	(-)3,60,000
<b>Total</b>	<b>(+)44,40,000</b>	<b>(+)74,40,000</b>

(viii) In case of SBI, GAD Mumbai will prepare four copies of Monthly Settlement Statement as per Annexure 3 and forward three of these copies before 5th of the succeeding month to RBI, CAS, Nagpur for verification. After verification, RBI will forward one copy along with the Monthly Closing Balance Statement (CAS-122) to the Principal Accounts Office of Ministry/Department, by the 15th of the following month;

(lx) In the case of SBI, GAD, Mumbai will also prepare four copies of Monthly Settlement Statement. It will be prepared PAO wise, indicating the dates of settlement and dates of transactions as per Annexure 4. The original copy will be forwarded to the Principal Accounts Office while the second and third copies will be sent to the concerned PAO and Focal Point branch respectively. The fourth copy will be retained by the GAD, SBI, Mumbai for their record;

(x) GAD, SBI Mumbai will prepare duplicate copies of another Monthly Settlement Statement as per Annexure 5, and forward one copy to Principal Accounts Office of the Ministry/Department concerned.

For all other banks (other than State Bank of India), RBI (CAS) Nagpur will generate quadruplicate copies of PAO wise and Date wise monthly settlement referred as DMA-I, as per Annexure-6. Three copies of the statement will be sent to Link Cell of Public/Private Sector Bank. The Link Cell will forward one copy each to the concerned Pr. AO and PAO by the 5th of the following month. RBI (CAS) Nagpur will also generate triplicate copies of Ministry wise statement (PAO wise) as per Annexure -7, referred to as DMA-2. One of these will be sent to the Link Cell and another to the Pr. Accounts Office.

**13.5** In some cases, RBI handles the transactions of Ministries/Departments accredited to them either exclusively or along with SBI in the usual manner. In such cases the RBI offices follow the procedure applicable to dealing branches as well as 'Focal Point' branches since they function both as 'dealing branch' and Focal Point branch in respect of those Ministries/Departments. Each office of the Bank acts independently and renders account to Pay and Accounts Officer. The transactions for accredited Ministries/Departments effected by them are accounted for in their books, and the

balances in the Ministries Accounts are reported to CAS, Nagpur through Daily position by telegram/telex/fax. The RBI offices render daily scrolls to the PAO/DDO, submit DMS to PAO for verification/ certification and attend to reconciliation work as per the normal procedure. RBI offices also send telex/fax messages regarding the PAO wise monthly receipt and payment position of each Ministry/Department to CAS, Nagpur. This is done immediately after the month end transfer of balances and is followed by detailed statement.

### **13.6 ACTION IN PAY AND ACCOUNTS OFFICE**

(i) When a cheque is issued the PAO/CDDO, the amount is booked by debiting the concerned head of account and crediting the suspense head "8670 - Cheques & Bills". After the cheque is cleared, daily scroll is sent by the branch of the bank on which the cheque is issued, to the Focal Point branch. The daily scrolls show the details of transactions that have taken place at the bank on that day, reflecting every item of payment by the paid bank supported by the cheques issued by the PAO/cheque drawing DDO. Similarly, the Receipt scroll shows every item of receipt supported by challans for all credits in favour of the PAO. PAO receives these scrolls of dealing branches along with the Main Scroll from the Focal Point branch, supported by paid cheques/receipted challans.

(ii) On receiving the original copy of Main Scroll, along with other documents, the PAO should exercise the following checks:

- a. that the paid cheque is genuine and was issued by the PAO/cheque drawing DDO under his control and it was not time barred on the date of payment;
- b. that the amount of paid cheque matches with the amount entered in the dealing branch scroll;
- c. that the totals of the payment/receipt scrolls of dealing branches are correct;
- d. that the amount in the receipt scroll correctly pertains to the PAO or the cheque drawing DDO rendering account to the PAO, as per copy of challan attached to the scroll;
- e. that the amount shown in the challan agrees with the amount shown in the scroll;
- f. that for every item of payment/receipt not supported by the paid cheque/challan, there is a prescribed payment/receipt certificate for the correct amount in the scroll of dealing branch, showing details of cheque number and date of payment or details of receipt;
- g. that the total of the main scroll is correct with reference to the accompanying documents; and
- h. that the running serial numbers of the branch Scrolls and Daily Main Scrolls are in consecutive order.

(iii) After carrying out above checks, the PAO should record a certificate of verification on the Main Scroll and return the duly verified duplicate copy to the Focal Point branch within 24 hours of its receipt.

(iv) If any paid cheques/challans/scrolls not relating to the PAO has been included in the Main Scroll, it should be returned to Focal Point branch for amendment in the Main Scroll, by personal contact. The PAO may however, accept the payment/receipt certificate issued by the bank against the missing paid cheque or challan. Any item that is not supported by a paid cheque/challan or the certificate mentioned above should be got deleted from the Main Scroll, but they can be included in the subsequent Main Scroll on getting the relevant challan/paid cheque/certificate of payments/receipts. Any discrepancy observed has to be got immediately rectified by the PAO from the Focal Point branch, by personal contact.

(v) Every item of receipt including refunds of unspent amount that is accounted as reduction of expenditure, should be adjusted by crediting/minus debiting the challan amount to the relevant receipt/functional expenditure head of account. This will be done by affording contra debit to "PSB Suspense" head below Major Head 8658 Suspense Account. Similarly, total of all the accepted payment items should be adjusted by minus credit to the head "8670 - Cheques and Bills" - PAO Cheques/Departmental cheques as the case may be, by contra credit to the head "PSB Suspense".

In the case of the transactions handled by RBI office as dealing branch, PAO will directly operate the head '8675 - Deposits with Reserve Bank-Central Civil (HQ)'.

The PAO shall maintain a register of "Public/Private Sector Bank Suspense" in Form CAM - 17 and post each day's receipts and payments in it, as per the daily Main scrolls of Receipt/Payment received from the Focal Point branch. Separate folios in this Register may be opened for entering scrolls pertaining to PAO and each cheque drawing DDO. One page in the register may be used for compiling the aggregate monthly transactions reported by the 'Focal Point' branch. The PAO should tally the monthly gross receipts/payments worked out in this Register with the gross amount shown in the Date wise Monthly Statement of receipts/payments (DMS) sent by the Focal Point branch, and record a certificate in the Register.

(vi) PAO should see that four copies of the Date wise Monthly Statement showing the daily total of payments and receipts in respect of his office and the cheque drawing DDOs are received from the Focal Point branch, by 3rd of the following month. If the DMS is not received by the stipulated time, it should be obtained by the PAO through personal contact. The figures of daily totals in the DMS should be checked with the corresponding totals in the Daily Main Scrolls, to ensure:

- a. that the amount shown by the bank against a particular date agrees with the amount shown in Daily Main Scroll sent earlier to the PAO;
- b. that in case an item not pertaining to the PAO is included in the monthly statement, the same is got deleted from it by personal contact with Focal Point branch. In case an amount appearing in DMS was not included in the Main Scroll, the Focal Point branch should be contacted to provide the scroll with supporting documents for the transaction, otherwise, the item may be got deleted;
- c. that any item appearing in the Main Scroll but omitted from DMS, should be got included by personal contact; and
- d. that the total amount of the DMS has been worked out correctly.

(vii) After carrying out the above checks, the PAO should record his certificate of verification on it. Two copies of duly verified DMS should be returned by PAO to the Focal Point Branch within 3 days of its receipt. Out of two verified copies, one will be sent to Principal Accounts Office to reach him by 8th of the following month. Original copy of DMS with the recorded verification should be retained by the PAO.

(viii) The PAO should see that the monthly Put through Statements in the prescribed form as per Annexure 4 in case of SBI and Annexure 6 in case of other authorized Banks is received. They should be received by the end of the first week of the following month from SBI (GAD), Mumbai or the Link Cell of the concerned Bank as the case may be. These statements contain the dates of transactions and the dates of Put Through of receipts and disbursements with RBI, CAS, Nagpur. On receipt of this statement from the SBI, GAD, Mumbai/Link Cell at Nagpur, the PAO should link the Put Through items in this statement with the items shown in the DMS, that was reconciled earlier with the Daily Main Scrolls received from the Focal Point branch. The discrepancies may be noticed by the PAO in the following categories:

- a. Amount shown in the DMS on a particular date/s have not been Put Through by the Bank as per Put through Statement in Annexure 4 or 6;
- b. Amount Put Through by the Bank as per Put through Statements in Annexure 4 or 6 does not appear in the DMS;
- c. The amount of a transaction as shown in Put Through Statement differs from that shown that shown in the DMS;
- d. Minus expenditure/ receipts appearing against the transactions of some dates in the 'Put Through Statement denote reversal of erroneous amounts put through earlier; The dates of erroneous settlement will be indicated in the Put Through statements to link the same.

(ix) After verifying the Put Through figures with the DMS as stated against (viii) above, the PAO will take up the reconciliation work by preparing a "Monthly Reconciliation Analysis" in Form CAM- 68. PAO shall be responsible for reconciliation of any difference appearing in part 'A' of the analysis. For other discrepancies as indicated in part C(vi)(b) of the analysis, and transactions other than those pertaining to last few days of a month appearing in part C(vi)(a) of analysis, the PAO should immediately contact the Focal Point branch to ensure rectification. After the rectifications have been carried out, the Focal Point branch should positively put through these items through GAD or the Link Cell, in the second month.

The grand total of the columns C (vi) (a) and (b) should be tallied with the closing balance shown against column C (v) of the Analysis.

(x) The PAO should maintain "Register of Amounts Put through - Part I" in Form CAM- 69, separately for Receipts and Payments. Amounts 'Put Through' as per the revised procedure will be entered in this Register. Normally all the amounts except those relating to the last 3-4 days of the month will be 'Put through' in the same month. The transactions of last 3-4 days of the month are expected to be 'Put Through' in the first few days of the subsequent month. In case the PAO finds some of these items outstanding while closing the Register for the subsequent month, he should immediately contact the 'Focal Point' branch for remedial action without further delay.

(xi) After preparation of Part -I of the "Register of Amounts Put Through" in CAM -69, the PAO should prepare part II of the Register of Amounts Put Through in Form CAM -70, showing the monthly progressive position. The balance on the introduction of the revised procedure from 01.05.1989 has been kept separately for clearance.

(xii) The PAO should prepare a statement of monthly reconciliation between DMS amounts and the amounts booked under "8658 - Suspense Accounts-PSB/Private Sector Banks Suspense" in Form CAM- 71. The statement will also give proper explanation or reasons for any difference with reference to DMS, along with the action taken for the clearance of difference. The PAO should ensure the submission of monthly reconciliation statement along with the monthly accounts, to the Principal Account Office.

(xiii) The PAO should also maintain separate Broadsheet of "PSB/Private Sector Banks Suspense" in Form CAM- 72 for Receipts (Debit) and Payments (Credit)], with the opening balance under the revised system taken as NIL. Balances relating to the period prior to introduction of Revised System from 1.5.1989 (1.11.87 in case of CBEC) will be kept separate for clearance. The clearance under the head 'PSB/Private Sector Bank Suspense' will be made by the Principal Accounts Office on the basis of DMA-2 Statement or the Monthly Balance Statement (CAS - 122) received from the RBI, CAS, Nagpur, in terms of para 7(ii). Every month, the Principal Accounts Office should intimate the figures for the column "Amount of clearance of PSB Suspense/Private Sector Bank Suspense in the month" to the PAO, and the PAO on their part should keep a strict watch over the clearance of the balance amount under this head.

**Note :** (i) In case a PAO deals with two different banks, the 'PSB/Private Sector Bank Suspense' figures of each bank shall be kept separately, the broadsheet folios will also be kept separately.

(xiv) In order to have age wise analysis of balances under "PSB/Private Sector Bank Suspense", the PAO should keep a record in the form prescribed for Abstract of objections in Form CAM-26.

(xv) Verification of the amounts "Put through" indicated in DMA-I statement with reference to the Date wise Monthly Statement (DMS), and the preparation of "Monthly Reconciliation Analysis" will throw light on the amounts of excess/double reimbursements obtained by the bank, if any. For such excess/double reimbursements of Rs.10 lakhs and above, interest will be claimed from the bank. PAO should prepare the following reports in this regard :

a. A monthly statement in CAM - 73 for cases of Rs.10 lakhs and above on which levy of

- interest on Excess/Double Reimbursement claimed by the bank is to be levied;
- b. Quarterly reports by the 15th April/July/October/January respectively in CAM- 74, indicating cases of Excess/Double Reimbursement attracting penal interest; and
  - c. Quarterly reports in CAM-75 by the 15th April, July, Oct. & Jan respectively, indicating the cases of Excess/Double Reimbursement that do not attract penal interest.

While in the case of (a) above, PAO should initiate action with FPB for recovery of penal interest, the reports mentioned at (b) & (c) above should be sent by the PAO to the Pr. AO, for consolidation and onward transmission to the office of Controller General of Accounts.

(xvi) Sub-Agency Arrangements: At the centers where the accredited bank does not have its own branch, the work of Ministry/Department, may be undertaken by some other bank as sub-agent of the accredited bank. This is done through an agreement entered into by the accredited bank for sub-agency arrangement with such bank at that centre. The role of the sub-agent bank for the reporting and accounting of the transactions of the Ministry/Department is same as that of the accredited bank branch. As such, the sub-agent bank branch will follow the same procedure as applicable to the dealing branch of the accredited bank. The sub-agent bank branch will forward the scrolls/documents to the designated focal point branch of the accredited bank. The Focal Point Branch will include the transactions of the sub-agent bank branch in its main scroll. The transactions of all the dealing branches including the sub-agent bank branch and the Focal Point branch will be reported to the Pay & Accounts Office/Link Cell (GAD in case of State Bank of India) in the usual manner. The Focal Point Branch will also be responsible to arrange for the settlement/reimbursement of the claims of the sub-agent bank. This settlement will be done through a branch of the sub-agent bank at the same centre where the Focal Point branch is located, and on the same day when the transactions are accounted in the books of the Focal Point Branch.

### **13.7 ACTION IN PRINCIPAL ACCOUNTS OFFICE**

(i) The Principal Accounts Office receives monthly statements of put through in the form prescribed in Annexure 4 & 5 in case of SBI and Annexure 6 & 7 (DMA-1 & DMA-2 Statement) in case of other Banks. The Principal Accounts Office should check these statements to ensure:

- a. That the totals under every Annexure 4 matches with the total amount settled by SBI against respective PAO, as shown in Annexure 5;
- b. That the total of Annexure 5 matches with the total amount settled, as shown in Annexure 3; and
- c. That in the case of other Banks, the total of each Annexure 6 agrees with the total amount shown in Annexure 7.

(ii) On the basis of Put through statement in DMA-2 or Monthly Closing Balance statement supported by amounts put through in form CAS- 122, whichever is received earlier, the Principal Accounts Office should carry out adjustment for clearing the 'PSB Suspense' head. It will be done by minus credit/minus debit of PSB Suspense head and affording credit/debit under the head "8675-Deposits with Reserve Bank-101-Central Civil-Reserve Bank (PSB)". In case the adjustment carried out is based on DMA-2, the correctness of amounts adjusted shall be confirmed from CAS-122. Details of the adjustments so carried out should be intimated every month to the concerned PAO, for the preparation of Broadsheet of "PSB Suspense". In monthly accounts also, the effect of the Reserve Bank Deposits should be taken separately for credit & debit figures under this head.

(iii) The Principal Accounts Office should maintain a Month wise and PAO wise "Register of Amounts Put Through" in part I. It will be maintained separately for Receipts and Disbursements in Form CAM- 69, with the "Name of PAO" substituting for the column of "Month". Similarly part II of the

Register will be maintained PAO wise separately for Receipts and Disbursements in Form CAM- 70. In this case, the column "Names of PAO" should be added at the beginning.

(iv) Principal Accounts Office should also maintain PAO wise Broadsheet of PSB Suspense" in Form CAM -72, separately for Debits and Credits, except that the first column "Month" will be substituted by "Names of PAO". The Principal Accounts Office will also work out age wise analysis of outstanding balances under 'PSB Suspense' in the prescribed Abstract in Form CAM -26.

(v) The Principal Accounts Office should prepare "Monthly Reconciliation Analysis" in Form CAM-68 for all the PAOs, and take immediate action for put through of old outstanding items by the Focal Point Branches through GAD/Link Cell, positively in the second month.

(vi) The Principal Accounts Office should keep close watch for receiving the statement of Monthly Reconciliation in Form CAM- 71 from the PAOs, to enable the analysis and clearance of outstanding balance under 'PSB Suspense'.

(vii) The RBD Section in the office of Controller General of Accounts will also closely monitor the clearance of balances under PSB Suspense.

### **13.8 RESIDUAL TRANSACTIONS FOR THE MONTH OF MARCH**

To the extent possible, the transactions of a financial year are required to be adjusted in the accounts of that year itself. As such, the transactions effected during the month of March should be expeditiously advised/reported by the dealing branches to the Focal Point branches to enable the latter to report the same to RBI, CAS, Nagpur. The transactions taking place between the 15th of March and end of that month should particularly be reported by telex/telegram by the Focal Point branch to their Link Cell/ GAD Mumbai in case of SBI. For the residual March transactions that could not be reported to RBI during the concerned financial year, the 'Focal Point' branch should, segregate all transactions pertaining to the previous year from 1st April, and prepare separate Main Scrolls for :

(a) The residual transactions effected at the dealing branches in March or even previous months in the earlier financial year; and

(b) Transactions in the current financial year effected from 1st April onwards. The Main Scroll for March transactions prepared from 1st April to 15th April should be distinctly marked as March Residual-1, March Residual ..... and so on, up to March Residual 15. The Focal Point Branch should report these transactions to Link Cell/GAD Mumbai in case of SBI, in separate Daily Memo for adjustment with RBI, CAS, Nagpur i.e. one for the month of March and other for April transactions. The Focal Point branches should furnish two separate monthly statements. One statement will pertain to 'March Residual Account' clearly marked as such and covering the transactions relating to the period up to 31st March, but reported during 1st to 15th April. The other statement will cover the April transactions that may include the transactions of the previous month(s) reported after 15th April, as usual. The monthly statement of 'March Residual Account' should be sent latest by the 30th April to the concerned PAO. The statement for the month of April should be sent in the normal course, latest by the 3rd of the following month.

**Annexure 1**  
**[Vide Para 13.4(iv)]**

**STATE BANK OF INDIA**  
**DAILY MAIN SCROLL - UMEA EXPENDITURE ACCOUNTS**  
**FOCAL POINT \_\_\_\_\_ BRANCH ( CODE NO. \_\_\_\_\_ )**

NAME & CODE NUMBER OF THE MINISTRY \_\_\_\_\_

RUNNING SR. NO. \_\_\_\_\_

DATE \_\_\_\_\_

SPECIAL ACCOUNT CODE NO. OF PAO \_\_\_\_\_

Sr. No.	Name of receiving branch	Branch Code No.	Date of transactions at receiving branch	A/c Code No. at receiving Branch (DDO NO.)	Receipts		Payment		Remarks
					Rs.	P.	Rs.	P.	
SUB-TOTAL TRANSACTIONS OF FOCAL POINT BRANCH									
GRAND TOTAL									

1. To be prepared in triplicate.
2. Two copies - original with scrolls and paid cheques receipted challans and duplicate without documents to be submitted to PAO on day to-day basis.
3. Duplicate copy duly verified by PAO, to be obtained from him on a day-to-day basis.
4. Third copy to be retained as office copy.
5. Scrolls of Receiving Branches with documents to be attached to Original Main Scroll should be in the same order in which entries are listed in this Main Scroll.
6. The Grand Total of receipts and payments should be reported to GAD in the form/10(a) against

Special Code No. : \_\_\_\_\_

Branch Seal

Branch Manager

**Annexure 1-A  
Vide Para 13.4.(iv)**

**MAIN SCROLL - UNION MINISTRIES' EXPENDITURE ACCOUNTS**

Name of Focal Point Branch : ..... Code No. ....

Name of PAO : ..... Code No..... Running Sr. No. .... Name of

Ministry/Dept..... Code No. .... date : .....

Sr. No.	Name of Dealing Branch	Date of Transaction at dealing branch	Receipts Rs.	Payment Rs.	Remarks
Sub-Total					
Transactions of Focal Point Branch					
<b>Grand Total</b>					

1. To be prepared in triplicate.
2. Two copies - original with scrolls and paid cheques/receipted challans and duplicate without documents to be submitted to PAO on a day-to-day basis.
3. Duplicate copy duly verified by PAO, to be obtained by the Focal point branch on a day-to-day basis.
4. Third copy to be retained as office copy.
5. Scrolls of Dealing Branches with documents to be attached to original Main Scrolls should be in the same order in which entries are listed in this Main Scroll.
6. The Grand Total of receipts and payments should be reported to Link Cell. Nagpur on a day-to-day basis.

**Branch Seal**

**Branch Manager**



**Annexure 2-A**  
**[Vide Para 13.4(vi)]**

**Union Ministries Expenditure Accounts - Monthly Statement  
of Receipts & Disbursements for the Month of ..... 20.....**

Name of Bank Code No.  
 Name of Focal Point Branch Code No.  
 Name of PAO Code No.  
 Name of Ministry/Deptt Code No.

<b>Date</b>	<b>Receipts Rs.</b>	<b>Disbursements Rs.</b>	<b>Initials of Supy. Official</b>
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			

22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			
31.			
<b>Total</b>			

..... 20.....

Branch Manager

**Annexure 3**  
**[Vide Para 13.4.(vii)]**

Settlements made by State Bank of India on account of Expenditure A/c transactions handled by all  
the Focal Point Branches of State Bank of India for the month of \_\_\_\_\_

(Consolidated for all the PAOs)

Name of the Ministry \_\_\_\_\_ Code \_\_\_\_\_

Date of Settlement	AMOUNT SETTLED				NET	
	RECEIPT		PAYMENT		NET	
	Rs.	P.	Rs.	P.	Rs.	P.

**Annexure 4**  
**[Vide Para 13.4.(ix)]**

Settlements made by State Bank of India on account of Expenditure Account transactions PAO-wise, datewise for the month of \_\_\_\_\_.

Name of the Ministry /Deptt . \_\_\_\_\_ .Code No. \_\_\_\_\_.

PAO Code No. \_\_\_\_\_.

Name of the Focal Point Branch \_\_\_\_\_ . Br. Code No. \_\_\_\_\_.

Date of settlement	Date of Transaction	AMOUNT SETTLED			
		Receipt		Payment	
		Rs.	P.	Rs.	P.

**Annexure 5**  
**[ (Vide Para 13.4.(X)) ]**

MONTHLY SETTLEMENT MADE BY STATE BANK OF INDIA PAO - WISE FOR THE MONTH OF

NAME OF THE MINISTRY / DEPTT. \_\_\_\_\_ CODE NO. \_\_\_\_\_

Special Account Code No.	AMOUNT SETTLED			
	Receipt		Payment	
	Rs.	P.	Rs.	P.

**Annexure 6**  
**[ Vide Para 13.4(XI)]**

Settlements made by ..... (Name of Bank) on account of Union Ministries' Expenditure Account transactions PAO-wise, date-wise for the month of .....

Name of Ministry /Dept :.....Code No. : .....

Name of Focal Point Branch : ..... Code No. : .....

Name of P.A.O. . : ..... Code No.: .....

Date of transactions	Date of settlement with RBI, CAS, Nagpur	Receipts Rs.	Amount settled Payments Rs.

**Annexure 7**  
**[Vide Para 13.4(XI)]**

**Statement showing monthly settlements made by**

.....  
(Name of Bank)

PAO-wise, of the Ministry of ..... Deptt. of ..... for the  
month of .....

PAO	Code No.	Name of Focal Point Branch	Code No.	Amount Settled	
				Receipts Rs.	Payment Rs.

**ANNEXURE - 8**  
**[Ref. Para 13.4 (iv)]**

**CERTIFICATE IN LIEU OF LOST/MISPLACED CHALLAN**

Certified that a sum of Rs.....  
(Rupees.....only) was received from  
..... (Name of the Party) On account  
of .....for credit to Central Government account under  
the head..... by .....branch. The amount has  
been included in the scroll dated .....at Sr. No.....

Agent / Authorised Officer

Date  
Bank  
Focal Point Branch

**ANNEXURE - 9**  
**[Ref. Para 13.4(iv)]**

**CERTIFICATE IN LIEU OF LOST/MISPLACED PAID CHEQUES**

Certified that a sum of Rs.....7  
..... (Rupees.....only) was paid to  
.....(Name of the party) on .....by debit to drawing  
account maintained in the name of ..... (Name of DDO) on behalf of Ministry of  
..... as per Cheque  
No.....dated.....at.....branch. The amount has been included in  
the scroll dated .....at Sr. No.....

Agent /Authorised Officer

Date  
Bank  
Focal Point Branch