



## Article 16

(1) Subject to any general or special orders issued by Governments after consultation with the Comptroller and Auditor-General transactions in one account

circle which are adjustable in the accounts of another circle are passed on month by

month to the latter for adjustment through one or the other of the following accounts :—

- (i) Exchange Accounts,
- (ii) The Central Adjusting Accounts,
- (iii) Settlement Accounts.

(2) All transactions arising in the accounts of a Defence or Posts and Telegraphs

Account Officer which are adjustable in the books of a Civil or a Non-Civil Account

Officer (other than a Railway Account Officer) are passed on through the



## Exchange

Accounts. If any such transaction has to be adjusted against the balance of a State

Government, the money settlement in respect of it is effected by the Accountant-General

of the State to whom the transaction is passed, Civil Account Officers utilized the media

of Exchange Accounts for passing on transactions of the Central Government which are

adjustable on the books of other Account Officers excepting Railway Account Officers.

Book transactions arising in the Central Section of the accounts of a Civil Account

Officer which are adjustable in the Accounts of a Province kept by another Account

Officer are also passed on through Exchange Accounts so that the latter Account Officer

may adjust the transaction against the balance of the State.



(3) The Central Adjusting Account is operated upon by a Defence / Posts and

Telegraphs Account Officer who has not been authorized to exchange account direct with

a Posts and Telegraphs / Defence Account Officer

(4) Transactions initially taken against the balance of a State which are eventually

adjustable against the balance of another State are passed on to the Accountant- General

of the latter State through the Settlement Accounts and the money Settlement between the

two States in respect of such transactions is effected by the Accountant-General of the

former State through the Central Accounts Section of the Reserve Bank. Transactions

appearing in the books of Civil Account Officers which are adjustable against Railways

as well as transactions arising in the accounts of Railways which are



adjustable in the

Books of Civil Defence and Posts and Telegraphs Account Officers are also settled

through the machinery of the Central Accounts Sections of the Reserve Bank and the

accounts through which such transactions are passed on to or by Railway Account

Officers fall under the category of the Settlement Account.

(5) In respect of transactions originating in their accounts which are adjustable

against the balances of a State Government, the Accountant-General, Central Revenues, the Deputy Director of Audit, Commerce, Steel and Mines and Deputy Directors of

Audit, Food Rehabilitation Supply, Commerce, Steel and Mines effect the necessary

money settlement through the Central Accounts Section of Reserve Bank, the

transactions being passed by them through the head "Adjusting Account



between Central

Government". Transactions pertaining to State Governments are also settled direct with

the Bank through the head "Adjusting Account between Central and State Governments".

An account of the transactions passed through this head is furnished by these Account

Officers to the State Accountant-General or Comptroller concerned for final adjustment.

This account falls under the category of Settlements Accounts mentioned in clause (4)

above.