Security Deposits

Subject to any general or special instructions prescribed by Government in this behalf, every Government servant, whether gazetted or non-gazetted, who is entrusted with the custody of cash or stores shall be required to furnish security for such amount as a department of State Government may prescribe according to circumstances and local conditions in each case, and to execute a security bond setting forth the conditions under which Government will hold the security and may ultimately refund or appropriate it.

The procedure in taking security is laid down in the Executive Manual.

No security deposit need be taken from the custody of office furniture, stationery and other articles required for office management as such; provided that the head of office is satisfied about the safeguards against loss through pilferage.
No security deposit need be taken from Librarian or Library staff.

General principles and rules

There should be one receipt book only used at a time and no receipt book should be issued unless the counterfoils of the previous book are returned for record; this may, however, be relaxed at the discretion and on the responsibility of the held of the office e. g., in cases where it may be found convenient to issue more than one books at a time for facility of collection or where owing to a distance between the issuing and the receiving officer it may be necessary to issue a

receipt book in advance before the counterfoils of the previous ones are received.

Departmental receipts may ordinarily be realized in legal tender coin or currency and bank notes only. Government currency and bank notes of all denominations are now universal legal tender and are received by all Government Officers in payment of Government dues or in settlement or other transactions. But in the following cases cheques payable on demand including crossed cheques, Government and bank drafts may be accepted.

At places where the cash business of the Treasury is conducted by the Bank, cheques on local Banks may be accepted in payment of Government dues, or in settlement of other transactions with the Government, if the cheques have been crossed by the drawer or the acceptance of uncrossed cheques in that class of transactions has been permitted by the Government. Until however, a cheque has been cleared, the Government cannot admit that payment has been received and consequently final receipt shall not be granted when a cheque is tendered. A receipt for the actual cheques only may be given in the first instance, but if a person making payment in this manner so desires, a formal payment receipt shall be sent to his address after the cheque has been cleared. Collection charges of the Bank, if any, will be “recovered by or under instructions of the Bank from the party presenting the cheque.

(a)The Reserve Bank and the Imperial Bank of India reserve to themselves the right to refuse to accept cheque collection which in their opinion cannot reasonably be undertaken and which they would not accept on behalf of their own constitutions.
(b) In the event of a cheque being dishonored by the Bank on presentation,

the fact shall be reported at once to the tenderer with a demand for payment. in cash, but the Government cannot accept any liability for loss or damage which may, possibly occur as a result of delay in intimating that the cheque bas been dishonored.

(c) When Government dues which are payable by certain fixed dates are paid by cheques, the person desiring, to make such payment in -this manner without risk: must take suitable precautions to ensure that his cheque reaches the Treasury or the receiving office at the latest on the working day preceding the date on which the payment is to be made. Cheques received on the last day of payment of Government dues are liable to be refused at the discretion of the officer to whom they are tendered and those registered letter may not be accepted.

Note. The term “Local Banks” as used in this rule means Banks (including the Reserve Bank and the Imperial Bank of India now SBI) located in the station in which a Bank/Treasury is located