

CHAPTER 31

Cash and Cash Book

1. Cash : The term "Cash" includes legal tender coin, notes, cheques, Deposit-at-call receipts of Scheduled Banks and drafts payable on demand. A small number of one rupee revenue stamps may be treated as part of the cash balance.
2. Government securities, receipts of banks, debentures and bonds accepted as security deposits under the rules of Govt. are not treated as cash.
3. Two types of cash Books are maintained in the Forest Department. First according to General Finance and Accounts Rules and other according to works. In addition to above, the bank account-wise/ scheme-wise cash books are also maintained.
4. Every officer who is authorised to receive or disburse Government money should keep an account in the Cash Book, Form F.A.1 in which he should enter not only all money transactions as they occur but also book transfers permissible under 4.3.5.
5. Only transactions connected with the public service and no other should be shown in the Cash Book. Sufficient details should be given in the column "Particulars" to admit of the main points of each transaction being ascertained readily without reference to the detailed vouchers. All items of revenue must be detailed fully; the forest from which the revenue is received, the person who pays it and the articles and quantities removed should be stated in that column whenever the information is available. The classification of receipts and charges should be given in the column "Head of Service" in accordance with the prescribed accounts classification.
6. When a cheque is drawn in favour of self or order to replenish the cash chest the amount of it should be entered at once as a receipt. This entry must not be delayed until the money has been received after the cheque has been cashed at the treasury.

7. A cheque drawn in order to be paid away should be entered simultaneously on both sides of the Cash Book, once as a receipt of money from the treasury and again as a payment to the payee concerned, the number and distinguishing letter of the cheque being specified in both the entries.
8. Similarly, all book transfers i.e., transactions in which no actual payment or receipt of cash is involved, should be entered simultaneously on both sides on the Cash Book, the credit or debit of "Book Transfers" appearing in the side and an equivalent debit to an expenditure head or credit to a revenue head, on the other.
9. Pay and allowances of Forest Officers and their establishments which are paid by cheques or through bank should be entered in the Cash Book under the head "Establishment" without further details, the entries being supported by bills as vouchers.
10. If a cheque which has been drawn and entered in the Cash Book has to be cancelled subsequently, the amount of it should be accounted for on the creditor side as a "cancelled cheque", the cancelled cheque being treated as a voucher. Simultaneously, an entry should be made on the debtor side.
11. If the cancelled cheque is replaced immediately by a fresh cheque. The fresh cheque should be shown as a "Forest Remittance", the number and date of the cheque in lieu of which it is drawn being quoted in the entry.
12. If the cancelled cheque is not replaced immediately. The expenditure in payment of which it was drawn should be written back by making an entry of the cancelled cheque on the debtor side as for a cash recovery of a service payment.
13. A lost cheque should be treated in all respects like cancelled cheque (Article 262), the treasury certificate of non-payment being regarded as a voucher in support of the entry of cancellation in the creditor side of the Cash Book.
14. A lapsed or time-expired cheque, if renewed, should be treated as a cancelled cheque and the fresh cheque issued in its place entered in the Cash Book in the manner indicated in clause (a) of Article 262.
15. The works Cash Book should be closed and balanced daily. The account balance at the close should be checked with the actual cash balance on hand verified by actual count. If any excess or deficiency is found, it should be entered at once.
16. Divisional Officers and others who render accounts to the Accountant General should close their books on the last working day of each month, but subordinate officers should do so on the 27th or such earlier date as may be

necessary in order to ensure that their accounts reach the officers in whose accounts they are to be included, by the last day of the month. For the month of March, the Divisional Officer should keep open his own accounts until the receipt of such accounts of the subordinate officers as will be closed on the 31st of the month.

17. In addition to the above, the provisions contained in rule 48 and 49 of GF&AR should be treated as one of the most important accounts records of the department; the detailed instructions given in the notes on Form P.W.A.1, should be observed strictly in practice by all concerned.
18. A ledger should be maintained by the Divisional Officer in Form F.A.4. for all accounts with disbursers and contractors. On the debtor side should be entered all payments made to them and on the creditor side the amounts of all bills passed to their credit and all sums repaid by them in cash.
19. Only one account should be opened with each disburser; but in the case of contractors a separate account should be kept with each person in respect of each work.
20. Each item entered in the Cash Book under "Forest Advances" or "Works Advances" should be posted at once in the ledger, and when any work is accepted as having been done by a contractor, or any account supported by the necessary vouchers is accepted from a disburser, the amount covered by work done or expenditure incurred, should be set off against the amount due from the contractor or disburser, as shown in his account in the ledger. The ledger account should thus be a running account with each contractor and disburser from which the amount due by him or from him can always be ascertained easily.
21. The account with each contractor and disburser should be balanced on the last day of each month in which any transaction takes place.
22. The pages in the ledger should be numbered consecutively and there should be an index to the accounts it contains. Each new account opened should be assigned a number, which will be appropriate to that particular account, until it is closed finally. The numbers should be given to the accounts in the ledger in a consecutive sequence until a new ledger volume is opened.
23. The financial year terminates on 31st March and actual transactions taking place after that date should on no account be treated as pertaining to that year. In order, however, that as many of the unadjusted outstanding of the year as possible should be cleared, and that errors in accounts coming to notice after the 31st March should be rectified, if possible, within the accounts of the year,

the account books prescribed above should be kept open, after the closing of the accounts for March, for the inclusion of transfer entries relating to rectification of errors and for settlement of outstanding. These accounts should be closed on such date as may be prescribed by the Accountant General.

24. Financial Powers Delegated to Forest Department Officers.

Sl.	Nature of power	Post / Designation	Extent to which powers delegated
1	To accord technical sanction for original, revised or supplementary estimates for forestry and soil conservation works subject to the condition that fresh administrative sanction is sought if the revised or supplementary estimates exceeds the original by 20% or above.	CCF CF DCF / SCO / SRO / DY.CWLW	Full powers Rs.25.00 lacs each case. Rs.10.00 lacs each case.
Note : In case revised estimate exceeds more than 10% of the original, it will be sanctioned by the next higher authority.			
2	To accord technical sanction for original, revised or supplementary estimates for construction of buildings and other civil works subject to the condition that fresh administrative sanction is sought if the revised or supplementary estimates exceeds the original by 20% or above.	CCF CF DCF / SCO / SRO / Dy.CWLW	Full powers Rs.7.00 lacs in each case. Rs.5.00 lacs in each case.
Note: Below district headquarters the Forest Department is authorised to undertake construction of building and other civil works on forest land as well as on non-forest land. At district headquarters the Forest Department is authorised to undertake construction of building and other civil works on forest land only. The procedure laid down in GF & AR Rule 235 to 251 will be followed. The works other than above shall be executed through PWD / RSRDC or other engineering departments. Note 2: In case the revised estimate exceeds more than 10% of the original, it will be sanctioned by the next higher authority.			
3	To purchase stores (Capital and Revenue both) for works subject to budget provision, including tools and plants.	CCF CF DCF / SCO / SRO /DYCWLW	Full powers. Rs.5.00 lacs in each case. Rs.2.00 in each case.
Note: These powers shall be exercised subject to procedure laid down in GF&AR.			
4	To accept tenders for the execution of sanctioned work on piece rate contract basis subject to the budget provisions.	CCF CF DCF/ SCO / SRO /Dy CWLW	Full powers Rs.10.00 lacs in each case. Rs.7.00 lacs in each case

5	To grant rewards / awards to any Government servant other person organisation/society for acting informers from secret funds.	CCF CF DCF /SCO / SRO /Dy.CWLW	Full powers. Rs. 0.02. lacs in each case. Rs.0.01 lac in each case.
6	To sanction expenditure on fire protection measures in case of emergency.	CCF CF DCF /SCO / SRO /Dy.CWLW	Full powers. Rs0.20 lacs in each case. Rs.0.10 lac in each case.
7	Petty sales (not by public auction) of the forest produce at prevailing market rate.	CCF CF DCF /SCO / SRO /Dy.CWLW	Rs.0.05 lacs in each case Rs.0.025 lacs in each case. Rs.0.005 lacs in each case.
8a	To sell the harvested produce by open auction or by inviting sealed tenders.	I- By the following committee: A. CF DOC - Chairman. B.CF Territorial - member. C. Dy.CF DOD - Convener. D. Senior most Accounts Officer of the DOC - member. II-(A)CF DOC (B)Dy.CF DOD (C)Senior most Accounts officer of the DOC III-(A)Dy.CF DOD (B) Range officer (C) Accounts personnel of Dy.CF DOD.	Full powers above Rs.10.00 lacs. Upto Rs.10 lacs Upto Rs.5 lacs
8b	Fixing retail sale rates of forest produce and finished goods	DCF DOD	Full powers subject to approval of the committee at 8a
9	The powers to write off losses in addition to permissible driage in case of firewood and shortage in charcoal powder.	CCF CF DOD DCF DOD	5% of each stock of forest produce above the amount of Rs.10000. 5% of each stock of forest product subject to the maximum of Rs.10000. 5% of each stock of forest product subject to the maximum of Rs.3000.
10	To sanction refund of security deposits to contractors on satisfactory completion of marginal and repair works after lapse of specified period if any.	DCF /SCO / SRO / DY.CWLW	Full powers.