

No.F.10 (12)-B/71  
Government of India/Bharat Sarkar  
Ministry of Finance/Vitta Mantralaya  
Department of Economic Affairs/Arthik Karya Vibhag

Dated, New Delhi the 17<sup>th</sup> April 1972.

**OFFICE MEMORANDUM**

Sub:- Issue of Bank drafts as per on Government Account – raising the limit of –

The undersigned is directed to invite a reference to this Ministry's O.M. Nos.F 10(82)-B/61 dated the 31<sup>st</sup> March, 1962 and the 20<sup>th</sup> May, 1982 (Copies enclosed) under which issuance of the special kind of draft for remittance on Government account was discontinued from 1<sup>st</sup> October 1962 and with effect from the same date such remittances are to be made by Bank drafts. The Reserve Bank of India has now brought to the notice of this Ministry that issuance of Bank drafts for small amounts is uneconomical and also involves inconvenience to Government offices and agencies of the Bank. The Bank has accordingly suggested that issue of drafts for amounts below Rs.50/- may be discontinued. The suggestion made by the bank has been accepted and it has been decided in consultation with the Comptroller and Auditor General of India that with effect from the 1<sup>st</sup> June, 1972 Bank drafts for remittance on Government account at par should be obtained for Rs. 50 and above only instead of Rs.25 as now provided in paragraph 3 (a) of Appendix 8 of the Central Treasury Rules (Vol.II) and for amount below Rs.50/- the remittance, wherever necessary, should be made by money order, the cost of remittance being borne by the payee in accordance with the provisions of Rule 197 of the Central Treasury Rules. It is however clarified that it would be permissible to ask for issuance of Bank drafts for amounts below Rs.50/- in the special cases indicated in paragraph 3 (a) of Appendix 8 ibid in which Bank drafts are at present issued for amounts below Rs.25/-

Ministry of Home Affairs etc. are requested to bring these orders to the notice of all concerned.

Sd/-  
(A. Bhattacharya)  
Under Secretary to the Government of India.

(True copy)