

**GOVERNMENT OF WEST BENGAL  
FINANCE DEPARTMENT  
AUDIT BRANCH**

No. 5577-F

Calcutta, the 8<sup>th</sup> June, 1990

**MEMORANDUM**

The undersigned is directed to invite a reference to this Department Memo No. 1899-F, dated 27.2.86 (copy enclosed) wherein it has been provided that where the amount of any payment involves Rs. 500 or more, the payment should be made by "Account Payee" cheque in favour of suppliers and persons not in Government service. This relates to normal Government transactions in the discharge of its obligations to the general body of Public who rendered service(s) or supplies materials to different authorities of this Government. A question has since been raised as to whether the operation of P. L. Account, Local Fund Account, Deposit Accounts P.F. Deposit Accounts etc. comes under the purview of the said Government order and whether the Treasury Officers are authorised to inscribe the terms "Account Payee" over the cheques while passing such cheques. The undersigned is directed to say that as per existing Income Tax Act payment for more than Rs. 2,500 in cash by any organisation to any suppliers and contractors should not be allowed. Having regard to this statutory provision it is, hereby, decided that all payments out of Banking Accounts for more than Rs. 2,500 by Local Bodies or others to suppliers and contractors etc. should be made by "Account Payee" cheque.

In this connection it is also directed that all cheque issuing authorities of the Government as well as of the Local Bodies must furnish advice list of cheques issued daily by them to the Treasury Officer/Calcutta Pay and Accounts Officer, Calcutta showing name of payee, amount, cheque number and other particulars as considered necessary.

Provision of Sub-Rule-441 of the T.R.W.B., Vol.-I shall be amended in due course.

*Sd/- G. N. Chatterjee*

Deputy Secretary to the  
Government of West Bengal  
Finance Department