



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2021-22/75

DGBA.GBD.No.S391/42.01.011/2021-22

August 02, 2021

The Chairman and Managing Directors/ Managing Director/ CEO

All Agency Banks

Dear Sir / Madam

Maintenance of State Government Accounts – Recovery of Interest on Excess put through/ Double claim (State Government Transactions)

Please refer to our [circular RBI/2007/291 DGBA.GAD.No.H-14061/31.04.008/2006-07 dated March 21, 2007](http://www.rbi.org.in/circular/RBI/2007/291_DGBA.GAD.No.H-14061/31.04.008/2006-07_dated_March_21_2007) vide which partial modifications were done in the para 5.11 of the "Memorandum of Instructions on Accounting and Reconciliation of State Government Transactions".

2. (a) With a view to ensure prompt/immediate refund/credit to the government account in the cases of excess put through/ double claim in the payment scrolls by the agency banks, it has been decided in consultation with the O/o Comptroller and Auditor General of India (C&AG) that penal interest for excess put through/ double claim amount may be levied by State Government as in the case of delayed credit of receipts.

(b).The penal interest period for such double claim/excess put through may start from the date on which the agency bank has received the excess put through / double claim amount and upto previous date to actual date of return of such excess put through / double claim amount by agency banks to concerned state government account (excluding the date of return of such excess payment/double claim amount by the agency banks to government account(s)).

(c) The rate of penal interest is Bank rate plus 2%. (The Bank Rate will be the rate notified by the RBI from time to time as applicable at the time of transaction).

3. These instructions will come into effect from date of issuance of this circular. The procedure for claiming/ recovering of delayed period interest will remain unchanged and it will be charged irrespective of the amount involved in such excess put through /double claim by agency banks.

4. You may bring the revised procedure to the notice of your branches accredited to conduct State Government transactions.
5. All the State Governments are being advised about the revised procedure.

Yours faithfully

R Kamalakannan
Chief General Manger