

Dio- Treasury
S Accounts
IMPORTANT

13636
29/11/12

Subject: Verification of Bank Account opened with the permission of the Finance Department.

Will all the Additional Chief Secretaries/Principal Secretaries/Administrative Secretaries to Govt. Haryana kindly refer to the Finance Department's U.O. of even number dated 04th July, 2012 on the subject noted above?

2. It is reiterated that it has come to the knowledge of Government that some departments are still operating bank accounts in the name of Head of Department (by designation) or in name of DDO (by designation) etc. for which permission has never been granted by the Finance Department and such accounts are being used to transfer funds to the beneficiaries. The method adopted in such cases is that the funds are drawn from the treasuries and deposited in such bank accounts being operated by the department. Further, disbursement from these accounts is either by issue of cheques or demand drafts.

3. The above said method is not appropriate and needs to be stopped with immediate effect. Whenever funds are to be drawn from the treasuries the same need to be transferred directly to the beneficiary and Financial Rules do not allow parking of such funds anywhere in between for any duration of time. The correct procedure in such cases is that DDO should allot a unique code for the payee (UCP) to the payee through online system and submit bill for payment through electronic payment system (EPS).

4. However, in cases where due to some extreme circumstances the procedure of operation of a bank account cannot be done away with, then a detailed proposal should be sent to the Finance Department for opening/continuing operation of bank account. Thus only those bank accounts will be allowed to be operated in which necessary permission from the Finance Department has been taken. While sending a proposal to the Finance Department, it is requested to clarify the following points:-

- i) What is the necessity of operating a bank account and why payment cannot be made using EPS mode in the treasury?
- ii) If it is practically not possible to make payment by way of presenting bill in the treasury for issue of Electronic Payment System (EPS) pay order [as in (i)], then whether opening PLA account in treasury will serve the purpose?
- iii) In case of any Central Govt. funded scheme, where it is specified that opening of a bank account is mandatory, the matter may be referred to the Finance Department (in the expenditure control branch concerned) for the same. The department is also advised to take up issue with the concerned department of Central Government with a request to do away with the requirement of the opening of bank account and the funds should be sent directly to the State Government. The concerned department should also specifically inform the Central Government department that payment to all payees related to the scheme can be made through EPS of the State Treasury and amount can be directly credited to the account of beneficiary through RTGS/ECS etc. This exercise should be carried out by the department before seeking the approval of F.D. for operating a bank account.
- iv) In cases other than (iii) above, where department is of the opinion that payment through EPS or through PLA is not practical, then concerned department should refer the matter to the Finance Department (in the expenditure control branch concerned) for the same.

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- v) Wherever a department is allowed to operate a bank account, the concerned department should inform the concerned treasury immediately about the permission received from the Finance Department. Further in all cases, where an amount in the bank account has been deposited from any scheme for which provision was there in State Budget and thus amount was withdrawn through treasury, the department should deposit the balance lying in the account as on the last date of the financial year in the State Treasury within next five working days.
- vi) If a bank account is allowed to be opened by the Finance Department then the same can be used only for the specified purpose and not for any other purpose or scheme.
- vii) For all existing bank accounts, for which permission was given by the Finance Department, it is informed that such permission would be valid only upto 31.03.2013 unless permission to operate them is taken afresh by the said date.

5. In view of above all HODs be advised to comply with these instructions strictly otherwise HOD/DDO concerned will be held responsible for non-compliance/lapse. A list of bank accounts being operated in their department in the name/ designation of any DDO or any other officer/official where permission for operating such bank account has already been granted by Finance Department be furnished to the Director Treasuries and Accounts, 2nd Floor, 30 Bays Building, Sector-17, Chandigarh positively as required vide instruction No. 28/14/2011-5B&C, dated 2nd December, 2011. In addition, a list of such accounts which are being operated without the permission of Finance Department may also be furnished to this department by 10.12.2012.

6. These instructions may kindly be brought to notice of all concerned in your departments for strict compliance. These instructions are also available on the official website of Finance Department (www.finhry.gov.in).

Arjun Kumar
Deputy Secretary Finance (Budget)
for Principal Secretary to Govt. Haryana,
Finance Department *AC*

To

All the Additional Chief Secretaries/Principal Secretaries/
Administrative Secretaries to the Government of Haryana.

U.O. No. 28/21/2012-5B&C
Endst. No.28/21/2012-5B&C

Dated, Chandigarh, the 26th November, 2012.
Dated, Chandigarh, the 26th November, 2012.

A copy is forwarded to the Accountant General (A&E/Audit), Haryana, Chandigarh for information.

Arjun Kumar
Deputy Secretary Finance (Budget)
for Principal Secretary to Govt. Haryana,
Finance Department *AC*

Endst. No.28/21/2012-5B&C

Dated, Chandigarh, the 26th November, 2012.

A copy is forwarded to all the Heads of Departments for information and necessary action.

Arjun Kumar
Deputy Secretary Finance (Budget)
for Principal Secretary to Govt. Haryana,
Finance Department *AC*

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Endst. No.28/21/2012-5B&C

Dated, Chandigarh, the 26th November, 2012.

A copy is forwarded to all the Treasury Officers/Assistant Treasury Officers in the State for information and necessary compliance. They are again advised to not to transfer any funds to an account in name of HOD/DDO (by designation or by name) unless a copy of permission for opening/operating such bank account is provided by them and the bill is presented for the same purpose for which account has been allowed to be operated. Further no UCP should be allotted for such payees with these bank accounts if FD's permission for opening the account is not provided.

Arjun Kumar

Deputy Secretary Finance (Budget)
for Principal Secretary to Govt. Haryana,
Finance Department *AK*

A copy is forwarded to all the Officers/Superintendents of the expenditure control branches/ Incharge Computer Cell of the Finance Department.

These instructions may be brought to the notice of all concerned for strict compliance.

Arjun Kumar

Deputy Secretary Finance (Budget)
for Principal Secretary to Govt. Haryana,
Finance Department *AK*

To

All the Officers/Superintendents
of the expenditure control branches/
Incharge Computer Cell of the Finance Department.

U.O. No.28/21/2012-5B&C

Dated, Chandigarh, the 26th November, 2012.