GOVERNMENT OF TELANGANA

ABSTRACT

Electronic Disbursement of Government payments — Implementation of e-Kuber system of Reserve Bank of India — crediting directly to the account of the beneficiary — Orders - Issued.

FINANCE (ADMIN.) DEPARTMENT

Dated: 10-10-2018

Read the followings:

2. G.O.Ms.No.65, Fin & Plg. (FW.PSC) Department, dated 17.05.1999
8. G.O.Ms.No.129, Finance (PSC) Department, dated 29.05.2014

ORDER:

Instructions were issued in the references 1st, 2nd and 8th read above, to credit pension and retirement benefits viz. Retirement Gratuity, Committed Value of pension, First payment of pension, arrears, death relief and life time arrears directly into the savings bank account of the pensioner/legal heir through link bank.

2. In the references 3rd to 6th read above, instructions were issued to credit all payments to the employees, including loans and advances, directly into the savings bank account of the employee.

3. In the reference 7th read above, instructions were issued to implement electronic payments to the beneficiaries' bank accounts, in respect of all bills processed through Treasuries.

4. The State Government has reviewed the existing mode of payments made by the Treasuries/PAO/DWA viz; the Electronic payments or E-Payments and observe that the existing system suffers from the following shortcomings.
   i. Delay in transmission of fund to the payees' account.
   ii. Parking of funds in DDO's Current Account and CINB Accounts of Treasuries beyond the permissible period.
   iii. Difficulty in monitoring of the cash balance with DDOs, and CINB Accounts.
   iv. Risk of vouchers being missed in course of physical transmission of bills/cheque's to the Treasury Linked Bank.
   v. Delay in receipt of physical scroll from the Banks as well as' vouchers for accounting.
   vi. Delay in scroll rounding and
   vii. Reconciliation issues

5. In view of the shortcomings of the existing system, Government decided to examine an alternate mode of payment system and in pursuit of it had deputed the senior officials of DTA to state of Orissa to study the alternate model of e-payments done through e-kuber system of Reserve Bank of India. The study team consisting of the officials of DTA had submitted a detailed report on the said model and after examining the report submitted by DTA, Government had deputed another team of senior officials of Finance Department and DTA headed by the Secretary to Finance (IF) to study the implementation of e-kuber system of RBI in the State of Karnataka.
6. After reviewing the implementation of e-kuber system of RBI for electronic disbursement of Government payments in the two States, Government, to obviate the above mentioned shortcomings of the existing scheme of e-payments in Telangana State, decided to implement e-Kuber system of Reserve Bank of India, Public Accounts Department, Telangana, Hyderabad for all further disbursements of the State Government.

7. The Accountant General (AG) and Public Accounts Department (PAD), RBI, Telangana, Hyderabad, have concurred with the proposal of the State Government, to adopt e-Kuber of RBI, Hyderabad instead of the existing system of disbursement of amounts to the beneficiary accounts from the Treasury through its Linked Bank (agency banks). Government have accordingly decided that all disbursements through electronic mode would now be credited to the beneficiary accounts through the e-Kuber system of Reserve Bank of India, Public Accounts Department, Telangana, Hyderabad in decentralized mode from 31 districts.

8. e-kuber is the Core Banking Solution (CBS) of the Reserve Bank of India. RBI shall now pay the role of Agency Banks for disbursement of amounts to beneficiary accounts. The electronic payment through e-kuber is based on the principle of Straight Through Processing (STP). It settles the funds through National Electronic Fund Transfer (NEFT) mode. Any settlement processed would be credited to the destination account in the next hourly NEFT cycle. The main features of e-Kuber are (a) Single point of release of payments and acceptance of confirmations (b) Real time fund management (c) System designed accounting without manual intervention (d) Scheduling of Payments and (e) Multiple levels of Security.

9. In this new decentralized system, an account shall be opened in RBI through AG, Telangana for each District Treasury/Joint Director, Pension Payment Officer. Government payments/disbursements shall made electronically through the Bank Account of each payee — whether employee, beneficiary, vendor etc. After approval of bill by the concerned Treasury Officer/JD, PPO, an e-advice shall be generated for each treasury/JD, PPO. A consolidated e-advice shall be generated at district level by DTO/JD, PPO. After appending digital signature of DTO/JD, PPO, it shall automatically be transferred to RBI e-Kuber system through SFTP server, through DTA Central Server. The RBI will make the payment directly into the accounts of beneficiary by means of NEFT as per the e-advice received.

10. The detailed procedure to be followed by the Head of the Office/DDO, Controlling Officers/Chief Controlling Officers, Treasuries/JD, PPO, DTA, RBI and Agency Banks is described in the Annexure annexed to this order.

11. Petty payments/statutory dues: Petty expenditure not exceeding Rs.5000/- and statutory dues like tax and user charges shall drawn in cash through DDO current Account, if collecting agencies do not have e-payment facility. In other cases, Head of Office/DDO shall strictly ensure that no cash transactions are allowed.

12. Accounting procedure of e-payment transactions & failure transactions in Treasury Accounts:
   i. The payment of net amount of each trans id/ token shall be made from the Government account of the State. The amount shall be credited directly to the Bank Accounts to the beneficiary by RBI through e-kuber system without involvement of Agency Bank (treasury branch SBI).
   ii. The amounts pertaining to the failure transactions (un-credited amount, unsuccessful payment), if any, reported by RBI due to the errors in IFSC Code or bank account number of the beneficiaries will be credited back into the Government account of the State. It shall be
shown in the Cash Accounts under Suspense Head 8658 (Receipt side)-102 Suspense Account (Civil). The subsequent payment for the failure transactions after rectification of errors shall also be made by e-kuber system of RBI. It shall be shown in the List of Payments under the Head 8658 (Payment side) — 102 Suspense Account (Civil).

13. The existing provisions of the Telangana Treasury Code shall be deemed to have been amended to operationalize the e-payment through RBI e-kuber system and formal amendments to the Telangana Treasury Code shall be issued separately after receiving the necessary proposal from the Director of Treasuries and Accounts, Telangana, Hyderabad. As a part of test check, it has been decided to permit the DTA, Telangana to pay an amount of Re.1/- (One Rupee) as advance to the accounts of all the existing Pensioners through e-kuber system of RBI, to know the success rate and to make IFSC Code corrections in case of errors. The same amount will be recovered from their pension in the succeeding month. After observing the pilot implementation of e-kuber system during the last four months, it has been decided to extend the same to all the disbursements of State Government. The DTA, Telangana is requested to take action accordingly.

14. The Director of Treasuries and Accounts shall obtain prior clearance of the Government, in respect of specified disbursements as per the existing practice in the e-kuber system also.

15. The implementation of e-payment through e-kuber system of RBI shall be in a phased manner our completed by 31.12.2018. The existing procedure of payment of amount to the accounts of the beneficiaries through agency bank (treasury bank SBI) shall be continued till complete implementation of e-kuber.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

N.SIVA SANKAR
PRINCIPAL SECRETARY TO GOVERNMENT (FP)

To
The Director of Treasuries and Accounts, Telangana, Hyderabad
The Director of Works Accounts, Telangana, Hyderabad
The Pay and Accounts Office (I/c), Telangana, Hyderabad
The Regional Director, RBI, Hyderabad,
The CAS, Nagpur
The Principal Accountant General (A&E), Telangana, Hyderabad
The Registrar General, High Court, Hyderabad
All the Secretariat Departments
All the HODs of Government of Telangana,
All the District Collectors
SF/SCs

//FORWARDED:BY:ORDER//

D.T.A.T.S. HYD.
Endt.No. 15-11-2012
Copy Communicated for Information and Necessary Action.
To,
All the Deputy Director of
District Treasuries in the State

SECTION OFFICER
Annexure-I
(Annexed to G.O)

The Procedure to be followed by the DDO, Controlling Officers/Chief Controlling Officers, Treasuries/JD, PPO, DTA, RBI and Agency Banks:

A. New Transactions:

I. Responsibilities of Drawing and Disbursing Officer (DDO):

1. The DDO shall present all the bills through DDO Request (HRMS) portal of Treasury.

2. The DDO shall enter payee-wise (beneficiary) information for each bill. The details to be entered include i) Name of the Payee ii) Bank Account Type iii) Bank Account Number iv) IFSC code v) MICR Number vi) Amount to be paid vii) Mobile Number of the payee viii) PAN Number ix) Aadhar Number x) e-mail id (optional). It is the responsibility of the DDO to satisfy himself for the correctness of the details before further processing. A copy of supporting documents shall be kept in the office for record/audit purpose.

3. If a bill contains more than one payee, a single list of all such payees for each such bill shall be submitted. It shall contain the details of IFSC Codes, Bank Account Numbers of beneficiaries.

4. In respect of employees and pensioners, the Bank details shall be entered as one time activity. The details are already available in the DDO request (HRMS portal), shall be populated and the DDO shall check the Account details. The DDO shall take utmost care to enter correct details. Once the details are entered, the details get freezes and for any correction he shall approach concerned Treasury. For payment of salaries/pensions, bill shall be submitted on-line with a single list of all such employees/pensioners for each bill through DDO Request. It shall contain details of IFSC Codes and Bank Account Numbers of employees/pensioners.

5. The DDO shall submit all the bills for payment through DDO Request in prescribed bill format. After successful submission of bill, an online TBR Number will be generated and it shall be entered on the physical copy of the bill in Red Ink apart from regular TBR Number.

6. The physical copy of the bill shall be submitted at Treasury along with all the certificates, sanction orders, necessary documents/vouchers and single list of all such payees.

7. The DDO will submit a separate certificate along with the bill

"Certified that the net claim of this bill will be transferred electronically into the Bank Account of the beneficiaries and the correct Bank details of the beneficiaries have been furnished in a separate list after due verification and entered in the DDO Request Portal bearing TBR No...... In case of the unsuccessful payments, the amount may be credited to the Suspense Head."
8. The DDO need not submit the list of beneficiaries of CD to the agency bank (treasury branch SBI) for the bills presented in the e-kuber system.

9. On receipt of payment details to the beneficiaries for that particular bill in DDO request, the DDO shall record the net amount of the bill in the Cash Book, Acquaintance Register or any other payments register in token of disbursements of the claim. In case of unsuccessful payment, the DDO shall record the aggregate amount of the unsuccessful payments in that particular bill, on the receipt side of the cash book.

10. In case, the bill is rejected with objections, the DDO shall process the bill once again in the procedure as mentioned above.

II. Role of Treasury Officer/JD, PPO:

1. In the Treasury, after receiving the physical copy of the bill, the bill receiving accountant shall enter the online TBR No. of the DDO in the IMPACT and bill is auto populated with the payee list. An on-line Trans ID No./Token No. will be generated on receipt of the bill. The same token no. shall be reflected in the DDO Request interface to the concerned DDO.

2. The bill shall be audited in the IMPACT as per the instructions issued from time to time and the bank list (e-advice) shall be generated at Treasury level.

3. At district level, the DTO shall generate consolidated bank list (e-advice) and shall send to the DTA server with his/her Digital Signature Certificate.

4. The generated bank list than not be sent to the agency bank (treasury branch SBI) for onward payment for the bills processed through e-kuber system.

5. The generated bank list shall be kept in the treasury only for record purpose.

6. Upon receipt of the e-scroll/ returner notification received from the RBI for bank list (e-advice) generated for particular day, the treasury officer shall affix the seal "**paid through e-kuber RBI** with date" on each of the physical copy of the bill passed.

7. The Treasury Officer shall download the daily scroll furnished by RBI from IMPACT. It will reflect the total number of e-payments made on that particular day and the unsuccessful payments (failed transactions) in a particular token would be reflected as receipts. It would be deemed to be a transfer payment to the suspense head 8658 Suspense — 102 Suspense Account (Civil).

8. The Treasury shall close the day book after scroll rounding of all transactions as per existing procedure and shall send the daily sheets to the DTO in regular intervals as per codal provisions.

9. The Treasury Officer shall download the monthly scroll (e-DMS) furnished by RBI from IMPACT and shall generate the monthly accounts. The monthly
accounts along with vouchers shall be submitted to the AG (A&E), Telangana as per the prescribed procedure.

10. In case, there are transactions from the Agency Banks also for some payments, the scroll received from agency bank shall be combined with the e-scroll received from RBI and day book shall be closed accordingly.

11. In case of disbursement of pensions as the Treasury officer/Pension Payment Officer is the DDO, he/she shall follow the existing procedure for preparation of pay bank report for payment of pensions. He/She shall prepare the bills head of account wise, as per the existing procedure. The bills shall be audited and the bank list shall be generated. A soft copy of the pensioners list with IFSC Code, bank account number, the amount of pension to be paid shall be uploaded to e-kuber system of RBI with the DSC of DTO/JD, PPO.

III. Responsibilities of Directorate of Treasuries & Accounts:

1. The DTA shall make necessary software arrangements
   a) for obtaining information of beneficiaries in DDO Request portal,
   b) for transmission of consolidated e-advises of DTOs to the e-kuber system of RBI in the prescribed file format with Class 3 Combo Certificate,
   c) for importing the treasury-wise daily/monthly e-scrolls furnished by RBI in IMPACT,
   d) for importing the e-advice wise success and failure reports for each treasury.
   e) For importing the trans ID wise Success and Failure report for DDOs.
   f) For generating virtual challan for failed transactions in a particular token
   g) for refund of failed transactions
   h) for preparation of monthly accounts with the inclusion of failed transaction amounts
   i) for providing MIS reports for transactions

IV. Responsibilities of Reserve Bank India, PAD, Hyderabad:

1. The designated officers of RBI shall ensure payment to the beneficiary accounts through NEFT.

2. In cases, where the payments could not be credited because of error in account number or otherwise, it shall be the responsibility of the RBI, PAD, Hyderabad to provide the details of the uncredited amounts indicating the fields of error.

3. On receipt of consolidated e-advises from 31 districts, RBI, PAD, Hyderabad will debit the State Government account through the 31 drawing accounts and also credit the Government Account for un-credited amounts.
Similarly, the Government Account is to be debited at the time when the un-credited items are to be paid into the beneficiary account electronically.

4. RBI shall furnish the e-scroll in respect of all the transactions advised.

5. RBI shall upload e-DMS in respect of all transactions that have been processed through them in the preceding month, on the first working day of the subsequent month.

V. Responsibilities of Treasury Agency/Link Banks:

1. The existing treasury agency/link banks shall continue to provide scroll to the treasuries in respect of Government payments and receipts which are processed through them i.e. for the transactions other than those processed through the RBI e-Kuber.

VI. Responsibilities of Controlling Officers/Chief Controlling Officers of the Department:

1. They shall watch the progress of expenditure in each HOA and shall watch the i) clearance of un-credited amounts in respect of their DDOs and ii) transfer credit to the respective HOA for the unsettled un-credited amounts from which the amounts were originally drawn with the help of MIS reports available to them in Telangana Treasury Portal.

B. For Failed Transactions:

1. The RBI shall send the ‘failure report’ for the unsuccessful payments for each consolidated e-advice. It shall contain the Treasury Code, DDO Code, Trans ID, Name of the Payee, Bank Particulars of Payee and amount with reason failure.

2. At the end of each day, the treasury software will make a transfer credit challan for total unsuccessful amount for each token under HOA 8658 Suspense — 102 Suspense Account (Civil). The same data would be made available to all the DDOs through DDO Request.

3. The DDO would be required to collect the correct information for rectification of error (IFSC Code, Bank Account No. if any) and shall submit the details through DDO Request.

4. The DDO shall maintain a 'Register of all Un-Credited Payments' in the prescribed format appended to this order. It is the responsibility of the DDO to resolve all the errors and to clear all the balance for each token.

5. If the DDO is failed to repay the amount to the payee (for stop payment or other reasons), in that case, the DDO/the Treasury Officer in consultation with DDO shall prefer a bill under Suspense Head along with a challan under the HOA from where amount was actually drawn at the concerned treasury for transfer credit of the amount. The same procedure shall be followed for the amount credited by RBI for 'Stop Payment'.
6. The DDO shall prepare system generated Telangana Treasury Code Form 62 under HOA 8658 — 102 for drawl of the un-credited e-payments in a particular token from the Suspense Head after rectification of account no. details of beneficiary and submits to treasury through DDO Request.

7. The Treasury Officer shall maintain a “Register of all Un-credited payments” in the prescribed format appended to this order.

8. The un-credited amount should not ordinarily be allowed to be parked in the suspense account beyond 3 months from the date of drawal or the end of the financial year. However, the un-credited amounts drawn in the month of March may be allowed to be retained till 30th April.

9. In case of un-credited amounts retained beyond 3 months or till the end of the financial year, the DDO will prepare system generated Miscellaneous bill for drawal of the un-credited e-payments from the Suspense Head by transfer credit to the HOA from which the amount was drawn and recorded as a reduction of expenditure with consequent increase in availability of budgetary allocation.

N.SIVA SANKAR
PRINCIPAL SECRETARY TO GOVERNMENT (FP)

//FORWARDED:BY:ORDER//

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(Annexed to C.O.)

ANNEXURE III