



GOVERNMENT OF KERALA
Finance (SS) Department

CIRCULAR

No.15/2017/Fin.

Dated, Thiruvananthapuram, 20.03.2017.

Sub:- Treasury Transactions - Rushing of bills and drawing of advance towards the close of the financial year - Avoidance of - Instructions issued.

*Ref:- 1. G. O (P) No. 48/2015/Fin dated 23.01.2015.
2. G. O (P) No. 22/2017/Fin dated 16.02.2017.*

A practice of drawing large amounts of advance during the closing days of the financial year to avoid lapse of budget provisions is seen resorted to by some Drawing and Disbursing Officers of various Departments. Such drawals are made in respect of incomplete works and purchases in violation of the rules pertaining to fiscal prudence and financial propriety, to be observed by every Drawing and Disbursing Officer. Observations and comments have repeatedly been made by the Comptroller and Auditor General of India against this practice.

2. Another common practice is the presentation of large numbers of bills, cheques, chalans etc. to the treasuries towards the end of the financial year. Presenting the bills, cheques, chalans (either for encashment or for adjustment) at the fag end of the financial year may cause difficulty in scrutinising them properly and completing the work in time before close of the financial year. Since both the agencies viz., banks and treasuries have switched over entirely to a computer based system, the banking transactions on the last working day of the current financial year will have to end at the latest by **midnight on the same day**. Hence the treasuries will not be able to pass bills presented after the prescribed time **under any circumstance**.

3. In order to avoid these difficulties, all Drawing and Disbursing Officers are directed **to strictly adhere to the following guidelines for the remaining period of the current financial year:** -

- (i) All Heads of Departments and Drawing and Disbursing Officers have to present bills, cheques, challans etc. to the treasuries latest by 5 P.M. on 30-03-2017. Any bill submitted after the above time limit will not be accepted.
- (ii) All controlling officers should ensure that the copies of letters of allotment to sub controlling officers, made out of the existing budget provisions, are submitted to the respective treasuries latest by 29/03/2017. Therefore, Re-appropriation proposals preferred thereafter shall not be accepted in Finance Department.
- (iii) The bills submitted at treasuries before the prescribed time limit and has not been cleared till 12 O' clock during the night of March 31, 2017 will be shifted to treasury Queue. Such bills will be honored in the subsequent days of the next financial year.
- (iv) Manual bills submitted by the Local Self Government Institutions before the mandated time limit will be accepted at treasuries with token assigning sequence and time of receipt. The priority of honoring of such bills will be solely on the basis of the order of token issued. **The amount of bills accepted with token that has not been passed by 31st March,2017 will not lapse. Such bills will be cleared in the subsequent days of the next financial year on the aforementioned priority.** Additional funds will be provided in the coming fiscal year. In view of this, all Local Self Government Institutions may avoid last minute rush for meeting expenditure.
- (v) The facility to transfer amount directly to bank accounts of the beneficiaries has now been available with treasuries. Hence bulk transferring of such amounts to Treasury Savings Bank Accounts/Bank Accounts of the departments shall not be permitted.
- (vi) In case any doubt persists regarding any advance claim, the Sub Treasury Officers /District Treasury Officers have to get in touch with the Director of Treasuries who in turn shall consult the Secretary (Finance-Resources)/ Joint Secretary, Finance (Secret) Department before allowing or rejecting the claim.
- (vii) The non-banking treasuries should ensure that the cash retained by them at the end of financial year is the least minimum possible. They should close their business not later than 12 O' clock during the night of March 31, 2017 and report the closing balance to Director of Treasuries by fax or email. The

Director of Treasuries in turn will report the same to the Finance Department as and when it is received.

(viii) Treasuries are not authorised to allow any exemption to the above instructions without specific directions from the Finance Department.

4. However, if the Drawing and Disbursing officers want to draw any advance for meeting any unavoidable expenditure, it can be done so with the prior approval from Finance Department and the advances thus drawn have to be kept in the treasury account itself for which they will be permitted to open special TSB accounts for a limited period.

5. It should be ensured that the guidelines issued in the Government Orders read above regarding the Electronic Ledger Accounting System are strictly adhered to.

6. All Heads of Department are requested to issue urgent directions to the Controlling Officers/Drawing and Disbursing Officers to comply with the above instructions scrupulously. Any lapse in this regard would be viewed seriously.

MINHAJ ALAM,
Secretary (Finance Resources)

To

The Principal Accountant General (A&E), Kerala, Thiruvananthapuram.
The Principal Accountant General (G&SSA), Kerala, Thiruvananthapuram.
The Accountant General (E&RSA), Kerala, Thiruvananthapuram.
All Heads of Departments and Offices.
All Departments (All Sections) of Secretariat
The Secretary, Kerala Public Service Commission, Thiruvananthapuram (with C.L.)
The Registrar, High Court of Kerala, Ernakulam (with C.L.).
The Advocate General, Ernakulam (with C.L.)
The Registrar, Kerala Agricultural University, Thrissur (with C.L.)
The Registrar, University of Kerala/Cochin/Calicut/Mahatma Gandhi/Kannur (with C.L.).
The Secretary, Kerala State Electricity Board, Thiruvananthapuram (with C.L.).
The General Manager, Kerala State Road Transport Corporation, Thiruvananthapuram (with CL).
All Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries and Under Secretaries to Government
The Private Secretaries to Chief Minister, other Ministers and Leader of Opposition
The Secretary to Governor.
The Additional Secretary to Chief Secretary.
The Private Secretary to Speaker/Deputy Speaker
The Director of Public Relations, Thiruvananthapuram
The Director of Treasuries, Thiruvananthapuram
The Nodal Officer, www.finance.kerala.gov.in
The Stock file/ Office copy.

Forwarded / By Order,


Section Officer.