



GOVERNMENT OF KERALA
Finance (SS) Department

CIRCULAR

No.20/2018/Fin.

Dated, Thiruvananthapuram, 21.03.2018.

Sub:- Treasury Transactions – Rushing of bills , drawing of advance and transfer credit to Special Treasury Savings Bank Accounts towards the close of the financial year - Avoidance of - Instructions issued.

A practice of drawing large amounts of advance and transfer crediting funds to Special Treasury Savings Bank Accounts 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 transactions 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 such instances, the following guidelines are issued with immediate effect 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 28-03-2018**. 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 27/03/2018. Therefore, Re-appropriation proposals preferred thereafter shall not be accepted in Finance Department.
- (iii) The bills under Plan head of accounts of Government Departments/ Autonomous Bodies , bills of Local Self Government Institutions and cheques for drawing from Special TSB Accounts submitted at treasuries after 24/03/2018 will be shifted to treasury Queue. Such bills/cheques would 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 / cheques accepted with token that has not been passed in the current financial year will not lapse. Such bills/cheques 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 Government Departments, Local Self Government Institutions, Autonomous bodies may avoid last minute rush for meeting expenditure.
- (iv) Final bills of all advances drawn in the current financial year should be settled on or before 31.03.2018. In the case of advance claims for which final bills could not be submitted before the close of the financial year, advance drawal in any mode by Drawing and Disbursing Officers, Head of Departments etc. will not be permitted. However, such drawal of advances by Government Departments/LSGIs permitted by any special or general order will be honoured.
- (v) Advance drawal for the purchases on the basis of invoices/proforma invoices for which the formalities of purchase cannot be completed or for which the supply could not materialise and final vouchers could not be obtained before the close of financial year, will not be permissible.
- (vi) However, if the Drawing and Disbursing officer wants advance drawal for any unavoidable expenditure, it can be incurred 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.

- (vii) Transferring of Plan funds to Special Treasury Savings Bank Accounts/Bank Accounts of the departments shall not be permitted.
- (viii) Treasuries would not be authorised to allow any exemption to the above instructions without specific directions from the Finance Department.
- (ix) 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.

4. 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. The Director of Treasuries would take urgent measures to ensure strict adherence to the directions by the treasury officers. Any lapse in this regard would be viewed seriously.

Manoj Joshi,
Principal Secretary (Finance)

To

The Accountant General (A&E), Kerala, Thiruvananthapuram.
 The Accountant General (G&SSA), Kerala, Thiruvananthapuram.
 The Principal 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,

Accounts Officer.

*Endorsement to the heads of institutions
under HRD for information.*

24/03/18

Finance Officer