



**GOVERNMENT OF JAMMU AND KASHMIR,
FINANCE DEPARTMENT.**

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Subject: - Cash Neutral Transactions from the Treasuries of J&K State.

CIRCULAR


In order to bring transparency and also to ensure that the fund released is credited to the intended individuals/payees in time, the system of cash neutral transfers/transactions at Treasuries was introduced in the year 2007 in pursuance of a Cabinet Decision followed by various Government Orders. The basic purpose for introduction of cashless transactions besides transparency was that the money is immediately credited to the individual accounts of the beneficiaries. This procedure/practice applies to all kinds of payments i.e. Salary, Pension, Works, Supplies, Contracts, G.P Fund, Services and others.

Instances have come to the notice of Finance Department that even after payments having been made at the Treasury by credit to the official Bank Account of a DDO, the credit is not being made to the accounts of the beneficiaries immediately. This has generally been observed in respect of G.P Fund claims. This avoidable delay caused by the DDO's in transferring the amount to the account of beneficiaries causes lot of inconvenience to them.

In order to ensure strict compliance of these government orders/instructions issued from time to time regarding cashless transactions at the treasuries, the following procedure is required to be followed by the Drawing & Disbursing Officers and Treasury Officers in letter and spirit:-

1. Every bill/bills whether representing Salary, G.P Fund/SLI/Medical reimbursement/TE, Salary arrears etc should be accompanied with the authority letter from the DDOs along with list of beneficiaries with their Bank Account Number and Bank Branches in the name of the Business Head of the concerned Business Unit of J&K Bank authorizing him to debit his official bank account to the extent of the amount of the bill/bills by simultaneous credit to the accounts of the individual employees.

2. The Treasury Officers will not entertain any bill/bills which is/are not supported with this authority letter depicting the 16 digit bank account numbers of the employees/beneficiaries.
3. The Treasury Officers besides passing the bill/bills for payment after due scrutiny will endorse the authority letter to the Business Unit of J&K bank. The concerned head of the business unit of J&K bank also will not entertain bill/bills unless it is supported with authority letter and the statement of beneficiaries.
4. The concerned Head of the Business Units of J&K Bank after crediting the amount of the bill/bills in the official account of the DDOs will instantly make the credit in to the individual accounts of the beneficiaries as per the details given by the DDOs in their authority letter.
5. Disciplinary action shall be initiated against the DDO's who retain the money in their official Bank Account for more a maximum of the 24 hours.


(Altaf Hassan Mirza) 15/12/2015
Director General,
Accounts & Treasuries,
Finance Department.

No. DGAT/PS/DR/580

Dated: 15-12-2015

Copy to the:-

1. Chief Secretary, J&K State.
2. All Financial Commissioners/Principal Secretaries to Government/Principal Secretary to Hon'ble Chief Minister/Principal Secretary to Hon'ble Governor, Principal Resident Commissioner, New Delhi.
3. Chairman/Chief Executive, J&K Bank Corporate Headquarter, Dalgate, Srinagar. He is requested to have the instructions issued to all the business units of J&K Bank.
4. All Administrative Secretaries.
5. Director General, Information J&K Jammu. He is requested to give wide publicity to the circular instructions both through Electronic and print Media.
6. Director General, J&K Funds Organization/Audit & Inspection/Budget, Finance Department.
7. Director, Accounts & Treasuries, Kashmir/Jammu/Codes/Local Fund Audit & Pensions.
8. Director Finance/FA&CAOs.
9. OSD to Hon'ble Minister for Finance, Labour & Employment and Culture for information to Hon'ble Minister.
10. All Head of the Departments.
11. All Treasury Officer for compliance.