CIRCULAR

Government of Goa vide Circular No. 7/13/2011/Fin-Exp dated 15/12/2011 implemented “e-payment” through ECS mode for making payments to all beneficiaries of schemes of Central Government and State Government, including all other payments done by the State Government, in a phased manner, as part of its day to day functioning and for disbursement of pay and allowances to Gazetted Officers instead of issuance of PAO cheques. Subsequently, Fully Vouched Contingent (FVC) bills were brought under the purview of the ECS mode and thereafter vide Circular No. 7/13/2011/Fin-Exp dated 07/11/2012, the disbursement of pay and allowances through “e-payment” mode was implemented to all Non-Gazetted Establishments of the State Government.

2. While the entire payment system has been transferred under electronic mode through ECS (NACH)/ RTGS/ NEFT; some payments are still being made by means of PAO(MICR) cheques. Majority of these PAO(MICR) cheques are “third party payments” towards deductions made through salary of Government employees viz. insurance premiums, loan deductions of co-operative banks/ societies, Postal Recurring Deposits etc.

3. Government of India has launched its flagship “Digital India” programme with a vision to transform India into a digitally empowered society and economy. With an aim to promote digital payments and converting India to a cashless society, a large number of policy and implementation initiatives are being undertaken by the Central Government and State Government.

4. As a step forward towards implementation of the “Digital India” programme in the State, the Government of Goa has now decided to switch over from the present mode of payment being made to the “third parties” i.e. from present system of issuing PAO(MICR) cheques to “e-payment”.

The following guidelines are hereby issued which would come into force with the disbursement of salary for the month of October 2018 onwards:
i) All DDOs shall open a bank account (current account) in a branch of the State Bank of India, preferably closest to the location of their office. The account so opened shall not have any cash and cheque withdrawal facility.

ii) The DDO concerned shall prepare the monthly salary bills in respect of non-gazetted staff under their control and the amount towards "third party payments" shall be uploaded to this particular current account opened in State Bank of India for the purpose. The "third party payments" for the purpose would include, payments of insurance premiums, loan installments to banks/co-operative societies etc.

iii) The Directorate of Accounts shall electronically transfer the consolidated amount towards all "third party payments" to this particular current account of the DDO concerned on the designated date after the salary of the employees has been released.

iv) The DDO concerned, in turn will make arrangements to transfer the funds to the "third parties" viz. insurance companies, co-operative banks / societies etc. in electronic mode only. For this purpose the DDO concerned shall obtain and provide mandatory details such as name, bank account number, IFSC code and amount in respect of each employee/group of employees to the bank. The DDO concerned may avail the assistance of State Bank of India in this process.

v) The bank will then transfer the amounts into the respective bank accounts of the "third parties" as per the list provided by the DDO concerned and thereafter immediately inform the DDO concerned the unique transaction code/record details of the transfer made.

vi) The DDO concerned shall inform the details of the amount transferred to the "third parties" giving all details i.e. the name of the employee, amount per employee, account number and the unique transaction code/record details, for credit to the account of the employee.

vii) The amount, being credited to the said current account by the Directorate of Accounts, shall be disbursed to all the "third parties" electronically latest by 10th of the subsequent month i.e. to say the amount in the credit of current account shall be brought to zero/nil. DDO concerned shall forward a certificate in the following text for every subsequent monthly salary bill being submitted to the Directorate of Accounts:

"Certified that the amount credited to the current account has been fully disbursed in favour of the respective parties and balance therein is NIL as on date."

5. All DDOs shall follow this methodology for the first few months. After the DDOs are confident and acquainted with this procedure, they are advised to avail internet banking facility from State Bank of India and transfer the amount directly into the bank account of the beneficiaries i.e. "third parties" without manual intervention of the bank.

6. Likewise, in the case of Gazetted Officers (self DDO’s), no "third party" PAO(MICR) cheques will be issued by the Directorate of Accounts and such PAO(MICR) cheque payment to "third parties", will have to be made by the Officer personally, either by giving suitable instructions/mandate to the Bank concerned or making payments through other banking modes. The Directorate of Accounts shall not be responsible for making any "third party" payments on behalf of the Officer nor shall be held responsible for delay in payments, if any, by the Officer concerned.

7. Directorate of Accounts shall ensure that no PAO(MICR) cheque is issued for the purpose of salary effective from the month of October 2018.

(Sushama D. Kamat)
Under Secretary Finance (Exp)

Copy to:

1. All HOD’s and DDO’s.
2. The Director of Accounts, Panaji Goa..... with instructions to issue separate guidelines as regards making payments for office telephone bills, postal related payments through the current account being opened by the DDO’s.
3. The Registrar of Co-operative Societies, Panaji Goa..... with directions to instruct all the co-operative societies/ banks in the State to furnish bank mandate details to the DDO’s expeditiously to ensure that loan installments are received on time.
4. Dy. General Manager, State Bank of India, Zonal Office, St. Inez, Panaji Goa.... with a request to assist all DDO’s in the process mentioned above.

Ph:- 0832-2419779 email: usrc-sect.goa@nic.in

Copy forwarded to Computer Section for uploading on the Department’s intranet.

[Signature]