

PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub: Electronic Clearing Service (ECS) for payment of salaries of State Government employees drawing their salaries from the district treasuries of—**Belgaum, Bijapur, Davangere, Gulbarga, Gadag, Hasan, Mandya, Raichur, Shimoga, Tumkur and Udupi** as well as pilot sites of Mangalore, Hubli-Dharwad, Mysore, Bangalore (Rural), Bangalore (Urban) and the Sub Treasuries of Bangalore (East) and Bangalore (North).

Read:

1. GO No. FD 18 BGL 2004, dt. 19th June, 2004
2. GO No. FD 18 BGL 2004, dt. 13th March, 2005

Preamble:

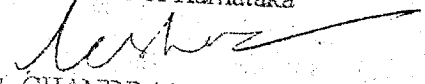
Government introduced Electronic Clearing Service (ECS) for payment of salaries of employees of the Secretariat in GO read at (1) above. In GO read at (2) above, Government extended ECS for payment of salaries to employees drawing their salaries through DDOs operating on State Huzur Treasury. On a pilot basis, same was extended to the district treasuries of Mangalore, Hubli-Dharwad, Mysore, Bangalore (Rural), Bangalore (Urban) and the sub treasuries of Bangalore (East) and Bangalore (North). The Reserve Bank of India has intimated that ECS facility is now available in additional 11 centres at Belgaum, Bijapur, Davangere, Gulbarga, Gadag, Hasan, Mandya, Raichur, Shimoga, Tumkur and Udupi and has requested the Government to extend ECS to the payment of salaries of State Government employees in these additional places. Hence the following order.

Government Order No. FD 40 BGL 2008, Dated 04-05-2009

1. Government is pleased to extend ECS for payment of salaries to employees drawing their salaries through DDOs operating on the district treasuries at Belgaum, Bijapur, Davangere, Gulbarga, Gadag, Hasan, Mandya, Raichur, Shimoga, Tumkur and Udupi, as well as the district treasuries at Mangalore, Hubli-Dharwad, Mysore, Bangalore (Rural), Bangalore (Urban) and the Sub Treasuries of Bangalore (East) and Bangalore (North), where payment of salaries through ECS has been introduced on a pilot basis earlier. The system shall come into effect from the salary of July 2009, payable in July 2009.
2. The Treasury Officer shall make an application for registration with the local Sponsor Bank to avail ECS facility and obtain the Unique User code for the Treasury and intimate the same to the HRMS cell in Bangalore.
3. The DDO is required to take the following steps:
 - a. Nominate a nodal officer to undergo training to be imparted by the Director of Treasuries/District Treasury Officer.
 - b. While collecting the details of bank account numbers of the employees, the DDO shall insist on the employee producing a cancelled cheque leaf or a photocopy of the same, pertaining to the account into which his salary is to be deposited, which shall form the basis for the preparation of the ECS file to be presented to the Treasury. This will provide the details of MICR code, Account Number, etc., as printed by the destination bank and shall ensure that incorrect details are not furnished to the Treasury.
 - c. Settlement of non-statutory recoveries through cash/cheque/demand draft shall be dispensed with. Each DDO shall obtain the details of Bank accounts of the beneficiaries of non-statutory recoveries effected out of the salaries of staff.
 - d. The ECS module in the HRMS software shall be used for the generation of salary bills as well as the ECS details in the format (prescribed by the RBI) to be submitted to the Treasury. The ECS details should be sent to the Treasury in a floppy, duly encrypted.

- e. If incorrect details are furnished to the Treasury, the transaction cannot be processed and results in returns. It shall be the responsibility of the DDO to furnish correct details.
- 4. The Treasury shall furnish a copy of the Final Settlement Report and the Uncredited items Report, sorted DDO wise, to the DDO, clearly indicating the voucher number. The DDO shall verify the same and if any discrepancies are noticed, shall immediately take up the matter with the Treasury officer, who shall in turn take it up with the Sponsor Bank. Similarly, in respect of ECS returns, he shall take prompt action to furnish correct details to the Treasury officer for further necessary action.
- 5. The DDO shall ensure that duly signed copies of the ECS data furnished to the Treasury, verified final settlement report as well as proof of action taken on the ECS returns shall be kept as record along with the office copy of the pay bill.
- 6. Problems in procuring the bank account details of non-statutory recoveries shall be brought to the notice of the Sponsor Bank.
- 7. Any other problems associated with the introduction of ECS shall be brought to the notice of the concerned District Treasury Officer.
- 8. All the Heads of Department shall monitor the progress in extending the ECS facility to their DDOs in the new centres and furnish a report on the DDOs covered under ECS, DDOs yet to be covered and action taken to bring them under ECS, to the Under Secretary to Government (Fiscal Reforms Cell), Finance Department.

By order and in the name of
the Governor of Karnataka



(R. CHANDRASHEKAR)

Under Secretary to Government (I/c)
Finance Department (FR & CC)

To:

- 1) PS to the Chief Secretary, Vidhana Soudha, Bangalore.
- 2) PS to the Additional Chief Secretary, Vidhana Soudha, Bangalore.
- 3) ACS to & Development Commissioner, Vidhana Soudha, Bangalore.
- 4) All Principal Secretaries/Secretaries to Government
- 5) The Principal Accountant General (Audit - I) / (Audit - II) / A & E
- 6) The Regional Director, RBI, Bangalore
- 7) The General Manager, RBI, Nrupathunga Road, Bangalore
- 8) The Controller, Finance Department (Accounts Management)
- 9) The Director of Treasuries, Podium Block, V.V. Tower, Bangalore
- 10) The Joint Director of Treasuries, SHT, Bangalore
- 11) The Deputy Director, NMC, Khanija Bhavan, Bangalore
- 12) The The Deputy Commissioners to all Districts
- 13) The Chief Executive Officers to all Districts
- 14) All the Heads of Departments
- 15) The Secretary, Karnataka Public Service Commission, Bangalore
- 16) The Secretary, Karnataka Legislative Assembly
- 17) The Secretary, Karnataka Legislative Council
- 18) The Registrar, High Court of Karnataka, Bangalore
- 19) P.S. to the Principal Secretary, Finance Department
- 20) P.S. to the Secretary (B&R), Finance Department
- 21) P.S. to the Secretary (Expenditure), Finance Department
- 22) Spare Copy.