



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
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(O/o CHIEF ACCOUNTS OFFICER/F&A, 3RD FLOOR SHAKTI SADAN, PATIALA),
CIN:U40109PB2010SGC033814
(Loan and Banking Section),
Phone/Fax No.0175-2970183, Email:fa@pstcl.org, Website:www.pstcl.org

To

All Addl. SEs/Sr. Xens/AO.s (All accounting Units/DDOs)
PSTCL, Patiala.

Memo No 551/82 Dated 17.11.2022

Subject: Rolling out Centralized Payment System in PSTCL

Presently, demand for funds is being raised by DDOs of PSTCL with Banking Section through in-house developed Fund Management Information System (FMIS). Subsequently, the funds are released to the respective current accounts of the DDOs after approving the tokens so submitted by DDOs in FMIS. Afterwards, the funds are transferred by DDOs through RTGS/NEFT/ bank transfer to the ultimate beneficiary accounts.

To bring out more transparency, efficiency and effectiveness in the functioning of the corporation, it has been decided to roll out the Centralized Payment System (CPS) in PSTCL. **CPS will ensure the transferring of funds directly from HO to the beneficiary account on the basis of payment details (Third Party account details) to be provided by DDOs rather than transferring the same to DDOs.** For this purpose, centralized payment system module has been made functional in the existing in- house developed "Accounts Management System" Software Package with the supportive function of IT cell which will serve as user interface to DDOs for facilitating the centralized payments transactions. This CPS module in the Accounts Management System will ask DDOs for entering beneficiaries account details i.e. Account no, IFSC code, Amount of Payment while passing the accounting entry in the system. Hence, Centralized Payment System is an accounting entry based application software which will enable DDOs to raise demand for funds corresponding to the amount entered against the accounting head 46.450 (liability of expenses against centralized payments) in the accounting entry.

(A) Procedure for submission of Centralized Payment Transactions with Banking Section

A Workshop on Centralized Payment System was conducted on 17.09.2022 at TTI, Patiala to make the DDOs familiar with its functionality, modalities and intricacies followed by interactive session so that queries raised in respect of the system be addressed on the spot. The

following is the brief procedure for submission of Centralized Payment Transactions with Banking Section

- (i) For the purpose of initiating the request for Centralized Payment Transaction, DDO will, first of all, pass the accounting entry in Journal Voucher (JV) in the existing Accounts Management System package as being done presently.
- (ii) At the time of passing accounting entry, the net amount payable to third party (ultimate beneficiary account) after deducting security deposits, other deductions etc shall be credited to accounting head 46.450 (Liability of expenses for centralized payments). **The accounting head 46.450 has been opened solely for the purpose of facilitating Centralized Payment Transactions, hence, it should be operated only for these transactions.**
- (iii) Against the amount so credited to accounting head 46.450, the system will ask for particulars of beneficiary account i.e. Name of beneficiary, Account No, IFSC code, amount, due date etc. Apart from above, DDO will also enter the due date of payment and accounting head of payment for the purpose of facilitating the entry under FMIS. **The DDO, in no case, enter the demand for funds in FMIS against Centralized Payment transactions as being done presently.**
- (iv) Each voucher shall be assigned a unique token no and DDO can view the list of centralized payment transactions (Token Wise) under pending for submission with Banking section. Before submitting the transaction with Banking Section, DDOs should carefully verify the correctness of the particulars of centralized payment system i.e. accounting head, IFSC code no, Account no, Amount etc. After submission with Banking Section, the particular of the transaction can neither be modified/alterd at DDO level nor at HO level.
- (v) DDO may confirm the status of its demand pending with banking section at different stages of the payment process on real time basis under the Centralized Payments>Payment Status i.e Funds Approved, Funds Sent to Bank, transaction executed successfully with UTR no.
- (vi) After successfully transferring funds to beneficiaries account, Banking section will raise the IUT bill which will be cleared by concerned DDO by issuing U cheques.

DDOs are advised to go through the Standard Operating procedure (SOP) designed for raising demand for funds under Centralized Payment System carefully. It should be noted here that in case of centralized payments, DDO will strictly adopt the above procedure for submitting the request for Centralized Payment and will not enter the demand for funds in FMIS as being done currently.

The hallmark of the new mechanism is that it does not infringes with the powers of the DDOs in passing/verification of the bills, deduction of taxes and creation of liability/accounting thereof etc. It only segregates the functions of passing of bills and payment there of. Hence, the banking section is mainly concerned with the payment process only.

Before submitting the request for Centralized Payment Transactions, DDO should ensure that all the details of payment i.e. amount of payment, account no, IFSC code, due date etc are correct. The Banking Section shall not bear any responsibility arising out of transferring of funds to any wrong account due to incorrect particulars of

beneficiaries submitted by concerned DDOs or delay in transfer of funds due to incorrect due date . Hence, it shall be sole responsibility of DDO to enter all the particulars of Centralized Payment Transaction correctly.

- (B) **General Instructions:** The followings are the general instructions to be followed by DDOs under CPS.
- (i) To enhance security feature of the CPS, transactions created by one of the users called the "Maker" shall be approved by another person called the "Approver". The Approver ID shall be of concerned DDO (officer level only) who is having the rights of Authorized signatory for signing Cheques as DDO of the concerned office. For giving Approver and Maker rights to the Officer and Official, request may be sent at dy-ca0-hq@pstcl.org or dy-ca0-a-r@pstcl.org by the controlling officer of the concerned DDO. The request shall be having the Name, Designation and Employee ID of the Approver and Maker, Official Mobile Number of DDO and Mobile Number of Maker along with the Official Email-id.
 - (ii) As the concerned DDO has to select the account details of beneficiary from the drop down option while raising the demand for funds, hence, the DDOs are required to map the account details of beneficiaries under the master tab of the system before raising the demand for funds under Centralized Payment System.
 - (iii) It is pertinent to mention that only a single account number details can be configured to a beneficiary at a time. Hence, if an account no details is already linked to beneficiary and a DDO wants to add another account no to that beneficiary to make payment, then it will have to approach DY CAO/Finance-I under the office of CAO/F&A, PSTCL to deactivate the existing account and after deactivation, the DDO can map the new account details to that beneficiary.
 - (iv) Budgetary control measures have been embedded in the CPS which will ensure that adequate budget is available with DDO under the respective accounting head which has to be debited while passing the accounting entry. In case of non-availability of budget under the debit head, the system will not allow the passing of accounting entry. Hence, DDO should ensure the availability of budget under the respective heads. The statement regarding allocation of budget and their utilization under different head may be derived by DDOs from the system.
 - (v) There is provision for entering the due date in the system against every voucher which will enable banking section to segregate the transactions due date wise and transfer funds to beneficiary account on its due date. Any payment with due date falling on holiday in PSTCL will be made to preceding day of the due date.
 - (vi) Banking section shall pay off the transactions involving early payment discounts or having other financial implications, on their respective due dates but not before the next working day of date of receipt of transaction in the section. Hence, the DDOs are advised to exercise utmost care to submit the centralized payment transaction well before the due date. The respective DDO shall be held responsible for any financial loss to the Corporation due to delay in submission of demand i.e. submission of demand on or after due date as well as entering wrong due date of payment.

- (vii) The concerned DDOs can confirm itself about the current status of their respective transactions on real time basis by clicking on the Payment Status Tab i.e. Funds approved, Payment done, Payment closed, Payment cancelled. The status "Payment done" implies that the funds have been transferred to beneficiary account, where as Payment closed means that Banking section has issued IUT on the basis of successful payment made by it on the behalf of DDO. In such a case, DDO will issue U-Cheque against IUT issued by banking section.
- (viii) In case DDO notices any incorrect particulars of transaction already submitted with banking section, it will make a request for cancellation of the entry immediately well before the due date at ao-fa@pstcl.org. The banking section will initiate the process of cancellation. After confirming the status of transaction as cancellation from the system, the concerned DDO will cancel the accounting entry already passed in the software and take further steps accordingly. In case, the transaction is executed and funds are transferred to the beneficiary account before the cancellation of transaction, the concerned office shall be held responsible for the transfer of funds to the wrong account.
- (ix) In case, the payment status is reflected "cancelled" due to wrong particulars of beneficiary or other reasons whatsoever , the concerned DDO shall re-initiate the process again right from the beginning with rectified details for the purpose of making payments i.e. passing the accounting entry, filling up details of beneficiaries account no etc as specified for centralized payments only after cancellation of the accounting entry already posted in the compilation of accounts against which Centralized Payment request was submitted earlier with Banking Section.

(C) Transactions of payments to be made by the accounting units through their own bank accounts (Non-Centralized Payments)

Despite opting for centralized payment system, it shall be inevitable to make certain payments at the level of DDOs due to the reasons of nature of payments, triviality of value of transactions, functional difficulties etc. Therefore, the following transactions have been identified as Non Centralized Payments which are required to be paid by the DDOs from their respective bank accounts (Current accounts) after raising demand through FMIS as being done presently.

- a. All statutory payments viz. GST, TDS, TCS, Property Tax, Municipal Tax, Road Tax, Labour Cess etc.
- b. Government Agency payments viz. Labour Cess, EPF, ESI, LIC, Electricity Bill, Water bills, Telephone bills, Court Attachments etc
- c. Crop Compensation to farmers and other payments due to non-availability of beneficiary details like Account No., IFSC Code etc.
- d. Petty purchase items.

In case of above payments, the demand shall be raised by DDOs through FMIS as being done currently and funds against these demands shall be released to respective current accounts of DDOs for making onward payments to beneficiaries account. In case of above payments, DDO is required to make payments to the ultimate beneficiaries on their

own, hence, it will not give credit to accounting head 46.450 while passing accounting entry.

Apart from above, the demand for funds for Salaries, Arrear-1 and Arrear-2 shall be raised by the office of AO/Cash through FMIS as being done currently.

(D) Implementation of the Centralized Payment System

It has been decided to roll out the Centralized Payment System in phased manner. Initially, it shall be implemented to the office of AO/Cash, PSTCL w.e.f. 21.11.2022. Subsequently, the coverage of the system shall extend to other DDOs which shall be intimated separately. After, successful implementation of the system to these offices, the same would be applied to PSTCL as a whole.

All the DDOs are requested to go through the instructions as specified above and ensure the compliance with same meticulously.


DY CAO/Finance-I,
PSTCL, Patiala

Endst. No. 593/97

Dated:- 17-11-2022

Copy of the above is forwarded to the following for information & further necessary action:-

1. All CEs/HODs, PSTCL, Patiala/Ludhiana.
2. All Dy.CEs/SEs under PSTCL.
3. All Dy. CAOs/Dy. CAs under PSTCL.
4. Company Secretary, PSTCL, Patiala.
5. SE/IT, PSTCL with the request to make necessary arrangements for making CPS Live before 21.11.2022


DY CAO/Finance-I,
PSTCL, Patiala

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1. Sr. PS to Chairman-cum-Managing Director, PSTCL, Patiala.
 2. Sr. PS to Director/Finance & Commercial, PSTCL, Patiala.
 3. Sr. PS to Director/Administration, PSTCL, Patiala.
 4. Sr. PS to Director/Technical, PSTCL, Patiala.

For kind information
of Hon'ble CMD &
Directors of PSTCL
please.