Accounting Circular No. 09

No. ADG(B&A)/AI/ACS/2018-19/2pB-25

Dated 29.05.2018

Sub: Guidelines to be Followed in Case of Merger of DDOs in Prasar Bharati-reg.

In pursuance with the Prasar Bharati Sectt.’s letter no. PB/B&A/2/Misc/2017-18/Release/247 dated 14.03.2018, various DDOs have been merged. Some of the DDOs have been merged w.e.f. 01.04.2018 whereas some have been merged w.e.f. 01.03.2018.

As you are aware that apart from being a payment authority, there are number of functions/ works performed by the DDOs viz. Salary processing, preparation of Receipt & Payment Account, Nodal Agency for Employees in respect of NPS, compliance to statutory dues, issue of Form 16, managing liabilities, managing bank accounts, preparation of Bank Reconciliation Statement (BRS), submission of Demand for Funds, etc. In order to ensure smooth transition, recording and monitoring of the financial transactions performed by DDOs, the following guidelines are being issued to be followed by all concerned in case of existing and all future merger of DDOs in Prasar Bharati:

[Note: Here, for the purpose of these instructions, the DDO unit which has been merged is termed as 'Merged DDO' and the DDO unit in which the other DDO unit is merged is termed as 'Integrated DDO'.]

A. For Cash and Bank Transactions of Merged DDO unit:

1. The 'Merged DDO' unit will prepare Receipts & Payments Account upto the date of merger and derive the Closing Balances of Cash and Bank Balances including Imprest A/c, CLTD, FDRs etc. on the date of merger. Before submitting the Receipts and Payments Account of the month in which that unit is merged with other unit, all closing balances appearing in Receipts and Payments Account of 'Merged DDO' Unit should be transferred to the 'Integrated DDO' Unit by operating the head 'Inter Current A/c Transfer of Funds – To Other stations/ Kendras etc.' appearing in the Payment side of Receipts and Payments Account [Sl No. IV(II)].

2. It must be ensured by 'Merged DDO' unit that there is no closing balance appearing in the Receipts & Payments Account for the month of merger except the case where balance in bank account is less than the balance in Bank book due to non credit of cheque/DDDs deposited into bank but not yet collected by bank. In such exceptional case, as soon as the funds are collected and credited in bank account, the Head of Office (HOO) of
'Merged DDO' unit will arrange to transfer the funds to 'Integrated DDO' unit by making the entries in R&P A/c as mentioned above which in turn should transfer such funds to Prasar Bharati Sectt.

3 There should be proper taking over and handing over of these balances between DDOs of 'Merged DDO' unit and 'Integrated DDO' unit as per the extant guidelines and procedures.

4 Merged DDO unit will also work out the details of all assets and liabilities as on the date of merger and intimate the same to the 'Integrated DDO' unit within one month from the date of merger without fail so that the 'Integrated DDO' unit may honour the claims/bills received in respect of 'Merged DDO' unit for the period prior to the date of merger.

5 'Integrated DDO' unit should accept the balances transferred by 'Merged DDO' unit and reflect the same in the Receipts and Payments Account under the head 'Inter Current A/c transfer by PB-Other Stations/ Kendras' [Sl. No.III(b)] appearing in Receipts side of R&P A/c.

6 The 'Merged DDO' Unit should ensure that after the date of the merger, no financial transaction should take place. It must be ensured that no cash/cheque payment is made after the cut off date of merger.

7 The preparation of Bank Reconciliation Statement in respect of all Bank Accounts of Merged DDO unit(s) till the bank accounts are closed will be the responsibility of the HOO of 'Merged DDO' unit. The HOO of Merged DDO unit will also be responsible for clearing all pending items in the Bank Reconciliation Statement (BRS) by taking up the matter with the concerned bank, if required. It will be the responsibility of the Merged DDO unit to prepare BRS in respect of all its bank accounts upto the month of closure of these bank accounts and to send the same to 'Integrated DDO' unit.

8 All CLTDs attached to Bank account of 'Merged DDO' Unit need to be closed and the money lying in CLTDs, if any, should be transferred to Prasar Bharati Release Section through 'Integrated DDO' Unit and entries made in IURR Portal.

9 FDRs, if any, appearing in the books of account of Merged DDO unit should be transferred in favour of the 'Integrated DDO' Unit by taking up the matter with concerned Bank. If the FDRs are prepared for giving Bank Guarantee to third party then the third party should also be taken into confidence in this regard.

10 Immediately after clearance of all pending items in Bank Reconciliation Statement such as Cheque issued but not yet presented for payment, Cheque/DD deposited but not yet collected by bank, wrong debit/credit entries, etc., the merged DDO will take necessary steps to close all bank accounts of erstwhile 'Merged DDO' unit and ensure the closure of all bank accounts under intimation to Release Section of Prasar Bharati.
Secretariat. It must be ensured that all banks accounts of the Merged DDO Unit are closed within 3 months from the date of merger.

11 Regarding sanctioning of Imprest, it is stated that there will be no change in the process of approval and sanction of the Imprest. On sanction of the imprest by the competent authority, the same will be sent to ‘Integrated DDO’ unit for payment. After verifying the genuineness of the same, the Integrated DDO unit will make the payment. The imprest bills will be passed as per the extant guidelines and sent to ‘Integrated DDO’ unit for settlement and recoupment, if required.

12 All pending imprest on the date of merger will be forwarded to ‘Integrated DDO’ unit for settlement.

13 In case of merger of CCW units with other, for smooth execution of third parties projects/ other works, it is hereby suggested that the Integrated DDO Unit may maintain one bank account per merged CCW DDO unit for this purpose. The bank may be approached to provide the Internet viewing facility. The DDO of Integrated DDO unit will arranged to provide the internet viewing facility of that particular bank account to HOO of the Merged DDO unit.

B. Maintenance of Records:
1. The copies of records available in ‘Merged DDO’ unit which belongs to financial transactions of the period of previous two years immediately before the date of merger should be handed over to the DDO of ‘Integrated DDO’ Unit to facilitate him the smooth clearance of bills without delay.

2. In case, any payment is to be made by Integrated DDO unit for the period prior to two years from the date of merger, then the ‘Merged DDO’ unit would be required to certify the correctness of the payment and provide the necessary document as deemed fit by ‘Integrated DDO’ unit to verify the claim.

3. The DDO of Merged DDO unit will also be required to provide the financial progress details of all pending works to facilitate DDO of ‘Integrated DDO’ unit in payment for remaining unpaid portion in time.

4. The ‘Integrated DDO’ unit should acknowledge the receipt of these records/ data from ‘Merged DDO’ unit and ensure the timely payment of bills of ‘Merged DDO’ unit.

5. Maintenance of all financial records after the date of merger will be the sole responsibility of ‘Integrated DDO’ unit.

C. Passing of Bills/ claims and payment:
1. In respect of bills/ claims of ‘Merged DDO’ unit, the HOO of ‘Merged DDO’ unit will be responsible for processing of bills/ claims for taking approval of competent authority as per extant instructions and guidelines. After approval of the competent authority, the bills/ claims should be sent to ‘Merged DDO’ unit for payment.
2 The DDO of Merged DDO unit will be responsible for making the timely payment after following the due procedures. He will also be required to deduct the statutory dues and deposit the same with the concerned authority in time.

D. **Processing and disbursement of Salary of employees working in ‘Merged DDO’ Unit:**

1. After merger of DDO Units, the salary of the employees/staff working in ‘Merged DDO’ unit will be disbursed by the ‘Integrated DDO’ Unit. There is possibility that the salary for the month after the merger has already been drawn by the Merged DDO Unit, the HOO of ‘Merged DDO’ should ensure that no salary after issue of this circular should be drawn by ‘Merged DDO’ Unit. For smooth preparation of paybill and timely disbursement of salary to all working employees, the merged DDO should ensure the transfer of all relevant data necessary for preparation and disbursement of salary to ‘Integrated DDO’ unit by 11th May 2018.

2. The HOO of ‘Merged DDO’ Unit should ensure that the service books of the employees are transferred to ‘Integrated DDO’ unit after making all necessary entries up to the date of transfer of service books. After transfer of service books, if it is found that any entry related to period served in ‘Merged DDO’ unit is missing then it will be the responsibility of the HOO of ‘Merged DDO’ unit to get complete the same at the earliest.

3. On merger of the units, Integrated DDO unit will ensure the timely migration of PRAN of employees of the Merged DDO unit and scrupulous deposition of NPS contribution to NSDL as per extant rules after disbursement of salary of the employees of Merged DDO.

4. Since all payments in respect of salary and third parties will be made by the ‘Integrated DDO’ unit, hence it shall be ensured that the information on all relevant platform such as PFMS, HRIS, etc. be suitably updated.

5. The HOO of ‘Merged DDO’ unit should ensure that the master data of all employees along with all necessary documents/registers such as current Pay Bill Register, Advance registers, details of pending recoveries, details of pending pay arrears etc. are transferred to the ‘Integrated DDO’ Unit under acknowledgement.

6. In case any pay arrear for the period prior to the date of merger is required to be paid to the employees working in ‘Merged DDO’ Unit after merger of the units, the same shall be prepared by the ‘Integrated DDO’ unit. However, before disbursement, the Head of Office of ‘Merged DDO’ unit will be responsible for providing the details of pay drawn for the period prior to the date of merger and also needs to verify the pay arrears to be drawn for that period.

7. After merger, the bills/claims of employees of ‘Merged DDO’ unit including pending bills as on the date of merger shall be forwarded to ‘Integrated DDO’ unit for settlement.

E. **Budget and LOC:**

1. The Budget Estimates/ Revised Estimates will be prepared by the Head of Office of the Merged DDO unit separately as is being done by other station Heads presently. The
same will be sent to concerned Directorate for approval of the competent authority under intimation to Integrated DDO unit.

2. After approval, the approved budget will be conveyed by concerned Directorate to the Merged DDO units as well as Integrated DDO Unit.

3. The Head of Office of Merged DDO unit will be required to submit its Head-wise Monthly Fund Requirements to the Integrated DDO unit well in advance so that it may be considered by the Integrated DDO unit at the time of raising monthly demand for fund to Prasar Bharati Sectt. through EMS software.

4. The Integrated DDO will verify the monthly LOC demand of the Merged DDO unit with the approved RE/BE and raise the Fund Requirement/ LOC, through EMS, under intimation to the Merged DDO unit.

5. After receiving the funds, the 'Integrated DDO' unit will settle/ honor the claims/ bills of its units as well as of 'Merged DDO' unit as per the existing procedures/ guidelines.

6. If the funds released by Prasar Bharati Sectt./ Directorate are less than the LOC demand raised by 'Integrated DDO' Unit without specifying such reduction to any specific head then it will be assumed that the reduction has been made proportionately against each head. Hence, the 'Integrated DDO' unit will proportionate the funds so received in the proportion of the demand of various units/ sub-units and honour/ settle the claims/ bills accordingly.

F. Statutory liabilities:
1. The Head of Office of 'Merged DDO' unit should arrange to prepare the monthly schedule of statutory dues and send to the Integrated DDOs so that the statutory liabilities can be discharged on time.

2. The HOO of 'Merged DDO' unit should arrange to issue the TDS certificates in respect of tax deducted on the payment made by him to all concerned within one month from the date of issue of this circular under intimation to the DDO of 'Integrated DDO' unit. In case, the HOO of 'Merged DDO' unit has issued any TDS certificate for the current financial year then the complete information of the same should also be sent to 'Integrated DDO' Unit to take action accordingly.

3. The HOO of 'Merged DDO' unit will be responsible for filing all TDS Returns in respect of its unit for the periods prior to the date of merger and settlement of all statutory issues pending as well as unforeseen issues which may arise in future relating to the period prior to the date of merger.

4. DDO of 'Integrated DDO' unit will be responsible for deducting the TDS on all payments made by him on behalf of 'Merged DDO' Unit as per the statutory provisions under his TDS registrations as he is deducting in case of his own unit.
5. After completion of the migration process and issue of TDS certificates, the Head of Office of 'Merged DDO' Unit will arrange to surrender the TDS registration citing the merger of the unit to Income tax authorities. Similarly, DDO registration under NPS should also be surrendered/ deregistered with NSDL.

G. Others:
1. The 'Merged DDO' unit will furnish the details of all Security Deposits/ Earnest Money Deposits received and pending for settlement on the date of merger along with necessary documents/ registers to 'Integrated DDO' Unit so that 'Integrated DDO' Unit can account for these liability in its books of account and honor the claims against such SD/ EMD when become due.

2. The 'Merged DDO' unit will also furnish the details of all pending liabilities and assets to Integrated DDO unit so that all assets and liabilities of 'Merged DDO' unit can be accounted for.

3. The HOO of 'Merged DDO' will be responsible for preparation of Fixed Asset registers maintenance and timely updating of the same as per the extant policy of Prasar Bharati and furnish the schedule of the same to 'Integrated DDO' Unit to account for in its books of account.

4. The HOO of 'Merged DDO' unit will be required to maintain the copies of the records handed over to 'Integrated DDO' unit for next five years in order to address the unforeseen queries which may arise in future.

In case of any doubt/ clarification/ feedback, the same can be taken up with this office through Finance wing of the concerned directorate.

It is requested to both the directorates that please arrange to circulate these instructions among all field units for strict adherence.

This issues with the approval of Member (Fin.), Prasar Bharati.

(DG: DD / DG: AIR)

Copy to:
1. ADG (E&A), PB Sectt.
3. ADG (Admin.), AIR/ DD
4. ADG (Fin.), DD/ AIR.
5. CE (Civil), CCW
6. DDG (Fin.), DD/ AIR.
7. DD (Accounts), PB Sectt.
8. DD (Budget)/ (A/c Policy)/ (Accounts)/ IFD/ (F&A), PB Sectt.
DDG (Tech.), Prasar Bharati Secretariat with the request to upload the above circular on the official website of Prasar Bharati.

Copy for kind information to:
1. SO to CEO, PB
2. PS to Member(F), PB, for information please.