## E-Khazana for Government Treasury, Andhra Pradesh

### Introduction

In tune with the policy initiative taken up by the Government of Andhra Pradesh for effective utilization of Information Technology as part of e-Governance project, National Informatics Centre, Hyderabad has taken up online computerization for the its Districts Treasury (DTO), Sub Treasury (STO) and Pay and Accounts Offices (PAO) Offices in 330 locations across the state.

E-Khazana is an online application that takes care of entry level validation and budget control and pre-audit rules at Auditor level and finally for issue of cheque/pass order at passing level. After reconciliation with bank, monthly accounts will be generated for submission to Accountant General.

The Administrators' role is very important in this application as be will be responsible for

* Assigning the roles.
* Watching budget expenditure.
* Head of accounts, and
* Drawing and disbursing officer.

It is an intranet application that works on Linux/Windows platform with backend as postages SQL 7.3 and front-end is PHP 4.1 (Hypertext Pre Processor).

### The Treasury System in AP

Director of Treasury and Accounts (DTA) is the administrative head of treasuries and accounts department.

STO office is responsible for compiling all the payments through DDOs and receipts through challans. This data is sent to DTO on a daily basis. They also send Pensioner details and Class IV GPF details to DTO on a monthly basis. There are around 300 STO offices at the sub-district level in the State.

DTOs in turn compile all the accounts (Payments and Receipts) processed through its associated Sub Treasury Office (STO) and are located at the District headquarters. They are also responsible for sending reports to AG office and DTA. DTO offices in the state are located at 23 District Headquarters.

Office of the Directorate of Treasury and Accounts (DTA) is responsible for compilation of all Payments and Receipts processed through DTO (District Treasury Office) on daily basis and sending sports to Finance dept. (Budget section), CM's office, and to other Heads of Department (HoDs).

Figure 5.2.11.1 shows the hierarchy of offices in the Treasuries Department, in the Government of AP.



Figure: Hierarchy of offices in Treasuries Department

### Introduction to Functions of Treasury

Functions of the Treasury are broadly classified as:

* Treasury functions
* Accounts functions

**Treasury functions**

These functions can be summarized as follow:

* Receipts and payments made either by cash (bills or cheques) adjustments (bills or cheques)
* Conducting Government's financial transactions such as payment of salaries, other payments like TA, LTC, cont5iagent rents, loans and advance, receipts of Government revenue, etc.
* Conducting or cash transactions through non-banking treasuries and banks.
* Maintenance of Employees Welfare Fund Account of employees

**Reports generated by treasuries and accounts department**

* Classified Accounts to AG-STO/DTO level
* GO No. 507–STO/DTO/RJD/DTA/PPO/APPO
* PMES-STODTO/RJD/DTA/PPO/APPO
* Daily figures-STO/DTO/DTA
* Receipts and Payment Reconciliation-DDO-HOA wise
* Pensions/strong room stamps
* Any other report required with available data.

### System Overview

**Budget authorization**

The DTA, after exercising check on Distribution Statements furnished by HoD's with reference to Budget Releasing Orders (BRO) and Budget Estimates (BE) approved by the Assembly, issues authorizations to the DTO's concerned for Budget distribution made by the HoD.

**Redistribution/Reauthorization**

At any District, the subordinate controlling officer or the Head of the District, further distributes the Budget down the line to each Drawing officer and sends a copy of this budget distribution statement to the DTO. The DTO, after exercising proper cheques with reference to the Budget authorized by the DTA, issue, re-authorization to the STO concerned.

The Treasury Officer permits the Drawing and Disbursing Officer (DDO) to draw the money to the extent of authorized Budget provision.

**Rendering of daily and monthly accounts**

For any receipts and payments for the day, every bank branch sends both challan's and the paid voucher's list to the concerned treasury. Each day, STO sends statements of receipts and payments to the DTO, who takes into accounts the receipts and payments in the District and Accounts rendered by its sub-offices. DTO prepares daily accounts and submits to the DTA. DTA in turn furnishes the consolidated daily figures to the Government.

All sub-treasuries, at the closure of the month, daily accounts for the months are classified into sub-accounts as required by the AG's and the same are furnished to the DTO. Treasury at District consolidates them as Sub-Accounts and Main Account and Furnishes to the AG on or before the specified due date.

HoA-wise figure are submitted to the DTA, who in turn submits consolidated figures to the Finance Department Consolidation and rendering of daily/monthly accounts are handled using software package called C-TAS (Computerized Treasury Accounting System) and DIET (Daily Information through Electronic Transfer) which were developed in-house.

**Preparation of budget estimates**

The Department prepares Budget Estimates, by collecting Number statement and other estimates from all the District Units. It submits the same to the Finance Department duly taking in accounts the Budget estimates and revised estimates of the previous year, the expenditure estimated under various heads for the current financial year strictly adhering to the norms prescribed.

### Context Diagrams

The context diagram for Treasuries is depicted here as Figure C11.2 to show the system level context diagrams.



### Overview of District Treasury Office Functions

Figure presents an overview of the DTO functions:



Figure: District Treasury Office Functions

### Core Functions of POA–Twin Cities

Let us summarize the core functions of payment and Allowance Office (PAO) in the twin cities of Hyderabad and Secundarabad:

* Payment of regular pay and allowance
* Regulation of pay and allowance of AIS officers.
* Maintenance of GIS of AIS officers.
* Regulation of Leave Salary and pension contribution for AIS officers who are on foreign service.
* Maintenance of Class-IV GPF accounts.
* Reconciliation of paid cheques.
* Preparation of Civil list of AIS officers during January and July.
* Payment of salaries through Electronic clearing system to the Honorable ministers, Hon'bnle High Court Judges, Senior officers in secretariat and Gazetted Officers, Heads of Departments and all Government employees in the Twin Cities.
* Rendering of Accounts to Accountant General/Finance Department Pre-audit of claims
* Monitoring the submission of the DC Bills for the AC Bills drawn
* Submission of PMES Information to Government
* Enforcing accountability on DDOs and reporting to the Government as Per GO NO. 507.
* Maintenance of employee census database.

### **Functions of E-Khazana**

National Informatics Centre, Hyderabad has developed Treasury application e-Khazana, " an advanced, integrated software package with the following features:

**Outline of the Functions of E-Khazana**

The functions of e-Khazana are:

* Token issuing
* Budget verification and monitoring.
* DDO/HOA access verification
* Bill auditing
* Bill process log for entre bill life cycle.
* Pay order generation
* Bank list processing
* Bill status
* Reconciliation with bank scroll
* Daily and monthly reports generation
* Reports on Receipt and expenditure Status at any point of time.

**Outline of E-Khazana System Architecture**

Figure gives a brief outline of the e-Khazana system architecture.



Figure: Illustration of E-Khazana architecture.

**Application architecture**

It is 3-tier architecture. Application is built using Hyper Text Pre-processor server pages, HTML and JavaScript. Back-end in postages SQL 7.3.

**Automatic of functionality**

It is a workflow automation tool used for disbursing and accepting funds to various government originations after auditing the application and documenters for meeting the requirements. The workflow starts with issuing of transactions ID. Budget and other master data are maintained separately. Check list for each kind of transactions is also maintained as part of master data.

**Application flow**

Figure illustrates the application flow.

* **SLO:** (Substantiative Level and Officer) process is to maintain cadre strength designation–wise. It should match with the bill submitted by the DDO.
* **Accounts:** Process is for generating monthly accounts for submission to Account General.

**Conclusion**

In conclusion, E-Khazana streamlines treasury management processes with its advanced software features, facilitating efficient budget monitoring, bill auditing, and report generation for effective financial oversight and management.